

Members' Allowances – Recommendations of the Independent Remuneration Panel for 2014/15

SUMMARY

- 1.1 Under the Local Authorities (Members' Allowances)(England) Regulations 2003, local authorities must establish and maintain an Independent Remuneration Panel (IRP), to meet periodically, to consider recommendations concerning the Members' Allowances Scheme.
- 1.2 The Council must make a Members' Allowances Scheme before 1 April each year and may amend the Scheme at any time, but must consider the recommendations of the IRP before doing so.
- 1.3 The IRP met on 4 February 2014, to consider its recommendations to Council for the 2014/15 Members' Allowances Scheme
- 1.4 The report of the IRP is attached at Appendix 2 and the current Members' Allowances Scheme (2013/14) is attached at Appendix 3.

RECOMMENDATION

- 2.1 To continue the established practice of linking the annual uplift of Members' Allowances (both Basic Allowance and Special Responsibility Allowances) to the increase in Council employees' salaries. For 2014/15 this will be a 1% increase, with effect from 1 April 2014
- 2.2 To vary the conditions within Schedule 3 of the Scheme, relating to travelling expenses, to remove consideration of Members' homes as a place of work. To comply with HMRC guidance, the sole place of work will be The Council House and journeys between it and the Member's home will not qualify for a mileage allowance.
- 2.3 To make no changes to the Special Responsibility Allowances (SRA), other than the 1% uplift, until the Annual Meeting of the Council on 11 June 2014, recognising that the decisions on constitutional appointments, when all roles are appointed to, is the logical point to introduce change.

- 2.4 Subject to recommendation 2.3 being accepted, then at the time of the Annual Meeting the following recommendations be introduced:
- a. Councillors continue to be mindful, when making appointments at the Annual Meeting, that payments of Special Responsibility Allowances should be restricted to no more than 50% of all Members, currently a maximum of 25. The IRP recognises the particular commitment made by those who serve on Licensing Committees and Adoption and Fostering Panels and recommends that those SRAs should not be included in the calculation of the 50% target
 - b. to increase the payment of the SRA to members of the General Licensing Committee and the Taxi Licensing and Appeals Committee, to a level equivalent to 6.25% of the Leader's Allowance, to reflect the time commitment and responsibility of these roles. There is a requirement that each member will attend at least 15% of the meetings called and the Panel wishes to receive a report of attendances at its meeting in 2015, to ensure compliance with this condition
 - c. to reduce the payment of the SRA to vice-chairs of Scrutiny Boards, to the level currently paid to members of the Adoption and Fostering Panels, and that proposed for members of Licensing Committees, being 6.25% of the Leader's Allowance.
 - d. to introduce a condition that the SRA for the Deputy Leader of a political group, be payable only if that group has at least ten members, that number being the minimum required to request a recorded vote in a meeting of Council, under Council Procedure Rule 71
 - e. that the Council ceases the practice of funding Members broadband connections, to reflect that employees do not receive a similar benefit. This measure to be phased, so that the minority of Members currently receiving this benefit retain it, until the end of their current electoral term, the effect being a complete phasing out by 2016/17.

REASONS FOR RECOMMENDATION

- 3.1 The principle established, for the linking of Basic and Special Responsibility Allowances, to the pay award received by Council employees, is logically extended to the payment of travelling expenses and funding of broadband connections. The roll-out of Derby Workstyle, requiring the majority of employees to work flexibly, including at home, coupled with improved facilities for councillors in the Council House, means the anomalies of payments made to councillors in respect of these areas must be removed.
- 3.2 It is recognised that the logical time to effect changes relating to SRAs is at the Annual Meeting of the Council on 11 June, so the scope and level of change is

reserved to Council to decide at that time.

SUPPORTING INFORMATION

- 4.1 The submission of the Chair of the General Licensing Committee is included in the IRP report in Appendix 2

OTHER OPTIONS CONSIDERED

- 5.1 To make no changes to the existing (2013/14) Scheme, but this would not enable any of the issues raised, by the Independent Remuneration Panel, to be addressed.
- 5.2 To recommend that all changes be introduced from the beginning of the financial year on 1 April 2014, but this would restrict Council's ability to effect change as part of the constitutional appointments process, at the Annual Meeting of the Council, on 11 June 2014.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Janie Berry – Director of Legal and Democratic Services 01332 643616 Toni Nash – Head of Finance 01332 641491 Janie Berry – Director of Legal and Democratic Services 01332 643616
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IMPLICATIONS

Financial and Value for Money

- 1.1 The increase of 1% in the Basic Allowance can be contained in the budget set for 2014/15.
- 1.2 The increase of 1% in the Special Responsibility Allowance and for the members of the Licensing Committees, is partly offset by the proposed reduction in SRA for vice chairs of Scrutiny Boards and savings in the expenses budget line arising from recommendation 2.2. Savings will also be derived from recommendation 2.4e. When Council makes Constitutional Appointments at the Annual Meeting on 11 June, Members can ensure that they are made to a level within the 2014/15 budget.

Legal

- 2.1 Members' Allowances are governed by the Local Government Acts and associated regulations.
- 2.2 Before making or amending its Members' Allowances Scheme, the Council must have regard to the recommendations of its Independent Remuneration Panel, although, with the exception of pensions, it is not bound to accept them.
- 2.3 The Council must make a Members' Allowances Scheme before 1 April each year and may amend the Scheme at any time.

Personnel

- 3.1 None directly arising

Equalities Impact

- 4.1 None directly arising

Health and Safety

- 5.1 None directly arising

Environmental Sustainability

- 6.1 None directly arising

Property and Asset Management

- 7.1 None directly arising

Risk Management

- 8.1 None directly arising

Corporate objectives and priorities for change

9.1 None directly arising