



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY 24TH FEBRUARY 2016 AT 4.00 P.M.

PARKSIDE COMMITTEE - PARKSIDE

MEMBERS: Councillors M. A. Sherrey (Leader), C. B. Taylor (Deputy Leader), G. N. Denaro, R. L. Dent, R. J. Laight and P. J. Whittaker

AGENDA

1. To receive apologies for absence
2. Declarations of Interest

To invite Councillors to declare any Disclosable Pecuniary Interests or Other Disclosable Interests they may have in items on the agenda, and to confirm the nature of those interests.
3. To confirm the accuracy of the minutes of the meeting of the Cabinet held on 3rd February 2016 (Pages 1 - 6)
4. Report and Recommendations of the Independent Remuneration Panel (Pages 7 - 20)
5. Medium Term Financial Plan 2016/17 - 2018/19 (Pages 21 - 34)

K. DICKS
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

15th February 2016

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Agenda Item 3

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

WEDNESDAY, 3RD FEBRUARY 2016 AT 6.02 P.M.

PRESENT: Councillors M. A. Sherrey (Leader), C. B. Taylor (Deputy Leader),
G. N. Denaro, R. L. Dent and R. J. Laight

Invitees: Councillors L. C. R. Mallett and K. J. May

Observers: Councillors B. T. Cooper, C. A. Hotham and P. L. Thomas

Officers: Mr. K. Dicks, Ms. J. Pickering, Mrs. C. Felton, Ms J. Willis,
Mr. D. Allen, Ms. R. McAndrews and Mrs P. Ross

The Chairman announced that she had been advised by the Executive Director Finance and Resources that Members would be asked to consider a revised Recommendation with regard to the Medium Term Financial Plan. In light of the revised Recommendation the consideration of the allocation of funding towards the Member Capital Locality Bids would be deferred.

76/15 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor P.J. Whittaker.

77/15 DECLARATIONS OF INTEREST

There were no declarations of interest.

Councillor G. N. Denaro commented that, he would have declared an interest on Agenda Item No. 5, but as this item was to be deferred to a later meeting it would no longer be necessary for him to make a declaration.

78/15 MINUTES

The minutes of the meeting of the Cabinet held on 6th January 2016 were submitted.

RESOLVED that the minutes of the meeting of the Cabinet held on 6th January 2016 be approved as a correct record.

79/15 OVERVIEW AND SCRUTINY BOARD

The minutes of the meeting of the Overview and Scrutiny Board held on 23rd January 2016 were submitted.

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Cabinet
3rd February 2016

At the invitation of the Chairman Councillor L. C. R. Mallett, Overview and Scrutiny Board Chairman presented the minutes and highlighted the Recommendations as detailed within the minutes to the Chairman.

The Chairman thanked Councillor L. C. R. Mallett and clarified that the Recommendations, as detailed within the minutes and highlighted by Councillor L. C. R. Mallett, would be considered during the course of the meeting under the relevant agenda items; Medium Term Financial Plan and Burcot Lane Homelessness Hostel – Future Options.

With the agreement of the Chairman, Councillor C. B. Taylor asked when the Short, Sharp Review of homelessness in Bromsgrove District would commence. He was keen to be kept informed as Portfolio Holder for Planning Services and Housing.

In response Councillor L. C. R. Mallett informed Members that he was unsure as to the progress of the Short Sharp Review of homelessness in Bromsgrove District. He would however liaise with Councillor C. J. Bloore and the Democratic Services Officer and would endeavour to keep Councillor C. B. Taylor informed as the Portfolio Holder for Planning Services and Housing.

RESOLVED that the minutes of the Overview and Scrutiny Board meeting held on 23rd January 2016 be noted and that the Recommendations, as detailed within the minutes, be considered during the course of the meeting under the relevant agenda items as detailed in the preamble above.

80/15

BURCOT LANE HOMELESSNESS HOSTEL - FUTURE OPTIONS

Members considered a report which detailed the replacement of Burcot Lodge Homeless Hostel, Bromsgrove.

Councillor C. B. Taylor, Portfolio Holder for Planning Services and Housing introduced the report and in doing so informed Members that he had had several discussions with officers on the replacement of Burcot Lodge Homeless Hostel and it had been brought to the attention of the Overview and Scrutiny Board. Councillor C. B. Taylor referred the Members to the two proposed options from Bromsgrove District Housing Trust (BDHT) to replace the hostel, as detailed at paragraph 3.8 in the report. He also referred to the Recommendation in the Overview and Scrutiny Board Minutes, which he felt would be the most suitable way forward of addressing the need for hostel provision as it would allow for the position to be kept under review.

Accordingly, Councillor C. B. Taylor proposed that Recommendation 2.3 be amended to reflect the Recommendation as detailed in the Overview and Scrutiny Board minutes, as highlighted earlier in the meeting by Councillor L. C. R. Mallett.

Having been put to the vote it was

RESOLVED:-

- a) that, it be noted, that the sale of the former Council House and surrounding land would eventually lead to the closure of Burcot Lodge Homeless Hostel,
- b) that the Head of Community Services in consultation with the Portfolio Holder for Strategic Housing be granted delegated authority to organise the replacement of the hostel with alternative temporary accommodation, as set out in Proposal one, to be provided by BDHT, and
- c) that the Council would remain open to reconsidering Proposal 2, as detailed in the report, at a later date should demand for temporary accommodation from residents at risk of homelessness be increased.

RECOMMENDED that the cost of the alternative option for the provision of temporary accommodation, as set out in Proposal one, be released from balances.

81/15

CCTV CODE OF PRACTICE

Members considered a report detailing the adoption of the CCTV Code of Practice.

At the invitation of the Chairman, the CCTV and Lifeline Manager presented the report.

The CCTV and Lifeline Manager informed Members that the new Code of Practice was very similar in principle to the previous CCTV Code of Practice. The original objectives of the scheme had not been altered. The changes made were primarily to meet the requirements of new legislation, the Protection of Freedom Act and to adopt the Surveillance Camera Commissioner's Code of Practice. The CCTV Code of Practice, as detailed at Appendix 1 to the report, had been issued by the Secretary of State under Section 30 of the 2012 Act.

The CCTV Code of Practice was written to ensure that the scheme was operated legally, fit for purpose and followed the 12 guiding principles as detailed in the report.

The Chairman thanked the CCTV and Lifeline Manager.

RESOLVED:-

- a) that the CCTV Code of Practice, as detailed at Appendix 1 to the report, be approved; and
- b) that authority be delegated to the CCTV and Lifeline Manager to make minor changes to the CCTV Code of Practice to comply with legal requirements and advice from the Surveillance Commissioner.

82/15

MEDIUM TERM FINANCIAL PLAN

The Cabinet considered the report on the Medium Term Financial Plan 2016/17 – 2018/19.

The Executive Director Finance and Corporate Resources reminded Members, that as stated by the Chairman at the commencement of the meeting, Recommendation 2.1.7 in the report had been revised. The revised Recommendation was provided for Members consideration.

In light of the revised Recommendation 2.1.7; the Overview and Scrutiny Board Minutes of the meeting held on 23rd June 2016, with regard to the Member Capital Locality Bids from elected Members was acknowledged and noted as requested.

The Portfolio Holder for Finance expressed his sincere thanks to the directors and officers for their assistance with the preparation of the Medium Term Financial Plan. Directors and officers had been challenged with working towards achieving the delivery of a balanced budget, whilst taking into account the unexpected announcement from Central Government on the proposed changes and cuts to be implemented.

The Executive Director Finance and Corporate Resources acknowledged the Recommendation as detailed in the minutes of the Overview and Scrutiny Board meeting held on 23rd January 2016 with regard to the Fees and Charges for 2016/17; and informed Members that, as detailed in her report, it was proposed that the Fees and Charges for 2016/17 be increased by 3%, with charges outside of the 3% including a proposed 5% increase in 2017/18 for the garden waste collection service, presented in detail in the main report.

The Executive Director Finance and Corporate Resources referred to the background to the Medium Term Financial Plan and the Government proposed changes to the allocation of central government funding to the Council going forward.

A new calculation called 'Core Funding' would be used as the basis for reducing the funding given to the Council from Central Government. The Core Funding now included the Council Tax Requirement (Council Tax Revenue) from 2015/16 together with the Settlement Funding Assessment, as detailed in paragraph 3.4. The Core Funding for Bromsgrove was worth £9.879m in 2015/16, including Council Tax Requirement of £6.990m.

It was proposed that between 2015/16 and 2019/20, uniform annual cuts would be applied to each tier of local authorities' Core Funding. Over this four year period, the cumulative cut to lower tier services (District) would be 19.2%. This would result in the new Core Funding Assessment to be £7.981m, as detailed in section 3.6 in the report.

The Executive Director Finance and Corporate Resources drew Members' attention to paragraphs 3.7 and 3.8 in the report, highlighting the table at paragraph 3.10 which reflected the reductions to the Revenue Support Grant (RSG) funding for Bromsgrove based on the Grant received in 2015/16 and the table at paragraph 3.11 which illustrated the impact of the settlement on the Council, the loss of RSG over the next four years up to and including 2019/20 compared to previous forecasts.

The other element of significant income to the Council was New Homes Bonus. This fund would continue on the current basis for 2016/17. The position beyond 2016/2017 had not been confirmed. The financial plan assumed that the Community New Homes Bonus Scheme continued with 25% of the new funding from the grant allocated to schemes in communities affected by growth.

As part of the budget projections the grant attributed to Parish Councils had been reduced by the same percentage (54%) as the Revenue Support Grant (RSG) and therefore £13,800 was recommended to be paid to the Parishes with the remaining £7,000 to be utilised for projects in non-parished areas.

The table at paragraph 3.31 in the report detailed the three year financial summary and included the reductions in grant and the proposed pressures and savings.

Due to the current surplus of £154k in the overall budget for 2016/17, the Executive Director Finance and Corporate Resources drew Members' attention to the figure shown for the 'Release of reserves to fund shortfall' for 2016/17 (£-551k). The current surplus would be used to reduce the amount required from reserves and the 'Release of reserves to fund shortfall' for 2016/17 would reduce to £397k.

RESOLVED:-

- a) that the Member Capital Locality Bids as detailed at Appendix 6 (i – v) to the report, be deferred as Cabinet recognised that currently there was not a robust mechanism in place for processing and evaluating proposed projects; and
- b) that officers bring a comprehensive process and evaluation scheme to Members in due course for consideration.

RECOMMENDED:-

- a) that the Fees and Charges for 2016/17 (and garden waste for 2017/18) as detailed in Appendix 1 be approved;
- b) that the savings and additional income for 2016/17 of £401k as detailed in Appendix 3 be approved;
- c) that the unavoidable pressures for 2016/17 of £507k as detailed in Appendix 4 be approved;
- d) that the Capital bids for 2016/17 of £280k as detailed in Appendix 5 be approved;
- e) that the payment of Parish Council Grant for 2016/17 of £13,800 be approved;
- f) that the increase in Council Tax for 2016/17 of 1.9% be approved, and
- g) that, as detailed in the preamble above, the surplus shortfall figure for 2016/17 be used to reduce the 'Release of reserves to fund shortfall' figure for 2016/17 be approved.

83/15 **NEW HOMES BONUS 2016/17**

Members considered a report on the revised New Homes Bonus (NHB) Community Grants Scheme which enabled community groups to apply for funding from the New Homes Bonus Grant received by the Council.

Councillor G. N. Denaro, Portfolio Holder for Finance presented the report and in doing so informed Members that a scheme was introduced and funds made available for 2015/2016. A fund of £87,000 was allocated based on 25% of new grant received during the year and a number of groups had secured £63,000 of that funding, as detailed in the report.

For 2016/2017 the Council had agreed to make part of the New Homes Bonus available for a New Homes Bonus Community Grants Scheme. The template on page 163 of the report detailed the total number of new houses completed in 2014/2015 in each ward, totalling 228, giving a figure of £547.54 per house. The unallocated amount of £23,840 from the 2015/2016 scheme would be added to the 2016/2017 allocation, giving a total of £124,840.

RECOMMENDED:-

- a) that the revised New Homes Bonus Community Grants Scheme 2016/2017, as attached at Appendix 1 be approved;
- b) that 25% of the additional New Homes Bonus grant received in 2016/2017 to be used to calculate the amount of £101k to be allocated to the scheme be approved; and
- c) that an additional amount of £23,840 to be added to the total allocation in respect of funds carried forward from the previous year's scheme be approved.

The meeting closed at 6.44 p.m.

Chairman

MEMBERS ALLOWANCES – INDEPENDENT REMUNERATION PANEL REPORT AND RECOMMENDATIONS

| | |
|---------------------------------|--|
| Relevant Portfolio Holder | Cllr Denaro |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Claire Felton, Head of Legal, Equalities and Democratic Services |
| Ward(s) Affected | All |
| Ward Councillor(s) Consulted | N/A |
| Key Decision / Non-Key Decision | Non-key |

1. SUMMARY OF PROPOSALS

- 1.1 This report asks the Cabinet to consider the report and recommendations of the Independent Remuneration Panel (IRP); to recommend acceptance or otherwise of the IRP's report to Council and similarly to recommend a Members Allowances scheme for 2016-17 arising from this.

2. RECOMMENDATIONS

The Cabinet is asked to RECOMMEND that

- 2.1 the Council accepts all, some, or none of the recommendations of the Independent Remuneration Panel for 2016-17;
- 2.2 having considered the Panel's report and recommendations, whether the Council changes the scheme of allowances for Members for 2016-17.

3. KEY ISSUES

Financial Implications

- 3.1 The Council reduced in size from 39 to 31 members following the local elections in May last year. The budget for members allowances reduces by approx. £30,000 as a result of this reduction.
- 3.2 If changes to the current amounts of allowances are made there may be additional savings or costs. If the Council implements the recommendations of the IRP – a slight reduction in the allowances – it would save approx. £1,500 per year against current payments for basic and special responsibility allowances.

Legal Implications

- 3.3 The Council is required to maintain a Panel of people from outside the Council to consider and recommend to it:
- the level of basic and special responsibility allowances paid to Councillors and

- travel, subsistence and dependent carers' expenses for Councillors.

The Council is required to "have regard" to the recommendations of the Panel. However, it is not obliged to agree to them. It can choose to implement them in full or in part, or not to accept them.

- 3.4 The Council is also required to review its scheme of allowances for Councillors on an annual basis, prior to the start of the new financial year. If changes to the amounts of the allowances are agreed then the scheme will be updated automatically.

Service / Operational Implications

- 3.5 The current allowances paid by the authority are shown in appendix 1 to the IRP's report, together with the allowances recommended by the Panel.
- 3.6 The Council is deciding on the level of allowances payable to members from 1st April. .

Customer / Equalities and Diversity Implications

- 3.7 There are no specific customer or equalities implications arising from this report.

4. RISK MANAGEMENT

- 4.1 Payments to Councillors can be a high profile issue. The main risks are reputational. However, the Council is transparent about the decisions made on allowances. The Allowances scheme and sums paid to Councillors each year are published on the Council's website.

5. APPENDICES

Report of the Independent Remuneration Panel for 2016-17.

6. BACKGROUND PAPERS

None.

7. KEY

IRP – Independent Remuneration Panel

AUTHOR OF REPORT

Name: Sheena Jones

email: sheena.jones@bromsgroveandredditch.gov.uk Tel.: 01527 548240

Independent Remuneration Panel for Worcestershire District Councils

Annual Report and Recommendations for 2016-17

Bromsgrove District Council

December 2015

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Recommendations

The Independent Remuneration Panel recommends to Bromsgrove District Council the following:

1. That the Basic Allowance for 2016-17 shows a 1% increase to £4,250.
2. That the Special Responsibility Allowances are as set out in Appendix 1.
3. That travel allowances for 2016-17 continue to be paid in accordance with the HMRC mileage allowance.
4. That subsistence allowances for 2016-17 remain unchanged.
5. That the Dependent Carer's Allowance remains unchanged.
6. That for Parish Councils in the District:
 - (a) parish basic allowance should not be paid to every member of a Parish Council;
 - (b) parish basic allowance should only be payable to the Chairman of a Parish Council with a precept of £15,000 or above, and that the amount of such allowance should be maintained at 11% (to the nearest round figure) of the basic allowance payable to Bromsgrove District Councillors;
 - (c) parish basic allowance should be paid to eligible Chairmen in preference to the 'historic' Chairman's Allowance and that a Chairman should not receive both payments*;
 - (d) the Panel will only undertake any further reviews on this matter in response to specific requests from Parish Councils or changes in legislation;
 - (e) Where paid, travelling allowances should be paid in accordance with the HM Revenue and Custom mileage allowance.

** 'historic' Chairman's Allowance is that payable under Section 15 (5) of the Local Government Act 1972 to meet the expenses of this position.*

Introduction

The Independent Remuneration Panel (IRP) has been appointed by the Council to carry out reviews of the allowances paid to Councillors, as required by the Local Government Act 2000 and subsequent legislation. The Panel has carried out its work in accordance with the legislation and statutory guidance.

The law requires each Council to “have regard” to the recommendations of the Independent Panel and we noted that last year the Council did not accept our recommendations and retained a basic allowance at £4,326, although the Council did change the multiplier for the Special Responsibility Allowance for chairing Licensing Committee to the multiplier recommended by the Panel.

This year the Panel offered to meet with the Leader of the Council to discuss any other particular issues. We agreed mutually that there were no specific issues to discuss this year.

At this point we would like to stress that our recommendations are based on thorough research and benchmarking. We have presented the Council with what we consider to be an appropriate set of allowances to reflect the roles carried out by the Councillors. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

However, we acknowledge that in the current challenging financial climate there are difficult choices for the Council to make. Ultimately it is for the Council to decide how or whether to adopt the recommendations that we make.

Background Evidence and Research Undertaken

There is a rich and varied choice of market indicators on pay which can be used for comparison purposes. These include:

- National survey data on a national, regional or local level;
- Focussed surveys on a particular public sector;
- Regular or specific surveys
- Use of specific indices to indicate movement in rewards or cost of living.

As background for the decisions taken by the Panel this year we have:

- Analysed and considered the Annual Survey of Hours and Earnings (ASHE) statistics for 2015 which gives the mean hourly wage rate for Worcestershire at £14.68.
- Benchmarked the Basic Allowance against allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” Councils for each authority.

We give more details about these areas of research at the end of the report.

This autumn, Worcester City Councillors recorded time spent on Council business for a number of weeks. This enabled the Panel to confirm the number of hours per week for front

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line councillors, which is used to calculate the recommended basic allowance. More detail is given about this under the Basic Allowance heading later in the Report.

The figure being recommended by the Panel of £4,250 (1% increase in line with the Public Sector settlement) for the Basic Allowance appears reasonable and appropriate when compared to other Local Authorities.

Arising from our research, in Table 1 we have included information showing the Members' allowances budget for Basic and Special Responsibility Allowances paid for 2014-15 as a cost per head of population for each Council. To give context, we have included details of the proportion of net revenue budget spent by each Council on basic and Special Responsibility allowances.

In Table 2 we show the average payment per member of each authority of the Basic and Special Responsibility Allowances, which illustrates the balance between the level of Special Responsibility Allowances paid and the Basic Allowance.

Table 1 - Total spend on Basic and Special Responsibility Allowances as a cost per head of population 2014-15 figures

| Authority, population ¹ and number of Councillors | Total spend Basic Allowances 2014-15 £: | Total spend on Special Responsibility Allowances (SRA) £: | SRA as a percentage of total Basic Allowance %: | Cost of total basic and SRA per head of population £: | Total of basic and SRA as a percentage of Net General Revenue Fund expenditure % |
|--|---|---|---|---|--|
| Bromsgrove DC (39) 94,744 | 168,064 | 66,417 | 40% | 2.48 | 234,481/ 12,456,000 =1.88% |
| Malvern Hills DC (38) 75,339 | 161,089 | 63,949 | 40% | 2.99 | 225,038/ 10,736,000 = 2.10% |
| Redditch Borough (29) 84,521 | 95,804 | 44,709 | 47% | 1.66 | 140,513/ 10,622,000 = 1.32% |
| Worcester City (35) 100,405 | 139,650 | 58,513 | 42% | 1.97 | 198162/ 10,690,000 = 1.85% |
| Wychavon (45) 118,738 | 185,776.61 | 70,515.54 | 37.96% | 2.16 | 256,293/ 12,255,000 = 2.09% |

¹ ONS population figures mid 2013. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2014-15 financial year.

Table 2 showing average allowance per Member of each authority (Basic and Special Responsibility Allowances, 2014 – 15 figures)

| Authority (number of Councillors) | Amount £ |
|--|-----------------|
| Bromsgrove District (39) | 6,012 |
| Malvern Hills District (38) | 5,921 |
| Redditch Borough (29) | 4,845 |
| Worcester City (35) | 5,661 |
| Wychavon District (45) | 5,695 |

Basic Allowance 2016 - 17

Calculation of Basic Allowance

The Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

We then apply a public service discount of 40% to reflect that Councillors volunteer some of their time to the role.

The Basic Allowance is paid to all Members of the Council.

Whilst each council may set out role descriptions for councillors, the Panel accepts that each councillor will carry out that role differently, reflecting personal circumstances and local requirements. However, we consider the Basic Allowance to include Councillors' roles in Overview and Scrutiny, as any non-Executive member of the Council is able to contribute to this aspect of the Council's work. It is for this reason that we do not recommend any Special Responsibility Allowance for members of the Overview and Scrutiny Committee. We also consider that ICT could be included in the Basic allowance as it is generally more readily available to individuals than in previous years. However, we are comfortable that specific local decisions may be made about how ICT support is provided.

As mentioned earlier, this year Worcester City Councillors recorded the time spent per week on Council business for a number of weeks during the early autumn. This was considered to reflect an appropriate "average" period of time for meetings and other commitments. The results from this survey showed that the average input was 10 hours and 50 minutes per week. This figure matches the one used for a number of years by the Panel, based on previous research with constituent councils, to calculate the basic allowance.

We reviewed the levels of wage rates for Worcestershire as set out in the ASHE data (details in appendix 2) and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy (CIPFA) "nearest neighbours" authorities as part of our research into the level of basic allowance recommended. We are also aware that after a period of no pay increases, the majority of local government employees received a 2.2% increase in pay in January 2015 in an agreement that lasts through to March 2016.

The Panel has not recommended any increase in the basic allowance since 2012 due to the exceptional economic circumstances which have prevailed nationwide and the challenging financial climate for local authorities. However, arising from our research and benchmarking, and acknowledging the increase to local government employees' pay this year, we consider that it is appropriate to recommend an increase of 1% to the basic allowance for 2016-17.

The calculation used to arrive at the Basic allowance is set out at appendix 2. This shows an increase higher than 1% for the basic allowance. However, given the continuing pressure on local government finance and pay restraint for employees, the Panel is recommending that the increase in the basic allowance is capped at 1% for 2016-17, which gives a figure of £4,250 (rounded up)

Special Responsibility Allowances (SRA) 2016-17

General Calculation of SRAs

The basis for the calculation of SRAs is a multiplier of the Basic Allowance as advocated in the published Guidance.

The Panel has reviewed the responsibilities of each post, the multipliers and allowances paid by similar authorities. As in last year, the Panel has benchmarked the allowances against those paid by authorities listed as "nearest neighbours" by CIPFA.

The Panel has been asked on occasions to consider recommending SRA's for Vice-Chairmen of Committees. Having considered evidence presented to us and the nature of the roles, as a principle the Panel does not recommend SRA's for Vice-Chairman roles.

Appendix 1 to this report sets out the allowances recommended for 2016-17. We have highlighted changes to previous recommendations below.

Audit, Standards and Governance and Committee

Panel notes that this year the Council merged the work of the former Standards Committee with that of the Audit Board to form a new committee.. The Panel continues to recommend a Special Responsibility Allowance is paid to the Chairman of the Committee.

Mileage and Expenses 2016-17

The Panel notes that the Council has used the HMRC flat rate for payment of mileage for Councillors and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council's Scheme of Members' Allowances provides that Dependant Carer Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

Allowances to Parish Councils

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

This year the Panel has not been asked to make recommendations on any matters by any Parish in Bromsgrove. In the past the Panel which covered the District made specific recommendations regarding basic, travel and subsistence allowances and we are content to repeat these recommendations.

The Independent Remuneration Panel

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with 4 of the other 5 District Councils in Worcestershire. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

Rob Key, the Chair of the Panel – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.

Elaine Bell, JP, DipCrim – Elaine has been a Magistrate for 20 years on the South Worcester Bench. She was Deputy Chair of the Bench for 5 years, standing down in July 2014 when bench boundaries changed. She was Chair of the Bench Training and Development Committee for 9 years, and sat on the Magistrates Advisory Panel for 9 years (interviewing and selecting applicants for appointment as Magistrates). She sits as Chair in both Adult and Family courts in the newly constructed Worcestershire Bench stretching geographically from Hereford, Kidderminster, Redditch and Worcester. She is also Chair of the Lloyds Educational Foundation, past member of Sytchampton School Appeals Panel; Past Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.

Bill Simpson MBE JP Bill Simpson MBE JP – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies, one being the Royal Horticultural Society. He served as a magistrate for 9 years until retirement. He is a Trustee of several charities including chairing Thrive – the national Society for Horticultural Therapy between 1993 and 2008. A Past President of the professional Institute of Horticulture he returned to the Council in 2012 to achieve chartership with the Royal Charter being awarded in 2014. Currently he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council, Academy and Diocesan Panels for Schools Preferences Appeals. Appointed a Member of the British Empire (MBE) in 2011 for services to horticulture and the local community.

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Terry Cotton - Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Until May 2011 he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he worked part-time in Birmingham's Jewellery Quarter, setting up a new business led community development trust and currently works part-time for Worcestershire County Council on sustainable transport initiatives. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.

Don Barber – After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Panel has been advised and assisted by:

- Claire Chaplin and Margaret Johnson from Worcester City Council;
- Sheena Jones from Bromsgrove and Redditch Councils;
- Mel Harris from Wychavon District Council;
- Matthew Box from Malvern Hills District Council.

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

Rob Key, Chairman of Independent Remuneration Panel

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Appendix 1

Independent Remuneration Panel for District Councils in Worcestershire Recommendations for 2016-17

Bromsgrove District Council

| Role | Recommended Multiplier | Current Multiplier | Recommended Allowance £ | Current Allowance (paid) £ |
|--|-------------------------------|---------------------------|---|---------------------------------------|
| Basic Allowance – all Councillors | 1 | 1 | 4,250 | 4,326 |
| Special Responsibility Allowances: | | | | |
| Leader | 3 | 3 | 12,750 | 12,978 |
| Deputy Leader | 1.75 | 2 | 7,438 | 8,653 |
| Cabinet Portfolio Holders | 1.5 | 1.3 | 6,375 | 5,624 |
| Chairman of Overview and Scrutiny Board | 1.5 | 1.3 | 6,375 | 5,624 |
| Chairman of Overview and Scrutiny Task Groups | 0.25 | 0.06 | 1,063 Paid pro-rata for length of task group | 260 payable on completion of task |
| Members of Overview and Scrutiny Task Groups | 0 | 0.03 | 0 | 130 Payable on completion of task |
| Chairman of Audit, Standards and Governance Committee | 0.25 | 0.29 | 1,063 | 1,254 |
| Chairman of Planning Committee | 1 | 1.3 | 4,250 | 5,624 |
| Chairman of Licensing Committee | 0.3 | 0.3 | 1,275 | 1,298 |

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| Role | Recommended Multiplier | Current Multiplier | Recommended Allowance £ | Current Allowance (paid) £ |
|--|-------------------------------|---------------------------|------------------------------------|--|
| Chairman of Appointments Committee | 0.03 | 0.03 | 128 | 130 Per meeting |
| Chairman of Electoral Matters Committee | 0.03 | 0.03 | 128 | 130 Per meeting |
| Chairman of Appeals Panel | 0.03 | 0.03 | 128 | 130 Per meeting |
| Political Group Leaders | 0.25 | 0.29 | 1,063 | 1,254 To Leader of largest opposition group |
| | 0.25 | 0.25 | 1,063 | 1,082 For groups of 4 or more members |

Summary of Research

Chartered Institute of Public Finance and Accountancy (CIPFA) “Nearest Neighbour” authorities tool.

No two Councils or sets of Councillors are the same. Developed to aid local authorities in comparative and benchmarking exercises, the CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities. Using the data, Bromsgrove’s “nearest neighbours” are:

- Stroud District Council
- Lichfield District Council
- Maldon District Council
- South Staffordshire District Council
- Tewkesbury Borough Council
- Rushcliffe Borough Council

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended to the District Council.

Annual Survey of Hours and Earnings (ASHE) Data on Pay

<http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-400803>

Table 8.6a – hourly pay for all employees by local authority place of residence

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at District level about rates of pay. For benchmarking purposes the Panel uses the levels for hourly rates of pay excluding overtime. This is multiplied by 11 to give a weekly rate, which is then multiplied by 44.4 weeks to allow for holidays.. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys and substantiated by a survey with Worcester City Councillors in the autumn of 2015. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role. For 2016-17 the Panel is recommending that the increase in the basic allowance is capped at 1%.

CPI (Consumer Price Inflation)

In arriving at its recommendations the Panel has taken into account the latest reported CPI figure available to it, published by the Office for National Statistics. This was -0.01% for October 2014 – October 2015.

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MEDIUM TERM FINANCIAL PLAN 2016/17 – 2018/19

| | |
|----------------------------|----------------------------------|
| Relevant Portfolio Holder | Geoff Denaro |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Jayne Pickering (Exec Director) |
| Wards Affected | All |
| Ward Councillor Consulted | None specific |

1. SUMMARY OF PROPOSALS

1.1 To enable Members to consider revisions to the Medium Term Financial Plan as previously reported to 3rd February Cabinet and to recommend the Council Tax resolutions and Pay Policy for 2016/17.

2. RECOMMENDATIONS

2.1 The Committee is asked to RECOMMEND ;

- 2.1.1 Approval of the release from reserves of £849k in 2016/17**
- 2.1.2 Approval of an increase Council Tax by £5 (2.5%) per Band D equivalent for 2016/17**
- 2.1.3 Approval of the Pay Policy as attached at Appendix 1**
- 2.1.4 Approve the Council Tax resolutions as included at Appendix 2**

3. KEY ISSUES

Financial Implications

- 3.1 As reported to the Cabinet 3rd February a balanced budget for 2016/17 had been recommended despite the significant cut in Government Grant funding. This was based on the proposed financial settlement as received in December 2015.
- 3.2 A request was sent by the Leader to appeal the settlement proposed and the final grant allocation was reported to the Council on 9th February 2016. This included a transitional grant allocation of £118k for both 2016/17 and £114k for 2017/18 to partially offset the impact of the cut in Revenue Support Grant. It is proposed that this funding is used to reduce the amount required from reserves to support the budget shortfall in 2016/17.
- 3.3 In addition all Shire Districts were given the flexibility to increase Council Tax by £5 per Band D equivalent property without the requirement to hold a referendum. This would be an increase to the

residents of the District of 2.5% and would be an increase of approximately £1.20 (per Band D) per year than a 2% charge. The charge for the District Council services would be £205.24 per year for a Band D equivalent property. The income generated from the £5 charge would be approximately £43k and it is therefore proposed that this opportunity is taken for 2016/17 and the additional income is used to reduce the amount required from reserves to support the budget shortfall in 2016/17.

- 3.4 Taking into account the above additional revenue received the balances position will be increased from that anticipated when the provisional settlement was published. This will be subject to the draw down to fund the borrowing costs associated with the re-development of the new Dolphin Centre.

| BALANCES | £m |
|---|--------------|
| B/Fwd 1.4.2015 | 4.274 |
| Use in 2015/16 (per previous approvals) | 0.556 |
| Release of Balances to support 2017/18-2018/19 Budget | 1.000 |
| REMAINING BALANCES | 2.718 |

- 3.5 It is assumed that further detailed information will be made available in the Summer in relation to the Business Rates Retention Scheme and this will be brought to members attention once it is published.
- 3.6 Members will also be aware that the Government are looking to reduce the funding for New Homes Bonus and have released a consultation paper to enable Councils to identify any concerns or identify alternatives to the proposed changes. The consultation is due back to Government on 10th March and will be sent to all Members for information prior to this deadline.

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- 3.7 The following table shows the final recommended budget for 2016/17 to include the transitional grant , Council Tax increase to £5 and the additional income from Council Tax identified.

| | 2016-17 | 2017-18 | 2018-19 |
|--|----------------|----------------|----------------|
| | £000 | £000 | £000 |
| Departmental Expenditure (Starting Position) | 11,381 | 11,582 | 11,582 |
| Incremental Progression/Inflation on Utilities | 281 | 383 | 595 |
| Unavoidables | 507 | 525 | 531 |
| Savings and Additional income | -401 | -395 | -393 |
| Release of reserves no longer required | -553 | -222 | -222 |
| Release of reserves to fund shortfall | -296 | -317 | |
| Net Service Expenditure | 10,918 | 11,556 | 12,092 |
| Investment Income | 93 | 122 | 169 |
| Cost of Borrowing | 274 | 394 | 458 |
| Recharge to Capital Programme | -25 | -25 | -25 |
| Net Operating Expenditure | 11,260 | 12,047 | 12,694 |
| Revenue Support Grant | -564 | 0 | 0 |
| Changes to Government Grant - Admin Subsidy | 35 | 66 | 94 |
| RSG to Parishes & Non Parished | 21 | 0 | 0 |
| Transitional Grant | -118 | -114 | 0 |
| Business Rates Retention (Baseline Funding) | -1,599 | -1,630 | -1,678 |
| Funding from Business Rate Growth | 0 | -150 | -150 |
| New Homes Bonus | -1,703 | -1,703 | -1,103 |
| New Homes Bonus Community Scheme | 101 | 79 | 83 |
| Collection Fund Surplus (Council Tax) | -167 | 0 | 0 |
| Council Tax | -7,266 | -7,469 | -7,718 |
| Proposed Funding from Balances | 0 | -500 | -500 |
| Funding Total | -11,260 | -11,421 | -10,973 |
| Shortfall | 0 | 626 | 1,721 |

Service / Operational Implications

- 3.8 The pressures as identified will ensure that services are delivered to the community. The additional cuts to RSG will need to be addressed to ensure that quality of service provision is maintained in the District.

Legal Implications

- 3.9 There are a number of requirements that the Council's Section 151 Officer (the Council's designated Senior Finance Officer) has to include

in the budget report. These are set out below, together with S.151 comments on each of the issues:

- a) The level and use of reserves to be formally determined by the Council must be informed by the judgement and advice of the Chief Financial Officer (CFO).

Section 151 Officer's comments: Review of general fund balances included above in report (3.4).

- b) The CFO to report the factors that have influenced his/her judgement in the context of the key financial assumptions underpinning the budget, and ensure that his/her advice is formally recorded. Where that advice is not accepted, this should be formally recorded in the minutes of the meeting.

Section 151 Officer's comments: The main assumptions included in the calculation of the budget are included within the report. The budget updates and considerations at previous Committee meetings have been formally recorded.

- c) The report should include a statement showing the estimated opening balance on general fund reserves for the year ahead, any contribution to/from the fund, and the estimated closing balance.

Section 151 Officer's comments: statement included in this report (3.4)

- d) The report should show the extent to which reserves are financing ongoing expenditure.

Section 151 Officer's comments: included in this report and that to Cabinet on 3rd February 2016

- e) The report should include a statement from the CFO on the adequacy of general reserves and provisions both for the forthcoming year and in the context of the medium term financial plan.

Section 151 Officer Comments: the Council holds adequate reserves to manage future liability and financial constraints as detailed in the report to Cabinet on 3rd February.

- f) The report should include a statement on the annual review of earmarked reserves showing:
- i) list of earmarked reserves
 - ii) purpose of reserve
 - iii) advice on appropriate levels

- iv) estimated opening / closing balances
- v) planned additions / withdrawals.

Section 151 Officer's Comments: The current reserves are reported on a regular basis through the financial monitoring reports .

Customer / Equalities and Diversity Implications

- 3.10 Undertaking a comprehensive review of the financial cost and the value of the demand on all the Councils services will ensure that all customers needs will be identified to enable members to make informed and considered judgements about the budget over the financial plan.

4. RISK MANAGEMENT

- 4.1 To mitigate the risks associated with the financial pressures facing the Authority regular monitoring reports are presented to both officers and Members to enable proactive action being undertaken to address any areas of concern.

5. APPENDICES

Appendix 1 – Pay Policy 2016/17
Appendix 2 – Council Tax Resolutions

AUTHOR OF REPORT

Name: Jayne Pickering – Exec Director Finance and Resources
E Mail: j.pickering@bromsgroveandredditch.gov.uk
Tel: 01527-881400

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APPENDIX 1

BROMSGROVE DISTRICT COUNCIL PAY POLICY STATEMENT

Introduction and Purpose

1. Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as authority thinks fit”. This pay policy statement sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. It shall apply for the financial year 2016 – 2017 and each subsequent financial year, until amended.
2. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;
 - a. the methods by which salaries of all employees are determined;
 - b. the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
 - c. the Committee(s) responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and for recommending any amendments to the full Council
3. Once approved by the full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis, in accordance with the relevant legislation prevailing at that time.

Legislative Framework

4. In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the equal pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms. These directly relate salaries to the requirements, demands and responsibilities of the role.

Pay Structure

5. The Council’s pay and grading structure comprises grades 1 – 12. These are followed by grades for Managers 1 - 4, Head of Service 2, Head of Service 1, Director, Executive Director, Deputy Chief Executive and then Chief Executive; all of which arose following the introduction of shared services with Redditch Borough Council and which specifically accommodate the joint management team for shared services.
6. Within each grade there are a number of salary / pay points. Up to and including grade 11 scale, at spinal column point 49, the Council uses the nationally negotiated pay spine. Salary points above this are locally determined. The Council’s Pay structure is set out below.

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| Grade | Spinal Column Points | | Nationally determined rates | |
|----------------------|----------------------|-------|-----------------------------|--------------|
| | | | Minimum £ | Maximum £ |
| 1 | 5 | 9 | 13,500 | 14,075 |
| 2 | 9 | 14 | 14,075 | 16,231 |
| 3 | 13 | 17 | 15,941 | 17,372 |
| 4 | 17 | 22 | 17,372 | 20,253 |
| 5 | 21 | 25 | 19,742 | 22,212 |
| 6 | 25 | 30 | 22,212 | 26,293 |
| 7 | 30 | 36 | 26,293 | 30,978 |
| 8 | 35 | 40 | 30,178 | 34,746 |
| 9 | 39 | 43 | 33,857 | 37,483 |
| 10 | 42 | 46 | 36,571 | 40,217 |
| 11 | 45 | 49 | 39,267 | 42,957 |
| 12 | 48 | 52 | 42,053 | 45,725 |
| Manager 1 | Hay evaluated | 42% | 52,521 | 54,672 |
| Manager 2 | Hay evaluated | 43.7% | 54,672 | 56,960 |
| Manager 3 | Hay evaluated | 45.6% | 56,960 | 58,905 |
| Manager 4 | Hay evaluated | 47.1% | 58,905 | 61,812 |
| Head of Service 2 | Hay evaluated | 50% | 62,475 | 65,025 |
| Head of Service 1 | Hay evaluated | 60% | 74,970 | 78,030 |
| Director | Hay evaluated | 67% | 83,640 | 86,700 |
| Executive | Hay | 72.5% | 90,780 | 94,350 |

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| | | | | |
|------------------------|---------------|-----|---------|---------|
| Director | evaluated | | | |
| Deputy Chief Executive | Hay evaluated | 80% | 99,960 | 102,000 |
| Chief Executive | Hay evaluated | | 122,500 | 127,500 |

- 7 All Council posts are allocated to a grade within this pay structure, based on the application of a Job Evaluation process. Posts at Managers and above are evaluated by an external assessor using the Hay Job Evaluation scheme. This scheme identifies the salary for these posts based on a percentage of Chief Executive Salary. Posts below this level (which is the majority of employees) are evaluated under a different Job Evaluation process. Where posts are introduced as part of a shared service, and where these posts are identified as being potentially too 'large' and 'complex' for this majority scheme, they will be double tested under the Hay scheme, and where appropriate, will be taken into the Hay scheme to identify levels of pay.
- 8 In common with the majority of authorities the Council is committed to the Local Government Employers national pay bargaining framework in respect of the national pay spine and annual cost of living increases negotiated with the trade unions.
- 9 All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community; delivered effectively and efficiently and at all times those services are required.
- 10 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.
11. For staff not on the highest point within the salary scale there is a system of annual progression to the next point on the band.

Senior Management Remuneration

12. For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1st January 2016.
13. Bromsgrove District council is managed by a senior management team who manage shared services across both Redditch Borough and Bromsgrove District Councils. All of the posts listed below have been job evaluated on this basis, with the salary costs for these posts split equally between both Councils.

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| Title | % of Chief executive salary | Pay range (minimum) | Pay range (maximum) | Incremental points | Cost to Redditch Borough Council |
|--|------------------------------------|----------------------------|----------------------------|---------------------------|---|
| Chief Executive | 100% | £122,500 | £127,500 | 3 | £62,500 |
| Director of Leisure, Environment and Community Services. (Also Deputy Chief Executive / Executive Director (Council 'lead officer')) | 80% | £99,960 | £102,000 | 3 | £50,490 |
| Director of Finance and Resources. (Also section 151 Officer and Council 'lead' officer) | 72.5% | £90,780 | £94,350 | 3 | £46,282 |
| Head of Customer Access and Financial Support | 60% | £74,970 | £78,030 | 3 | 38,250 |
| Head of Planning and Regeneration | 60% | £74,970 | £78,030 | 3 | £38,250 |
| Head of Transformation and Organisational Development | 60% | £74,970 | £78,030 | 3 | £38,250 |
| Head of Legal, Equalities and Democratic Services | 60% | £74,970 | £78,030 | 3 | £38,250 |
| Head of Environmental Services | 60% | £74,970 | £78,030 | 3 | £38,250 |
| Head of Leisure and Cultural Services | 60% | £74,970 | £78,030 | 3 | £38,250 |

| | | | | | |
|-----------------------------|-----|---------|---------|---|---------|
| | | | | | |
| Head of Community Services | 60% | £74,970 | £78,030 | 3 | £38,250 |
| Head of Regulatory Services | 68% | £83,640 | £86,700 | 3 | - |

Recruitment of Chief Officers

14. The Council's policy and procedures with regard to recruitment of chief officers is set out within the Officer Employment Procedure Rules as set out in the Council's Constitution. When recruiting to all posts the Council will take full and proper account of its own equal opportunities, recruitment and redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.
15. Where the Council remains unable to recruit chief officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any Chief Officers under such arrangements.

Performance-Related Pay and Bonuses – Chief Officers

16. The Council does not apply any bonuses or performance related pay to its chief officers. Any progression through the incremental scale of the relevant grade is subject to satisfactory performance which is assessed on an annual basis.

Additions to Salary of Chief Officers (applicable to all staff)

17. In addition to the basic salary for the post, all staff may be eligible for other payments under the Council's existing policies. Some of these payments are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties. The list below shows some of the kinds of payments made.
- a. reimbursement of mileage. At the time of preparation of this statement, the Council pays an allowance of 45p per mile for all staff, with additional or alternative payments for carrying passengers or using a bicycle;
 - b. professional fees. The Council pays for or reimburses the cost of one practicing certificate fee or membership of a professional organisation provided it is relevant to the post that an employee occupies within the Council.
 - c. long service awards. The Council pays staff an additional amount if they have completed 25 years of service.
 - d. honoraria, in accordance with the Council's policy on salary and grading. Generally, these may be paid only where a member of staff has performed a role at a higher grade;

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- e. fees for returning officer and other electoral duties, such as acting as a presiding officer of a polling station. These are fees which are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda;
- f. pay protection – where a member of staff is placed in a new post and the grade is below that of their previous post, for example as a result of a restructuring, pay protection at the level of their previous post is paid for the first 12 months. In exceptional circumstance pay protection can be applied for greater than 12 months with the prior approval of the Chief Executive.
- g. market forces supplements in addition to basic salary where identified and paid separately;
- h. salary supplements or additional payments for undertaking additional responsibilities such as shared service provision with another local authority or in respect of joint bodies, where identified and paid separately;
- i. attendance allowances.

Payments on Termination

- 18. The Council's approach to discretionary payments on termination of employment of chief officers prior to reaching normal retirement age is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- 19. Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments.
- 20. Redundancy payments are based upon an employee's actual weekly salary and, in accordance with the Employee Relations Act 1996, will be up to 30 weeks, depending upon length of service and age.

Publication

- 21. Upon approval by the full Council, this statement will be published on the Council's website. In addition, for posts where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note on Officers Remuneration setting out the total amount of:
 - a. Salary, fees or allowances paid to or receivable by the person in the current and previous year;
 - b. Any bonuses so paid or receivable by the person in the current and previous year;
 - c. Any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - d. Any compensation for loss of employment and any other payments connected with termination;
 - e. Any benefits received that do not fall within the above.

Lowest Paid Employees

- 22. The Council's definition of lowest paid employees is persons employed under a contract of employment with the Council on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's

grading structure. As at 1st January 2015 this is £13,500 per annum. However, the Council currently pays all staff on a minimum of SCP 11, the National Living Wage.

23. The Council also employs apprentices (or other such categories of workers) who are not included within the definition of 'lowest paid employees' (as they are employed under a special form of employment contract; which is a contract for training rather than actual employment).
24. The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.
25. The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that "it would not be fair or wise for the Government to impose a single maximum pay multiple across the public sector". The Council accepts the view that the relationship to median earnings is a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce.
26. The current pay levels within the Council define the multiple between the lowest paid (full time equivalent) employee and the Chief Executive as [1:12.6] and; between the lowest paid employee and average chief officer as [1:5.8]. The multiple between the median (average) full time equivalent earnings and the [Chief Executive] is [1:6.7] and; between the median (average) full time equivalent earnings and average chief officer is [1:3.8].
27. As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

Accountability and Decision Making

28. In accordance with the Constitution of the Council, the Council is responsible for setting the policy relating to the recruitment, pay, terms and conditions and severance arrangements for employees of the Council. Decisions about individual employees are delegated to the Chief Executive.
29. The Appointments Committee is responsible for recommending to Council matters relating to the appointment of the Head of Paid Service (Chief Executive), Monitoring Officer, Section 151 Officer and Chief Officers as defined in the Local Authorities (Standing Orders) Regulations 2001 (as amended);
30. For the same officers, but excluding the head of Paid Service, Monitoring Officer and the Chief Finance Officer, the Appointments Committee considers and decides on matters relating to disciplinary action.

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