

Report to Council

Subject: Independent Remuneration Panel - Report and recommendations for 2021/22

Date: 27 January 2021

Author: Democratic Services Manager

Purpose

To inform Council of the latest report from the Council's Independent Remuneration Panel (IRP), relating to member remuneration for 2021/22, 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 2021/22 as attached at Appendix 2 to this report; and**
- 3) To authorise the Monitoring Officer to make appropriate amendments to Part 6 of the Constitution to reflect any changes to the members' allowances scheme agreed.**

Background

The Council's Independent Remuneration Panel met in December 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 2021/22.

Proposal

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

Should Council be minded to accept the Panel's recommendations on Basic Allowances and Special Responsibility Allowances, then the level of allowances to be paid to members for 2021/22 will be as set out at Appendix 2.

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 2021/22

Appendix 2 – Indicative schedule of Members Allowances 2021/22

APPENDIX 1

Report of the Gedling Independent Remuneration Panel held on 14 December 2020.

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 Monitoring Officer and the Deputy Chief Financial Officer
- 1.3 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
- 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.
- 2.2 For the 2020 year, following the 2019 borough elections, Council adopted a revised scheme of members' allowances that better reflected the political makeup of the authority. In particular adjustments to the scheme were made to ensure that the amount of a special responsibility allowance was better aligned to the size of a political group. Council also approved a new list of approved duties and a rate at which dependent carers allowance can be claimed.
- 2.3 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
- 2.4 No submissions were received from any members of the Council or Political Groups.
- 2.5 All members of the Panel were present for the meeting (John Flowers, Ted Mills and Paul Mullins)

Panel's Deliberations

- 3.1 The Panel noted that no submissions were received on Members' Allowances from members. Furthermore the panel heard that there had been no material change to duties performed by councillors since the last review.
- 3.2 The Panel heard that the Covid-19 pandemic had been having a serious effect on the council's operations and the financial position for local government remained challenging. The Panel concluded, bearing in mind that no representations from Members had been received, that there was no need to consider putting forward recommendations that would change the allowances scheme.
- 3.3 The Panel next noted that the National Pay Award for Local Government staff was agreed as 2.75% for the current year and that this had also been applied to Senior Managers and therefore members' allowances. For the 2021/22 year, a pay award is yet to be agreed. It was noted, however, that due to the worsening public financial situation there may be a pay freeze for next year. The Panel felt able to confirm their previously held view that Members' Allowances should increase in line with whatever is agreed as the pay award for Senior Managers for 2021/22.

Basic Allowance

- 3.4 On the issue of the Basic Allowance the Panel noted that no representations had been received from Members and concluded that their findings and recommendations from the previous review were still relevant. A recommendation to increase the basic allowance in line with the staff award was therefore agreed.

Special Responsibility Allowances (SRAs)

- 3.5 As with the Basic Allowance the Panel felt that no new information had come to light since last meeting and there was no need to suggest any amendments to the levels of Special Responsibility Allowances that are currently paid. A recommendation to increase allowances by in line with the staff award for senior managers was therefore agreed.
- 3.6 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 earlier in the year the panel concluded that no adjustments to these were necessary.

Recommendations

- 1) That all Allowances paid to Elected Members payable from 1 April 2021 should be increased in line with the pay award made to senior local government staff once it is known; and
- 2) That no other changes to the members' allowances scheme should be made for the 2021/22 year.

APPENDIX 2 (figures to be increased in line with the 2021/22 pay award)

From 1 April 2021 until 31 March 2022 inclusive:

	Percentage of the Leader's Allowance	Per Annum (£)
Leader of Council	100%	14,787
Deputy Leader of the Council	80%	11,830
Cabinet Members	50%	7,394
Leader of Main Opposition Group	25% plus £154 per elected member	4,930
Leader of Minority Opposition groups	Flat fee of £154 per elected member	308 (x 2 groups)
Level One Committee Chair (Planning and Environment and Licensing Committees)	35%	5,176
Level Two Committee Chair (Audit and Overview and Scrutiny Committees)	25%	3,697
Level Three Committee Chair (Joint Consultative and Safety and Standards Committee)	10%	1,479
Business Manager of Majority and Main Opposition Groups	Flat fee of £154 per elected member	4469.63 (majority) 1233.00 (main opp)
Mayor	37.5%	5,545
Deputy Mayor	12.5%	1,848
Policy Adviser	12.5%	1,848

1. From 1 April 2021 until 31 March 2022
the Basic Allowance payable to each Councillor 4,305
2. Co-opted Members 500
3. Dependent Carers Allowance of up to £9.30 per hour payable to cover
childcare and dependents. The person providing the care may not be a
close relative defined as spouse, partner (opposite or same sex
cohabitees), parents, children, brothers, sisters, grandparents and
grandchildren. The paid care attendant must also sign a receipt to show that
they have cared for the dependant during the hours claimed for.
4. Travelling and subsistence payable at the currently in force NJC employee
rate.