

REPORT TO EXECUTIVE

Date of meeting 6 December 2016

Report of the Independent Remuneration Panel on Members' Allowances

Title:- MEMBERS' ALLOWANCES 2017/18

Is this a key decision

No

Is this an Executive or Council function?

Council

1 What is the report about?

To consider the level of Members' Allowances for 2017/18.

2 Recommendation

That the following recommendations be made to Council in respect of the Exeter City Council Members' Allowances for 2017/18. That:-

- 1) the basic structure and principles of the current Members' Allowances scheme be retained for 2017/18;
- 2) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, should be retained;
- 3) the Councillors' Basic and Special Responsibility Allowances including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances should continue to be linked and updated in line with the Local Government Employers (LGE) staff pay award for the previous year (a 1% increase in the annual Local staff pay award was awarded by the Employers side for staff above spinal column 18 in 2016/17 and 2017/18);
- 4) Travel and Subsistence allowances available for staff continue to apply to Exeter City Councillors, where appropriate;
- 5) the current Dependants' Carers' Allowance scheme be maintained, with the continuation of the level of allowance matching the Living Wage of £8.25 per hour or part of (retaining the uplift of the standard rate of income tax to £9.91);
- 6) the sum of £50 be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained, and
- 7) following the recent resignation of one of the Panel Members, that approval be requested to embark on a recruitment exercise to identify a replacement from the voluntary sector.

3 Reasons for the recommendations

- 3.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to review and provide advice to the local authority on its scheme of Members' Allowances and in particular to recommend the allowance to be paid to Members.

4 What are the resource implications including non financial resources

- 4.1 The budget for the scheme of allowances in 2017/18 totals £316,250 and this has been included in the estimates for 2017/18. If the suggestion of a 1% increase is approved, the projected maximum cost of the proposed Allowances scheme for 2017/18 is £319,440 which represents an increase of £3,190.

5 Section 151 Officer Comments

- 5.1 The medium term financial plan makes an allowance for a rise in Members' expenses, which has already been built into the proposed budgets for the next financial year.

6 What are the legal aspects?

- 6.1 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.

7 Monitoring Officer's comments

- 7.1 There are no issues for the Monitoring Officer.

8 Report details

- 8.1 The City Council has an established Independent Remuneration Panel, and remuneration scheme, which provides for a reasonable recompense for the time, commitment and duties involved, in being a Councillor. This allows for an element of public service and also reflects the level of time which the average Councillor spends on casework, local community work and other Council work.
- 8.2 This Council's Independent Remuneration Panel, comprised of four representatives drawn from the business and voluntary sector, last met in November 2015, and its recommendations for the 2016/17 allowance scheme were considered by the Executive and approved by Council in December 2015.
- 8.3 An increase of 9.28% in the remuneration paid to Exeter City Councillors was made at that time, as in the Panel's opinion:-
- Exeter's allowance scheme had fallen in comparison with other benchmarked authorities;
 - Exeter Members had an increased partnership and collaborative working requirement when compared with their counterparts in neighbouring authorities;
 - The impact of the boundary changes which had led to larger geographical areas for the majority of the City wards; and

- The levels of growth taking place outside of the city boundaries, which would have an impact on the services provided by the City Council and the need for the city councillors to take this into account when considering service provision.
- 8.3 The relevant legislation allows for a Scheme of Members' Allowances to make provision for an annual adjustment in the level of allowances by reference to an index. The Executive is reminded that in previous years, the level of allowances has been increased in line with the previous year's staff pay award.
- 8.4 Bearing in mind the staff pay award for 2016/17 being set at 1%, and that there had been no other material issues to take into consideration, the Panel agreed that it was unnecessary to hold a Panel meeting in consideration of the 2017/18 Members Allowances Scheme.
- 8.5 In drawing up its recommendation, the Panel was mindful of the continuing constraints faced by all local authorities and in particular the Council's current financial position, as well as:-
- Insufficient time having passed to fully ascertain whether the recent changes in the Exeter City Council electoral wards from 18 to 13 wards, had significantly increased the workload of Councillors;
 - The on-going discussions regarding greater partnership working with neighbouring authorities which meant that the level of any additional workload had not yet been established for Members.
- 8.6 To this end, the Panel suggested that Members keep a record of their workload over the coming months, so that a comparator could be made when it is considering any recommendations in relation to the 2018/19 Members' Allowances Scheme.
- 8.7 Its recommendation would therefore be for an increase which would mirror that of the staff pay award, with all allowances being increased by 1% for 2017/18.
- 8.8 It also wished to reaffirm its commitment to the usual convention of the indexing of the Members' Basic Allowance to the annual pay award to staff for future years.
- 8.9 The Panel also recommended that all other aspects of the Scheme should remain unchanged.
- 8.10 The Panel also considered that the Lord Mayoralty and Deputy Lord Mayoralty expenses should continue to be aligned to the Basic Allowance.

9 How does the decision contribute to the Council's Corporate Plan?

- 9.1 The need for an up to date Scheme of Members' Allowances ensures that the Council supports the democratic process.

10 What risks are there and how can they be reduced

- 10.1 There are no risks with what is being proposed.

11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 The adoption of a Scheme of Members' Allowances ensures that all interested persons are aware of the remuneration levels available to Councillors.

12 Are there any other options?

12.1 The Council has the ability to not accept any recommendations put forward by the Panel and propose some of its own.

DEREK PHILLIPS, CHAIR OF EXETER'S INDEPENDENT REMUNERATION PANEL

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

Background papers used in compiling this report:-

None

24/11/2016