

Report to Council

Subject: Independent Remuneration Panel - Report and recommendations for 2015/16

Date: 12 November 2014

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Purpose

To inform Council of the latest report from the Council's Independent Remuneration Panel, relating to member remuneration for 2015/16, and invite Council to consider the recommendations made by the Panel in that report.

Background

The Council's Independent Remuneration Panel met in September 2014 to carry out its annual review of members' allowances.

That meeting took place slightly earlier in the year than has been the case in recent years, to allow for recommendations to feed into this Council meeting. This allows members to consider a range of related issues regarding the future Council following the recent Local Government Boundary Commission for England's (LGBCE) review of future electoral arrangements for the Borough Council.

Proposal

The Independent Remuneration Panel has prepared a report to members following that September meeting, including a number of recommendations for consideration by Council. Their report is attached at Appendix 1.

Members will note that the Independent Remuneration Panel was informed of progress with the strategic review of members' allowances currently being undertaken by the cross-party LGBCE Steering Group. The Panel's recommendations reflect that this review remains a work in progress, for completion in the New Year.

The Independent Remuneration Panel has made a recommendation with regard

to the future level of Basic Allowances, which relates to staff pay awards and takes into account the likely increase in the workload of backbench members arising from a reduction in the number of members from 50 to 41.

The Independent Remuneration Panel has requested further engagement on the issue of Special Responsibility Allowances as the strategic review progresses, but has supported the broad principles proposed to inform the development of options for these allowances for the future.

The Independent Remuneration Panel was made aware of the LGBCE Steering Group view that the decision on the level of future allowances for members of the new (2015) Council should be made by the new Council, rather than by the outgoing one. The Panel acknowledged merits in this approach and recognised that the decision on when and by whom future allowances are considered is one for the Council to make.

The Independent Remuneration Panel noted that the LGBCE Steering Group would expect the newly elected Council to draw upon the deliberations of the Steering Group and the recommendations of the Remuneration Panel when coming to a decision on future remuneration in Summer 2015. The Panel welcomed that its recommendations will be taken into account as part of the decision making process.

In order for allowances to be paid to members, Council is required to make a decision each year on the level of allowances to be paid. If an allowances scheme is not agreed for the next financial year before 31 March 2015, then there will be no scheme and allowances cannot be paid. However, Council can make a positive decision that the current allowances should continue to be paid from 1 April 2015 and the new Council can then amend the approved scheme. Given the clearly expressed view of the cross-party LGBCE Steering Group that remuneration for the new Council should be a decision for that new Council, a decision now needs to be made on levels of allowances to be paid in the interim period from 1 April 2015 to the point at which the new Council comes to a decision on future remuneration.

The LGBCE Steering Group's view is that the status quo should prevail pending that decision and therefore current levels of allowances should continue to be paid from 1 April 2015. If Council supports that view, the level of allowances to be paid to members for 2015/16 will be as set out at Appendix 2. The new Council may choose to amend this following completion of the strategic review of allowances later in 2015. Any changes agreed by the new Council will apply from the date of the decision and cannot be backdated.

Financial Implications

Costs of continuing with the current scheme of member allowances can be met from within existing budgets.

Should members be minded to accept the Independent Remuneration Panel recommendation with regard to the future level of Basic Allowances, this too could be accommodated from within current budgets given the forthcoming reduction in the number of elected members.

Appendices

Appendix 1 – Report of the Independent Remuneration Panel 2015/16

Appendix 2 – Indicative schedule of Members Allowances 2015/16

Recommendation(s)

Council is recommended: -

- To consider the report of the Independent Remuneration Panel and whether to accept its recommendations.
- Pending the outcome of the strategic review of members' allowances, to consider whether to agree to the continuation of the current scheme of members' allowances for 2015/16 as attached at Appendix 2.
- To agree that the Council Solicitor and Monitoring Officer be authorised to make appropriate changes to Part 6 of the Constitution to reflect any changes to members' allowances agreed.