

Report to Council

Subject: Independent Remuneration Panel - Report and recommendations for 2019/20

Date: 30 January 2019

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Purpose

To inform Council of the latest report from the Council's Independent Remuneration Panel (IRP), relating to member remuneration for 2019/20, and invite Council to consider the recommendations made by the Panel.

Recommendations

- 1) To consider the report of the Independent Remuneration Panel and whether to accept the recommendations contained in the report;**
- 2) Consequent on those recommendations, to agree the schedule of members' allowances for 2019/20 as attached at Appendix 2 to this report which will have been uplifted by 2% in line with the pay award to Senior Officers;**
- 3) To agree that the size of the Panel shall reduce from 5 to three members with immediate effect; and**
- 4) To authorise the Monitoring Officer to make appropriate amendments to Part 6 of the Constitution to reflect any changes to members' allowances agreed.**

Background

The Council's Independent Remuneration Panel met just before Christmas to carry out its annual review of members' allowances.

Following that meeting, the Panel prepared a report to members with regard to the level of members' allowances to be payable for 2019/20.

Proposal

The Panel's report, including associated recommendations, is attached at Appendix 1.

Should Council be minded to accept the Panel's recommendations, then the level of allowances to be paid to members for 2019/20 will be as set out at Appendix 2.

There is one further recommendation to change the size of the IRP from 5 to 3 members. The reasons for this are explained in the Panel's report. Regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003 sets out the composition of the independent Remuneration Panel; which must include three members.

Financial Implications

Should Council accept the Panel's recommendations, then costs can be accommodated from within existing budgets.

Appendices

Appendix 1 – Report of the Independent Remuneration Panel 2019/20

Appendix 2 – Indicative schedule of Members Allowances 2019/20

APPENDIX 1

Report of the Gedling Independent Remuneration Panel held on 20 December 2018.

Introduction

- 1.1 The Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to provide advice and recommendations to the Council on its Members' Allowances Scheme and amounts to be paid under it.
- 1.2 The panel received administrative support from the Service Manager, Democratic Services. Also present at the meeting, in an advisory capacity, were the Director of Organisational Development and Democratic Services (Monitoring Officer) and the Deputy Chief Executive (Chief Financial Officer).
- 1.2 The Panel's Terms of Reference are as follows:

The Independent Remuneration Panel will review, on an annual basis, the level and extent of allowance payments made to Borough Councillors having particular regard to:

- The role of Councillor and the importance of effective democratically accountable local government and community leadership;
- The scale and complexity of the Council's operations and changes taking place in the various roles Councillors are expected to fulfil and the particular responsibilities attached to the various roles;
- The time commitment required from Councillors to enable both the Council and individual Councillors to be effective in their various roles; and
- The importance of encouraging people from all backgrounds and circumstances to serve in local government without suffering financial loss as a consequence of their membership of the Council.

The Panel will also:

- Consider the level and extent of travel and subsistence allowances including dependent carers' allowance; and
- Review the payment of allowances and expenses payable in relation to attendance at seminars, conferences and other council business.

The Panel's operation:

- The Panel is comprised of three Independent Members (subject to council approval).
- Panel members are recruited by public advertisement and should be of good standing in the community either as a resident and/or a stakeholder in the Borough. Ideally members should have sound knowledge of employment and financial matters with an understanding of the operations of a local authority.
- The Panel is advisory in nature and the recommendations it makes are not binding on the authority. However, the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) requires Council to "have regard" to the Panel's recommendations when setting its allowances.

Process

- 2.1 A Strategic Review of Members' Allowances took place in 2015. The Review looked in detail at all allowances paid to Members including the Basic Allowance and all positions attracting a Special Responsibility Allowance. The Review resulted in a completely rewritten scheme of members' allowances. The Panel made a series of recommendations to Council in March 2016 and a new scheme was agreed by Members. The Panel met at the end of 2016 to review the scheme for the 2017/18 year and aside from the 1% increase in line with the local government pay award, no changes to the scheme were recommended. For the year 2018/19 an uplift was agreed in line with the pay award to senior local government staff which was subsequently set at 2%.
- 2.2 As is usual practice, all members of the Council were contacted directly and asked for their views on the current levels of allowances paid to members
- 2.3 No submissions were received by the Panel.
- 2.4 Two members of the Panel were present for the meeting (John Flowers, and Paul Mullins) with Ted Mills contributing to the report by email as he was away from Nottingham for an extended period.

Panel's Deliberations

- 3.1 The Panel heard from Officers that the operations of the Council and the workload of members had not significantly changed since the last review. The also heard that, in general, satisfaction levels with pay in the

workforce remained broadly the same.

- 3.2 The Panel next noted that the National Pay Award for senior local government staff had been set for 2%. In previous years that Panel had recommended that Member' Allowances increase in line with the pay award for Senior Managers and saw no reason not to make this recommendation for the coming year.

Basic Allowance

- 3.3 On the issue of Basic Allowance the Members concluded that their findings and recommendations from the previous review were still relevant. A recommendation to increase the basic allowance in line with the pay award for senior managers was therefore agreed.

Special Responsibility Allowances (SRAs)

- 3.4 As with the Basic Allowance the Panel felt that no new information had come to light since the strategic review and there was no reason to suggest any amendments to the levels of Special Responsibility Allowances that are currently paid. The Panel heard that since their last meeting there had been no material change in any role that attracted an SRA so a recommendation to increase allowances in line with the pay award for senior managers was agreed.
- 3.8 Finally the Panel considered the allowances paid to co-opted members as well as mileage, subsistence and dependent carers' allowances. As these had all been reviewed three years ago the panel concluded that no adjustments to this were necessary.

Composition of the Panel

- 3.9 The Panel also considered the membership and size of the IRP. The Panel was currently made up of three members with two vacancies. The Panel had been operating for some years with one vacancy and for two years with two vacancies. Following discussion it was agreed that a further recommendation to Council should be made to formally reduce the level of membership to three. The reasons for this were threefold. Firstly, the panel has been operating effectively with vacancies and it was felt by the panel, and the officers that support it, that there was an adequate number to carry out the functions of the IRP. Secondly an unsuccessful recruitment exercise was carried out 2016. Thirdly with financial difficulties still facing the public sector as a whole, a reduction

in the membership would deliver a small reduction in budget.

Recommendations

- 1) That all Members' Allowance payable from 1 April 2019 should be increased by 2% in line with the pay award made to local government senior management;
- 2) That no other changes to the members' allowances scheme should be made for the 2019/20 year; and
- 3) That the number of members of the Independent Remuneration Panel should be reduced from 5 to 3 with immediate effect.

APPENDIX 2

From 1 April 2019 until 31 March 2020 inclusive:

	Percentage of the Leader's Allowance	Per Annum (£)
Leader of Council	100%	14,391.39
Deputy Leader of the Council	80%	11,513.11
Cabinet Members	50%	7,195.70
Leader of 2nd Group	50%	7,195.70
Level One Committee Chair (Planning and Environment and Licensing Committees)	35%	5,036.99
Level Two Committee Chair (Audit and Overview and Scrutiny Committees)	25%	3,597.85
Level Three Committee Chair (Joint Consultative and Safety and Standards Committee)	10%	1,439.14
Mayor	37.5%	5,396.77
Deputy Mayor	12.5%	1,798.92
Policy Adviser	12.5%	1,798.92
1. From 1 April 2019 until 31 March 2020 the Basic Allowance payable to each Councillor		4,190.04
2. Co-opted Members		500.00
3. Dependent Carers Allowance and Travelling and Subsistence Allowance are payable as appropriate		