

EXETER CITY COUNCIL

EXECUTIVE
9 FEBRUARY 2010

COUNCILLORS' ALLOWANCES 2010/11

1 PURPOSE OF REPORT

- 1.1 To consider the report and recommendations of the Independent Remuneration Panel on Members' Allowances in relation to Councillors' Allowances for 2010/11.

2 BACKGROUND

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to provide the local authority with advice on its scheme of Members' Allowances and recommend the amounts to be paid.
- 2.2 The Panel, comprising representatives of the business and voluntary sectors, met on 14 January 2010. In developing the Panel's recommendations for the 2010/11 Allowance Scheme, Councillors were invited to submit any comments on general and specific aspects of the allowances scheme for consideration by the Panel. Three Councillors responded and unanimously suggested that with the general economic situation that a continued freeze on allowances would be appropriate.
- 2.3 The Panel's report is attached at Appendix I. As for previous years, in arriving at its recommendations, the Panel reflected on the principles and methodology set out in the earlier report of the independent adviser on Members' Allowances submitted to the Council in March 2001.
- 2.4 In accordance with the Regulations, a notice was published in a local newspaper setting out the Panel's recommendations and notifying the public that copies of their report were available for inspection at the Civic Centre and on the Council's website.

3 RECOMMENDATIONS OF INDEPENDENT REMUNERATION PANEL

- 3.1 The Independent Remuneration Panel has made the following recommendations to Council in respect of Members' Allowances for 2010/11, that:-
- (1) the basic structure of the current Members' Allowances scheme be retained for 2010/11, pending a more fundamental review including consideration of remuneration in the event of a shadow authority, when the outcome of the current review of Local Government in Devon is known, but that in the meantime a "light touch" review be progressed;
 - (2) the level of Basic Allowances continue unchanged in 2010/11, subject to updating using the index previously agreed i.e. the annual local government staff pay award for the previous year, as set out in Recommendation (5) below;
 - (3) subject to updating for inflation as set out in Recommendation (5) below, the Special Responsibility Allowances continue unchanged;
 - (4) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, should be retained;

- (5) for the year 2010/11 Councillors' Basic and Special Responsibility Allowances should be updated in line with the annual local government staff pay award for 2009/10 (1.00%);
- (6) the Travel and Subsistence allowances provisions for staff continue to apply to Exeter City Councillors, where appropriate;
- (7) the current Dependants' Carers' Allowance scheme be maintained and the level of allowance, currently £5.80 per hour, continue to be linked to and updated in line with the minimum wage; and
- (8) the Co-optees' Allowance payable to the co-opted members of the Standards Committee continue at £25 per session for 2010/11.

4 MEMBERSHIP AND REMUNERATION OF INDEPENDENT PANEL

- 4.1 The commitment and experience of the Independent Remuneration Panel members is acknowledged as a valuable resource and greatly appreciated by the Council. However it is considered best practice that the Panel should be refreshed at intervals. The ongoing delay in the review of local government has resulted in the postponement of a comprehensive review exercise of Members' Allowances planned by the Panel. A phased replacement of Members had been considered, but in the light of the ongoing review and with the consent of Panel members, it was considered prudent to retain their expertise and consider refreshing membership from 2010.
- 4.2 The current Chair, Ian McGregor has now confirmed his intention to stand down from the Panel at the end of the current review period. It was suggested that a phased approach to refreshing membership should follow with a recruitment process inviting expressions of interest. Members of the Panel thanked Mr McGregor for his invaluable work and commitment over several years.

5 FINANCIAL IMPLICATIONS

- 5.1 The cost of the proposed Allowances Scheme for 2010/11 is £253,900, on the basis of a 1.00% increase, plus any allowances payable under recommendations 6) to 8) inclusive. A budget of £257,595 has therefore been included in the estimates for 2010/11, subject to approval by Council on 23 February 2010. The Scheme recommended by the Panel for 2010/11 is attached at Appendix 2 to this report.

6 RECOMMENDED:-

- (1) That the Independent Remuneration Panel's recommendations as set out in paragraph 3 above are considered and a recommendation made to Council regarding the Scheme.

ASSISTANT CHIEF EXECUTIVE

2 February 2010

26/1/10

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

Report of the Independent Adviser on Members' Allowances, March 2001