

Appendix 1

REPORT OF THE GEDLING INDEPENDENT REMUNERATION PANEL

2 DECEMBER 2013

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 All four members of the Panel were present at the meeting.
- 1.4 The Panel was made aware of the Council's response to its recommendations made in December 2012, and was reminded of the Council's 2012 resolution 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."
- 1.5 The Panel was updated on progress with the Local Government Boundary Commission for England's independent review of warding arrangements for the Borough, noting that the Commission had proposed a 41 member council to take effect from elections in May 2015, and that this proposal was expected to be confirmed in the New Year.

2. The Process

- 2.1 All members of the Council were contacted for their views and comments on the allowances paid.
- 2.2 Three submissions were received from members all of which were considered by the Panel.
- 2.3 Officers also drew Panel members' attention to a potential issue with regard to Special Responsibility Allowances (SRAs), specifically that committee arrangements introduced incrementally over the past two years had led to arguable inconsistencies between SRAs paid to committee chairs.
- 2.4 On this matter, the Panel was informed that chairs of Planning Committee, Environment and Licensing Committee, Overview and Scrutiny Committee and Audit Committee are each paid an SRA of £3,322.92 pa. While all of these committees are calendared in the Council diary, the frequency of

meeting and associated workload varies considerably. The Joint Consultative and Safety Committee is now diarised to meet quarterly but at present chairmanship of the committee does not attract payment of an SRA.

- 2.5 The Panel was also informed of changes to arrangements for the Standards Committee. Chairmanship of that committee had previously been fulfilled by an independent member of the public but changes to the standards regime introduced nationally now mean it is chaired by an elected member. The committee meets quarterly and is diarised, and chairmanship continues to attract an SRA, albeit smaller at £1,233 p.a.
- 2.6 The Panel was invited to consider whether these arrangements are equitable and whether any changes to SRA payments should be made to reflect changed circumstances and arrangements.

3. Proposals

- 3.1 The Panel noted that the Council continues to operate in an environment of severe financial constraint. It noted that, consistent with its recommendation that any increase in allowances paid to members should be in line with any pay award for senior management, no increase in allowances had been paid to members in the current year.
- 3.2 With regard to the Basic Allowance, while recognising that members allowances had not been increased for a number of years, the Panel reiterated its observations made at its meetings held in February, June and November 2011, and in December 2012, these being that: -
 - 3.2.1 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.
 - 3.2.2 The Panel did not consider that an adjustment to the Basic Allowance should be made at this time.
 - 3.2.3 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.
 - 3.2.4 Should a differential pay award be negotiated, the Basic Allowance should be treated in line with Senior Management pay awards, if any, to reflect the role of an elected member
- 3.3 The Panel also expressed the view that the principles set out in 3.2.1 to 3.2.4 above should also apply to all Special Responsibility Allowances.
- 3.4 On the issue of SRAs generally, 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. It

urged the Council to retain such principles when carrying out its strategic review of members' allowances.

- 3.5 On the issues raised with regard to current SRAs paid to the chairs of various committee (see 2.3 – 2.6 above), the Panel agreed that there is currently an anomaly. There was however a difference of view between Panel members over whether this should be addressed now or whether the matter should be considered as part of the forthcoming strategic review. As a result, no firm recommendation was made on the matter.
- 3.6 The Panel did however propose that the Council should look into how committee chairmanships are treated in terms of remuneration by other authorities and what is expected of members fulfilling these roles. Such roles might be set out in the form of role description type documents. The Panel felt that this might usefully be considered for other member roles, especially those attracting SRAs.
- 3.7 With regard to specific SRAs the Panel confirmed its previously expressed view 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. It also confirmed its previously expressed position with regard to the remuneration for the role of Deputy Leader.
- 3.8 The Panel noted that the Council had agreed that these issues should be factored into the strategic review of allowances by the Council at the conclusion of the Local Government Boundary Commission for England's review.
- 3.9 With regard to the strategic review of allowances, the Panel acknowledged that it would have a role in considering proposals for future remuneration of members put forward. It did feel that, to retain its independent role, it would not be appropriate for the Panel to be involved in the detailed development of such proposals, but urged the Council to bear in mind principles outlined above when carrying out the review.

RECOMMENDATIONS

Recommendation 1

That the Basic Allowance, Special Responsibility Allowances 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 3.2.4 above).

Recommendation 2

That, when carrying out its proposed Strategic Review of Members Allowances, the Council considers setting out role description or similar type documents to set out clearly the roles expected of members in various roles, in turn using these to inform decisions on appropriate levels of remuneration.