









Our Ref:

smj/rk

5 December 2011

To each Councillor for Bromsgrove District Council

Dear Councillor

## Independent Remuneration Panel Report and Recommendations for 2012-13

I enclose the report of the Independent Remuneration Panel for the District Councils in Worcestershire, with recommendations for the level of allowances in 2012-13.

Whilst we set out the background to our recommendations in the report, the Panel thought it would be helpful to you to outline the processes we have followed and research undertaken during the year.

For the **Basic Allowance**, we have used the current role descriptions for Councillors for each District as a basis to define what activities are reflected in the calculation. We have used data from the following sources to arrive at the hourly rate:

- National Annual Survey of Hours And Earnings, which indicates pay data for employees by District, County and Region;
- The last Local Government Association Survey carried out nationwide;
- The 2010 and 2011 South East Employers local authority survey of allowances in 40 Councils;
- Comparisons with the allowances of the five "nearest neighbour" authorities as defined by the Chartered Institute of Public Finance and Accountancy (CIPFA).

This research has shown that the mean average for the Basic Allowance is between £4,194 (last Local Government survey) and £4,426 (South East Employers). The Panel's proposal for a standard figure of £4,200 therefore appears reasonable when compared to other local authorities. However, the Panel acknowledges that, for Bromsgrove District Council, this would require a significant percentage increase to achieve this level. Being mindful of the serious economic climate we have not recommended that Basic Allowance should be increased to this level for Bromsgrove.

**Special Responsibility Allowances** may be paid to members of the Council who "have significant additional responsibilities over and above the generally accepted duties of a Councillor. These duties must be related to the discharge of the authority's functions"<sup>1</sup>

We have been kept up to date with developments in leading roles within each Council and met with Leaders of most of the Districts in Worcestershire to discuss the developing role and expectations of that office. We have applied certain principles to our consideration of the Special Responsibility Allowances, based on:

The Leader role is prime and developing;

 As far as possible the role of Chairing the main Overview and Scrutiny Committee is at least comparable to that of an Executive member with portfolio (if there is more than one O&S Committee then this allowance should be reduced)

As far as possible we have used multipliers of the Basic Allowance to arrive at

recommendations for Special Responsibility Allowances

 Comparing similar roles between authorities, particularly using the "nearest neighbour" comparators, South East Employers and the LGA Survey referred to above.

As always, myself and the Panel members welcome the opportunity to meet Councillors to discuss how they carry out their role and our deliberations. We are aware of the emerging Localism Act requirements and will be looking to keep abreast of these and other initiatives. We will monitor their impact on Councillors' roles during the coming year.

Yours faithfully

R.I. Key

Rob Key

Chairman of the Independent Remuneration Panel for Worcestershire Districts

<sup>&</sup>lt;sup>1</sup> Department for Communities and Local Government Guidance on Regulations for Local Authority Allowances