

REPORT TO EXECUTIVE

Date of meeting 9 December 2014

Report of the Independent Remuneration Panel on Members' Allowances

Title:- MEMBERS' ALLOWANCES 2015/16

Is this a key decision

No

Is this an Executive or Council function?

Council

1 What is the report about?

To consider the recommendations of the City Council's Independent Remuneration Panel in relation to Members' Allowances for 2015/16.

2 Recommendations

That the Independent Remuneration Panel's recommendations as set in paragraph 4 below are considered and a recommendation made to Council regarding the Scheme.

3 Reasons for the recommendation

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. The 2003 Regulations permit members' allowances schemes to make provision for an annual adjustment of allowances by reference to a previously agreed index.

4 What are the resource implications including non financial resources

The budget for the scheme of allowances in 2014/15 totals £258,470 and that sum has been included in the estimates for 2014/15. The Scheme recommended by the Panel for 2015/16 is attached to this report and recommends an increase in the budget of £14,000.

5 Section 151 Officer comments

None as detailed in paragraph 4 above

6 What are the legal aspects?

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

None

8 Report details

In accordance with the resolution of Council in July 2014, a refresh of the Independent Remuneration Panel was undertaken, to include two Local Government advisors (replacing two previous Panel members) in addition to two members of the previous Panel who represented the local business community.

Also in accordance with the Council resolution, a survey was undertaken amongst Councillors asking for their views on the current Scheme of Members' Allowances. This survey was backed up with interviews with 20 Councillors by members of the Panel, which included the Leader of the Council and a wide cross section of councillors including Portfolio Holders, Scrutiny chairs, the Lord Mayor and backbench Members.

The Panel met on several occasions to consider the results of the survey, the comments raised during the interviews, regional analysis of allowance schemes in other councils, the changing nature of the role of Councillors within the City, and the continuing appropriateness of the Council's current allowances scheme bearing in mind all of these points. The Panel was supported by the Corporate Manager, Democratic & Civic Support, and Democratic Services Manager.

The Independent Remuneration Panel has made the following recommendations to Council in respect of Members' Allowances for 2015/16 that:-

- (1) the basic structure and principles of the current Members' Allowances scheme be retained for 2015/16;
- (2) the basic allowance be increased by £100 to £4,575 per annum, and that all Special Responsibility Allowances be calculated as a multiple of this (as indicated on Appendix A to this report);
- (3) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, should be retained;
- (4) the Travel and Subsistence allowances provisions for staff continue to apply to Exeter City Councillors, where appropriate;
- (5) that the current Dependants' Carers' Allowance scheme be maintained and that the level of allowance, should now match the Living wage currently offered to the lowest paid Exeter City Council employees of £7.65 (retaining the uplift of the standard rate of income tax, thus increasing the hourly rate to £9.19)
- (6) the Panel considered that a sum of £50 be paid to the Independent Persons affiliated to the Audit & Governance Committee 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.)

In drawing up its recommendations detailed above, the Panel was mindful of the Council's current financial position and the approved pay increase for City Council staff of 2.2% effective from 1 January 2015 and covering the period to 31st March 2016. The £100 increase in the Basic Allowance as suggested, equates to a 2.2% increase and very much mirrors the concept used in previous years of Members' Allowances increasing in line with any pay awards made to officers.

The Panel also critically considered the different roles of Members within the Council, together with their levels of responsibility and their inter-relationship with each other. In general, the Panel felt this was acceptable with the exception being the role of Chair of the Licensing Committee. The Panel felt this needed to be recognised with a higher Special Responsibility Allowance than in the past, to recompense for the quasi judicial role that the committee has, as well as frequency of its meetings and the degree of interaction between its Chair and officers of the Council outside of the formal meeting framework. It has therefore suggested that the SRA be set at 75% of the Basic Allowance (instead of the previous 50%).

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

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

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?

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?

The Council has the ability to not accept the recommendations being 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:-

APPENDIX A

Payable with effect from 1 April 2015

Basic allowance payable to all Councillors - £4575 per annum

****Special Responsibility Allowances**

	15/16
	£
Leader (basic x 325%)	14,869
Other Executive Members with Portfolios (basic x 175%)(x5)	8,006 each
Other Executive Members without Portfolios (basic x 50%)(x2)	2,288 each
Chairs of Scrutiny Committees (basic x 100%)(x3)	4,575 each
Chair of Planning Committee (basic x 100%)	4,575
Chair of Licensing Committee (basic x 75%)	3,431
Chair of Audit and Governance Committee (basic x 50%)	2,288

*** Any Member qualifying for more than one special responsibility allowance is paid the higher allowance only*

Lord Mayor's Expenses Allowance	4,575
Deputy Lord Mayor's Allowance	1,144

Dependents' Carers' Allowance

Allowance in line with the living wage offered to the lowest paid City Council employee of £7.85 plus an uplift of the standard rate of tax. £9.42 per hour (or part) is payable to Councillors whilst on "approved duties."

Travel and expenses

To match those payable to officers of the Council for any approved duties undertaken, with travel expenses being paid for any journeys undertaken outside of the City boundaries.

December 2014.