

BROMSGROVE DISTRICT COUNCIL

COUNCIL

25th FEBRUARY 2015

**MEMBERS ALLOWANCES – INDEPENDENT REMUNERATION PANEL REPORT
AND RECOMMENDATIONS**

Relevant Portfolio Holder	Cllr Sherrey
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 Council to consider the report and recommendations of the Independent Remuneration Panel and to agree a Members Allowances scheme for 2015-16 arising from this.

2. RECOMMENDATIONS

It is recommended that

- 2.1 the Council considers whether or not to accept all, some or none of the recommendations of the Independent Remuneration Panel for 2015-16;
- 2.2 having considered the Panel's report and recommendations, the Council decides whether or not changes are required to the Council's scheme of allowances for Members for 2015-16.

3. KEY ISSUES

Financial Implications

- 3.1 The Council will reduce in size from 39 to 31 members following the local elections in May this year. If the amounts paid for, and number of, individual allowances remain unchanged from 2014-15, this will result in savings of approx £31,700 in 2015-16 and £34,600 in a full year.
- 3.2 If changes to the current amounts of allowances are made there may be additional savings or costs. Further detail is set out at paragraph 3.7 below.

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 other expenses. 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 the changes suggested at paragraph 3.7 (d) are agreed then the allowances scheme for 2015-16 will be updated accordingly.

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. Members will know that following the elections in May the number of Councillors will reduce from 39 to 31. Assuming no change to the current amount of the basic allowance paid to Councillors this would lead to a saving of £31,700 in the members allowances budget for 2015-16 and £34,700 in a full year.
- 3.7 As the Council is required to set an agreed budget for 2015-16 we have discussed informally with the political group leaders their views of the recommendations and any proposals for the new financial year. Suggestions received from them are:
- (a) That the Council has regard to the report and recommendations of the Independent Remuneration Panel and accepts the recommendations relating to travel, subsistence and dependent carer’s allowances (paragraphs 3-5 of the Panel’s recommendations);
 - (b) That the recommendation relating to the Parish Councils in the District be noted;
 - (c) That the recommendation relating to Basic allowance is not agreed and that the Council continues to pay a basic allowance of £4,326 per annum for 2015-16;
 - (d) That the recommendations relating to Special Responsibility allowances are not agreed, but are continue at the current level for 2015-16, with the following exceptions:
 - (i) That having considered carefully the recommendations of the Independent Remuneration Panel, the Special responsibility allowance for the Chairman of Licensing Committee is based on the multiplier recommended by the Panel but using the current basic allowance for the Council. This results in an allowance of £1,298, a reduction of £4,326;

- (ii) That a new special responsibility allowance be introduced from the 2015-16 financial year for leaders of political groups with 4 or more members. It is suggested that this is based on the IRP's proposed multiplier and using the current basic allowance as a basis. This results in a payment of £1,082 per year per leader. The current allowance for the Leader of the largest Opposition party elected at the ballot box will remain. The leader of this party and the Leader of the Council will not be entitled to claim both allowances for the Group Leader positions. The total spent on this during the 2015-16 financial year will depend on the number of political groups which meet this requirement.

Customer / Equalities and Diversity Implications

- 3.8 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

None

6. BACKGROUND PAPERS

None.

7. KEY

IRP – Independent Remuneration Panel

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