



Members Allowances 2018/19 - Recommendations of the Independent Remuneration Panel

SUMMARY

- 1.1 The Independent Remuneration Panel has been meeting throughout 2017/8 and has undertaken a thorough appraisal of the allowances and expenses paid to members. The Panel's recommendations for changes to the Council's Members' Allowances Scheme are detailed in its report attached at Appendix 2.
- 1.2 Members are encouraged to carefully read Appendix 2 to fully understand the deliberations that the panel has undertaken and the basis for its conclusions and recommendations.
- 1.3 The recommendations are put to Council for consideration.

RECOMMENDATIONS

- 2.1 To consider the Independent Remuneration Panel's key messages arising from its deliberations, detailed in the Supporting Information and set out in Appendix 2.
- 2.2 To consider and make resolutions in relation to the eight recommendations of the Independent Remuneration Panel detailed in Appendix 2 and summarised in Appendix 3.
- 2.3 To approve a Members' Allowances Scheme for 2018/9, to take effect immediately, as set out in Appendix 4, subject to any changes that may be agreed in consideration of recommendations 1 and 2.

REASONS FOR RECOMMENDATION

- 3.1 The council is required to publish a Members' Allowances Scheme and consider recommendations of an Independent Remuneration Panel.

SUPPORTING INFORMATION

- 4.1 The Independent Remuneration Panel has considered much evidence during the 2017/8 municipal year to enable it to consider changes that should be made to the Members' Allowances Scheme.

- 4.2 The evidence it has considered includes:
- The existing Members' Allowances Scheme;
 - Reports of the previous Independent Remuneration Panel in the eight years since significant changes were last made to the scheme;
 - The minutes of Council meetings when their reports were considered and the reasons for rejection of some recommendations;
 - Benchmarking information relating to other authorities' Members Allowances Schemes;
 - Written submissions by councillors, including comments that were invited generally and those that were requested specifically;
 - Oral submissions by the Chief Executive, Director of Governance and other officers that were requested specifically.

Key Messages of the Independent Remuneration Panel

- 4.3 The panel recognises that there is a need to balance the difference between public service and employment, and has taken this into account when compiling its recommendations.
- 4.4 While councillors' decisions to reject recommended increases that have been proposed by panels in previous years were understood, the panel was concerned that this has resulted in a scheme which now does not reflect the roles and responsibilities of becoming an elected member.
- 4.5 The panel therefore urges councillors to balance any desire they may have to be seen to save money with their responsibility to ensure becoming a councillor remains a viable option for people of all backgrounds to be attracted to the role.
- 4.6 It is felt that Derby's councillors are under-remunerated for the work they do, and that Derby City Council needs a scheme which is able to continue to attract a high calibre of councillor candidates.
- 4.7 Existing discrepancies within the scheme should be addressed to ensure the scheme is as transparent as possible and that councillors are treated equally.

OTHER OPTIONS CONSIDERED

- 5.1 None. Consideration of this report and the reaching of a resolution following that consideration is required by statute.

For more information contact: Background papers: List of appendices:	David Walsh 01332 643655 david.walsh@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Report of the Independent Remuneration Panel Appendix 3 – Summary of Recommendations Appendix 4 – Proposed Members' Allowances Scheme 2018/9
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IMPLICATIONS

Financial and Value for Money

- 1.1 The financial impact of the proposed increase in Basic Allowance for 2018/19 would be a cost of £98,124. However, this would be offset by a corporate saving of around £20,000, based on the average costs over the last five years, arising from the recommended removal of broadband, landline and home printing. The estimated net cost would therefore be £78,124.
- 1.2 Based on 2016/7 spending, the financial impact of the Special Responsibility Allowance would be a cost of £84,935, dropping to £72,515 if Employee Appeals are either removed entirely or remain as a sub-committee of the Licensing Committee. However, this would be offset by the recommended removal of the separate Mayoral and Deputy Mayoral 'purse', saving £7,370. This would bring the overall cost to £77,565, dropping to £65,145 subject to the decision on Employee Appeals.
- 1.3 The total cost of adopting all the panel's recommendations would therefore be £155,689, dropping to £143,269 subject to the decision on Employee Appeals.
- 1.4 The costs could be funded through the Budget Contingency Reserve in 2018/9 with a view to being absorbed as a budget pressure in the 2019/20 revenue budget setting process.

Legal

- 2.1 Council is required to consider the recommendations of an Independent Remuneration Panel on the allowances and expenses paid to councillors
- 2.2 It is for Council to determine whether to adopt the recommendations put to it, but members are obliged to give due consideration to the panel's report.

Personnel

- 3.1 None directly arising.

IT

- 4.1 The proposed withdrawal of council-funded landline, broadband and home printing facilities will impact directly on those members who currently benefit from this provision.

Equalities Impact

- 5.1 None directly arising.

Health and Safety

- 6.1 None directly arising.

Environmental Sustainability

7.1 None directly arising.

Property and Asset Management

8.1 None directly arising.

Risk Management and Safeguarding

9.1 None directly arising.

Corporate objectives and priorities for change

10.1 The role of councillors is fundamental to everything that the council seeks to achieve. The panel has given specific regard to the necessity for the council to maintain a Members' Allowances Scheme which is up-to-date and meets the needs of the authority. It is the panel's view that adopting the recommendations will update the scheme appropriately and ensure the role of councillors remains a viable option to attract suitable people from all walks of life.