

10 June 2015

Annual Council

Members Allowances 2015/16

Report of: *Independent Remuneration Panel*

Wards Affected: *All Wards*

This report is: *Public*

1. Executive Summary

- 1.1 The Council operates a Members' Allowances Scheme which is reviewed annually by the Independent Remuneration Panel (IRP). The IRP have reviewed the current scheme and have made recommendations for the 2015/16 Municipal Year after reviewing the committee arrangements made at Annual Council on 20 May 2015.
- 1.2 The Members' Allowance Scheme is Part 6 of the Council's Constitution and the Independent Remuneration Panel has recommended no change.

2. Recommendation(s)

- 2.1 That the report of the Independent Remuneration Panel be noted**
- 2.2 That the revised Members Allowances at Appendix A be agreed, being no more than £274,175.92.**

3. Introduction and Background

- 3.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require councils to establish an *Independent Remuneration Panel*. The Council cannot alter or update its existing Scheme of Members Allowances without first considering a report from its Independent Remuneration Panel.
- 3.2 Local authority elected Members are entitled to receive allowances to compensate them for the role that they do and the responsibilities they assume on behalf of the communities they serve. A 'Basic Allowance' is paid to all Members of the authority to reflect the roles that they undertake. A 'Special Responsibility Allowance', is paid to those Members

that have particular responsibilities within the Council's constitutional arrangements.

3.3 No additional subsistence or travel allowances are paid. However, Annual Council 2013 resolved that 'reasonable expenses' for external training and conferences be reimbursed, as required, and only with the advance agreement of the Chief Executive.

3.4 The Independent Remuneration Panel 2015/16 comprised

- Mr Michael Hawkins
- Mr Noel Otley
- Mr John Boylin

3.5 The deliberations of the IRP were informed by:

- The views of the Group Leaders (2014-15) and the Leader of the Council (2015)
- The Council's changes in Committee structure 2013, 2014 and 2015
- Benchmarking information from Shire Districts in Essex and the 'CIPFA family group' of authorities with similar characteristics to Brentwood
- Desktop research
- The recommended 2.2% increase for employees (effective 1 January 2015 for the period 1 April 2014 to 31 March 2016) provided by the terms and conditions of the National Joint Council for Local Government Services (NJC)
- Previous reports and recommendations from the IRP

4. Issue, Options and Analysis of Options

4.1 The IRP were mindful of the function which Councillors perform in protecting and enhancing local democracy by providing representation on issues of local concern and ensuring that the Council remains accountable to the community which it serves. Accordingly, the IRP followed the same principles as in the previous three years:

- the need for Councillors to come from a wide range of backgrounds
- the necessity to ensure some recompense for the time and effort spent in serving the community whilst recognising that the work of Councillors should include a substantial voluntary contribution
- recognition of the time and resource demands of training and development, as well as other activities; and

- whilst recognising that individual Members could choose not to take their allowance in whole or in part, the IRP were keen to ensure that the scheme should encourage and support local democracy by ensuring that personal financial constraints would not be a bar to office.

4.2 Additional factors considered by the IRP in preparing its report to Annual Council 2015 included:

- The potential impact on Local Authorities in Essex of proposals for devolution
- Consideration of the Commercialisation of Council Services and proposals for a Local Authority Trading Company by the Asset and Enterprise Committee in September 2014
- Budget pressures on the Council

4.3 The options considered by the IRP included:

Option	Analysis
That members allowances for 2015/16 remain unchanged	<ul style="list-style-type: none"> • Members allowances had increased by 1% in 2014/15. This was the first increase since 2011/12 • New Committee arrangements had been adopted in 2013, 2014 and 2015
That members allowances for 2015/16 be reduced	<ul style="list-style-type: none"> • An overall reduction in the cost of Members Allowances of £8306.65 had been agreed in 2013/14.
That members allowances for 2015/16 be increased	<ul style="list-style-type: none"> • Governance arrangements had changed in 2013 and 2014 • The IRP informed Officers that a 1% increase in Members Allowances should be assumed within the Medium Term Financial Plan • The recommended 2.2 % increase for <i>employees</i> effective from 1 January 2015 (for the period 1 April 2014 – 31 March 2016) provided by the terms and conditions of the National Joint Council for Local Government Services (NJC) which equated to a 1% increase per year.

Option 1 was recommended i.e. remain unchanged.

5. Reasons for Recommendation

- 5.1 The Local Authorities (Members Allowances) (England) Regulations 2003 require that before Council can determine its Members Allowances for the forthcoming Municipal Year, it must consider a report from the Independent Remuneration Panel.

6. Consultation

- 6.1 The Independent Remuneration Panel held informal discussions with Officers in February and sought the views of Group Leaders in March 2015. The Panel also heard from the Leader of the Council in late May 2015. The Panel did not believe any further discussions were needed.

7. References to Corporate Plan

- 7.1 The priority area of *A Modern Council* provided for the Council to improve its governance arrangements leading to faster, more effective decision making. The IRP examined the changes to governance arrangements in preparation of its recommendations.

8. Implications

Financial Implications

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- 8.1 The total cost of Members' Allowances has reduced from the previous year resulting in a saving in 2015/16.

Legal Implications

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- 8.2 The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) obliges the Council to have regard to the recommendations of the Independent Remuneration Panel which are required to be set out in a report to the Council.
- 8.3 The Council may or may not decide to accept such recommendations, and a Member may elect in writing to the proper officer to forgo all or any part of their entitlement to allowances.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.4 None

9. Background Papers (include their location and identify whether any are exempt or protected by copyright)

9.1 Annual reports of the Independent Remuneration Panel to Brentwood Borough Council 2009, 2010, 2011, 2012, 2013 and 2014 are publicly available at www.brentwood.gov.uk

10. Appendices to this report

- Appendix A – Schedule of proposed Members Allowances for 2015/16

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