



Council

No direct Ward Relevance

22nd February 2010

SCHEME OF MEMBERS ALLOWANCES **- REPORT OF INDEPENDENT REMUNERATION PANEL**

(Report of the Head of Legal, Equalities and Democratic Services.)

1. Summary of Proposals

The proposals outlined below are recommendations from the Independent Remuneration Panel (IRP) which met on 5th February 2010 to consider any changes, amendments or other concerns relating to the Scheme of Members Allowances. The Panel considers Members Allowances on an annual basis.

2. Recommendations

The Committee is asked to RESOLVE that

- 1) the requirement for an annual inflation increase, as a minimum, be re-affirmed;**
- 2) the Council be asked to note the IRP's belief that additional supplementary increases should be made to gradually bring the Borough Council into line with other authorities;**
- 3) no such additional increase be recommended for 2010/11, in view of the current uncertain financial climate affecting local authorities;**
- 4) because of a current ambiguity, definitions of "Approved Duties" for mileage/subsistence claims purposes be clarified to specify that SRA is intended to cover the additional costs associated with relevant "Special Responsibility"; and that claims will only be accepted for duties approved in advance by the Council.**

3. Financial, Legal, Policy, Risk and Climate Change / Carbon Management Implications

Financial

- 3.1 The Independent Remuneration Panel understands that provision has been made for an annual increase to allowances in line with any increase budgeted for in respect of staff salaries / inflation in line with previous Council Resolution.

- 3.2 Should any amendments be made to the amounts payable under the Scheme of Members Allowances, then provision would have to be made within the budget for 2010/11 to take account of such change.

Legal

- 3.3 Under the Local authorities (Members' Allowances) (England) Regulations 2003 (made under the Local Government and Housing Act 1989 and Local Government Act 2000), the Council has to make a scheme for the payment of Members' Allowances.
- 3.4 The scheme may be amended at any time but may only be revoked with effect from the beginning of a financial year.
- 3.5 Before an authority makes or amends a scheme, it must have regard to recommendations made by an Independent Remuneration Panel.
- 3.6 An Independent Remuneration Panel (IRP) should consist of at least three members, none of whom –
- (a) is also a member of an authority in respect of which it makes of such an authority; or
 - (b) is disqualified from being or becoming a member of an authority.

Policy

- 3.7 The operation of the independent review process is a matter of statutory requirement rather than of Council Policy.
- 3.8 The Scheme of Allowances is one of the Council's Constitutional documents.
- 3.9 It has previously been agreed that, as a minimum, Members' Allowances will be routinely increased each year in line with the Council's agreed inflation rate

Risk

- 3.10 The Council must have an approved Scheme. Risks relate to the difficulty of encouraging and retaining membership of the Council when the costs of being a Councillor can be considerable in terms of time / income, travelling costs, telephone and line rental costs, stationery and equipment costs, childcare etc.

Climate Change / Carbon Management

- 3.11 None identified.

Report

4. **Background**

- 4.1 The IRP met on 5th February 2010 to consider the Scheme of Allowances and any changes, amendments or other concerns which had arisen or been brought to its attention during the year.

5. **Key Issues**

- 5.1 The Panel acknowledged the difficult current financial climate, but reaffirmed that it considered that the value of the allowances paid to Members of Redditch Borough Council should not be permitted to fall further behind those of other similar authorities, and that Allowances should continue to be increased in line with inflation / staff pay awards. Ideally, provision should be made to further increase allowances to bring them into line with other similar authorities as previously recommended..
- 5.2 Items to be considered by the Panel included the following:
- a) The annual inflation increase (in initial Council budgets for 2010/11, already resolved by the Council as an ongoing annual increase).
 - b) A potential further increase, intended to try to raise RBC allowances to comparable levels with other similar authorities.
 - c) the establishment of clearer definitions as to what can be (SRA) – for example, should mileage for an SRA related meeting be covered by that SRA or claimed separately).
- 5.3 Prior to the meeting, current Council Members had been asked on behalf of the Panel for any views or issues they wished to be put before the Panel.
- a) In this case, the only new appointment for consideration was the Chair / Vice Chair of the recently constituted Crime & Disorder Scrutiny Panel. The IRP concluded that until this body had met and workloads and responsibilities been assessed, they could not with any fairness set an SRA payment, but would reconsider this issue when they next met.
 - b) A Member had requested a review of the level of SRA payments for Planning Chair and Vice Chair, on the basis that, with changing responsibilities and a shift towards more Officer decisions on planning issues, these might seem high. The IRP considered this matter in relation to Planning Chair payments in other neighbouring local authorities and concluded that they would not at this stage wish to recommend any reduction in these SRAs.

- 5.4 The IRP agreed that, in view of this year's "light touch" review of allowances, it would in the following year, undertake a lengthier and more detailed review, noting that there were proposals for alternative IRP arrangements (shared IPR) under consideration for future years.

6. Other Implications

- Asset Management - None identified.
- Community Safety - None identified.
- Health - None identified.
- Human Resources - None identified.
- Social Exclusion - Failure to agree appropriate levels of remuneration might discourage those with low incomes or caring responsibilities from becoming or remaining elected Members.
- Environmental / Sustainability / - None identified.

7. Lessons Learnt

The IRP would seek to start its work in September 2010 to enable a more in depth review in preparation for 2011/12 allowances.

8. Background Papers

Members' allowance schemes for other Worcestershire and neighbouring authorities.

9. Consultation

- 9.1 This report has been prepared in consultation with relevant Borough Council Officers (Democratic Services Manager, Senior Accountancy Officer)
- 9.2 Other consultees were Members of the Council and Officers of other Worcestershire and neighbouring authorities.

10. Author of Report

The author of this report is Trish Buckley (Member Services Officer), who can be contacted on extension 3265 (e-mail: trish.buckley@redditchbc.gov.uk) for more information.

11. **Appendices**

Appendix A – Scheme of Allowances – updated.

SCHEME OF ALLOWANCES

(figures rounded to nearest £)

SCHEDULE 1 – BASIC ALLOWANCE payable to each Member of the Council

Basic Allowance	Current amount	Proposed Amount	Description
	£3,316	£3,350	29 Members
TOTAL	£96,164	£97,150	

SCHEDULE 2 – SPECIAL RESPONSIBILITY ALLOWANCES (SRA) – payable to specified Members of the Council in addition to the basic allowance.

	2009/10		2010/11		
SRA role	Current amounts	Totals	Proposed amounts	Totals	No. in role
Leader of the Council & Exec Chair	£6,631	£6,631	£6,697	£6,697	1
Deputy Leader of the Council & Vice Chair Exec	£4,641	£4,461	£4,687	£4,687	1
Portfolio Holders (all are Mbrs of Executive Co & includes Ldr & Dep)	£1,545	£9,270	£1,560	£9,360	6
Other Executive Committee Mbrs who are not Portfolio Holders	£1,061	£3,183	£1,072	£3,216	3
Leaders of "Minority" Groups	£1,030	£2,060	£1,040	£2,080	2
Executive Panel Chairs (if not Portfolio Hldr)	£1,327	-	£1,340	-	0
O&S Chair	£1,989	£1,989	£2,009	£2,009	1
O&S Co mbrs	£1,061	£8,488	£1,072	£8,576	8



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SRA role	Current amounts	Totals	Proposed amounts	Totals	No. in role
	2009/10		2010/11		
Planning Chair	£3,182	£3,182	£3,214	£3,214	1
Planning Vice Ch	£1,061	£1,061	£1,072	£1,072	1
Licensing Co Chair	£1,327	£1,327	£1,340	£1,340	1
Licensing Co Vice Chair	£266	£266	£269	£269	1
LGA & General Assembly	£266	£266	£269	£269	1
LGA Rural Commission	£266	£266	£269	£269	1
LGA Urban Commission	£266	£266	£269	£269	1
WMLGA Association Council	£266	£266	£269	£269	1
Independent Chair of Standards Co	£258	£258	£261	£261	1
Independent Members of Standards Co	£100	£200	£101	£202	2
Other Independent Members (IRP)	-	-	-	-	3 Paid per meeting at £27.15
Totals		£43,002		£43,798	