

FULL COUNCIL

12 OCTOBER 2016

REPORT OF HEAD OF COMMUNICATIONS

REVIEW OF MEMBERS' REMUNERATION SCHEME

1.0 PURPOSE OF THE REPORT

- 1.1 To consider the report of the independent Welland Remuneration Panel on the outcome of the review into the Members' Remuneration Scheme offered by Melton Borough Council.

2.0 RECOMMENDATIONS

- 2.1 **Members consider the report of the independent Welland Remuneration Panel and the recommendations therein and determine the changes they wish to make to the Remuneration Scheme and the implementation date of those changes.**
- 2.2 **To arrange publicity ensuring that Public Notice is given and that copies of the report are available for inspection by members of the public.**
- 2.3 **The Panel be thanked for its work.**
- 2.4 **The Members' Allowance Scheme contained at Part 6 of the Constitution be amended to reflect the changes approved at this meeting.**

3.0 KEY ISSUES

- 3.1 In accordance with the legislation each Council is to review its Member remuneration arrangements every four years. The Council last reviewed its Members' allowances scheme in 2012, therefore Melton is due for a full review this year.
- 3.2 The independent Welland Remuneration Panel was refreshed and reconstituted earlier this year and a programme of reviews at the authorities using the Welland Remuneration Panel are now in progress. At its meeting on 27 April 2016, the Council approved the re-appointment of the existing professional chair, Mr. John Cade of the University of Birmingham, along with two long-standing Panel Members as well as the appointment of a new Panel Member.
- 3.3 The Panel's report is attached at Appendix A for Members' consideration. The report will be presented by the Chair of the Panel, Mr. John Cade of the University of Birmingham, who will also be available to answer Members' questions.
- 3.4 The Chair of the Panel contacted all Councillors by email on 18 July 2016 to provide an opportunity for Members to be consulted on the Members' Remuneration Scheme. The Chair asked for any views and any other relevant information so that the Panel could consider this at its meeting on 6 September 2016. Members were invited to make representations to the Panel in person at its

meeting on 6 September or to respond by email. A reminder email was sent to Members on 3 August 2016. In response, 4 emails were received and these are referred to in the Panel's report. The Panel met with the Leader and the Chief Executive and these contributions were considered and reflected in the report.

3.5 The only allowance highlighted for change by the Panel is the Special Responsibility Allowance (SRA) for the Deputy Leader and the Committee Chairs and the reasoning for a proposed increase of 10 per cent on the current 75 per cent of the basic allowance to 85 per cent of the basic allowance is set out in the Panel's report and the financial implications are set out at paragraph 5.1.

3.6 As previously, all allowances remain index linked to the NJC pay award scheme.

4.0 POLICY & CORPORATE IMPLICATIONS

4.1 The ability to attract and retain interested and hard working Members is essential to enable the Council to meet its priorities and an appropriately set remuneration package is key in achieving these aims.

5.0 FINANCIAL IMPLICATIONS

5.1 An increase in the budget would be required in the sum of £3,488 should the proposal of increasing the Deputy Leader and Committee Chairs' Special Responsibility Allowance (SRA) by 10 per cent from a rate of 75 per cent of the basic allowance to 85 per cent of the basic allowance be accepted. This would equate to an increase of £465 for the Deputy Leader and for each of the 6 Committee Chairs and an increase of £233 to the Chair of the Appeals Committee as follows :-

Position	Existing SRA £	Proposed increase £	Proposed total SRA £
Deputy Leader & Vice Chair of PFA	3,499	465	3,964
Chair, CSA	3,499	465	3,964
Chair, Governance	3,499	465	3,964
Chair, Licensing & Regulatory	3,499	465	3,964
Chair, Planning	3,499	465	3,964
Chair, REEA	3,499	465	3,964
Chair, TAC	3,499	465	3,964
Chair, Appeals	1,867	233	2,100
Total		3,488	

5.2 In recognition of the current financial climate and lack of representations received in this respect, the Panel has not sought to increase the basic allowance nor any other allowances. Only the existing arrangement of linking of all allowances to the NJC Pay Award provides uncertainty for any increase and in this connection due to the continuing national financial climate any such increases are likely to be modest.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 Under the Local Authorities (Members Allowances) (England) Regulations 2003, the Council is required to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to review the existing Scheme of Allowances, including the Special Responsibility Allowances paid to Members and to make recommendations to the Council on the appropriate level of payments to be made in the future.

7.0 COMMUNITY SAFETY

7.1 There are no direct links to community safety as a result of this report other than the role that Members take in relation to this area of the Council’s work.

8.0 EQUALITIES

8.1 An equalities impact assessment has been undertaken on the policy.

9.0 RISKS

9.1

L I K E L I H O O D	A	Very High				
	B	High				
	C	Significant				
	D	Low		1,2		
	E	Very Low				
	F	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4

IMPACT

Risk No	Risk Description
1	If Members’ remuneration is not at an appropriate level the Council will not be able to recruit and retain good quality Members. The use of an independent remuneration panel with a professional Chair using data and statistics from other Councils should assist in reducing this risk to a low level.
2	In the current economic climate there is the risk that the Council cannot afford to fund extravagant increases without making cuts to services elsewhere.

10.0 **CLIMATE CHANGE**

10.1 There are no direct links to climate change as a result of this report

11.0 **CONSULTATION**

11.1 The Panel provided an opportunity for all Members and the Chief Executive to make representations to the Panel. The Chief Executive was consulted on the draft report. The Chair will answer members' questions during the consideration of its recommendations.

12.0 **WARDS AFFECTED**

12.1 All wards are affected.

Contact Officer: Sarah Evans
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Appendices: Appendix A – Welland Independent Remuneration Panel's Report
Background Papers: Supporting papers held by Remuneration Panel
Reference: X: Committees/Council/2016/17/121016