

This is an open report

Report to: Council

Date of Meeting(s): Wednesday, 14 April 2021

Subject: Report of the Independent Review Panel

Report of: Assistant Director – Legal Brendan Whitworth

Contact Officer: Christine Charnock-Jones (01942 827156)

Cabinet Portfolio Holder and area: Leader – Councillor D T Molyneux

Summary: To consider the report of the Council's Independent Remuneration Panel and the Guidance issued by the Secretary of State and to decide whether or not to implement the recommendations of the Panel.

Link to Corporate Priorities:

Our Future: Together we will build a future where everyone has the opportunity to thrive:

- Economic growth that benefits everyone
- A well-connected place
- Confidently digital
- A home for all

Wards Affected: All

Recommendation(s): The Council is requested to consider the report of the Council's Independent Remuneration Panel and the Guidance issued by the Secretary of State and to decide whether or not to implement the recommendations of the Panel in whole, in part or not at all; and

Implications:

What are the financial implications?

If the recommendations in the report were implemented, the Council would increase its expenditure on Members' allowances by approximately £6,278 per annum.

Is budget release necessary (Capital Expenditure Only)? N/A

What are the legal implications?

In setting the Members Allowances for 2021/22, the Council must have regard to the report of the Independent Remuneration Panel and also the statutory guidance, both of which are appended to the report.

What are the staffing implications?

Equality and Diversity Impact Assessment attached or not required because (please give reason). If not required, then a relevance check needs to be completed.

A diversity impact assessment is not necessary at this stage, however equality and diversity implications have been considered when producing this report.

What are the property implications in terms of reduction, addition or change to the council's asset base or its occupation? N/A

Risks:

Provided that the Council has regard to the Panel's report and the guidance, then the risks are considered to be minimal.

Sustainability/Environmental implications:

N/A

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

No

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

In accordance with the Statutory Guidance, the Council must now review its Members' Allowances Scheme.

There are no background papers for this report.

Directorate Sign-off:	B Whitworth
Date:	29 March 2021

Please list any appendices:

Appendix number or letter	Description
1	Guidance of the Secretary of State
2	Independent Remuneration Panel report on its findings

Background

1. The report of the Independent Remuneration Panel is now complete and is attached to this report at appendix 2.
2. Before the Council amends its Scheme of Members Allowances it must have regard to the report of the Independent Remuneration Panel and the Statutory Guidance issued by the Secretary of State, a copy of which is attached at appendix 1.
3. The Council is not obliged to follow the proposals of the Independent Remuneration Panel.

Summary of the Panel's Recommendations

4. The Panel has recommended that the Council's existing scheme of Members' allowances be amended as follows:-

The Lead Members (6)

The IRP recommends that the Lead Members' SRA is reset at £5,866 and paid regardless of how many Lead Member are appointed, subject to any annual indexation applied from the Councils' Annual Meeting on 26th May 2021 for the next 4 years.

When Chairman of Planning and Licensing/Regulations Committees are held separately

The IRP recommends that if the same individual no longer chairs the Planning and Licensing/Regulation Committees that the SRA for the Chairman of the Licensing and Regulation Committees should be reset at £11,849, subject to any annual indexation applied from the Councils' Annual Meeting on 26th May 2021 for the next 4 years.

The IRP recommends that the SRA for the Vice Chairman of the Licensing and Regulation Committees when the Chairmanship of the same Committee does not also hold the Chair of the Planning Committee is reset at £3,084, subject to any annual indexation applied from the Councils' Annual Meeting on 26th May 2021 for the next 4 years.

Chairing a Standards Hearing

The IRP recommends that when a Member chairs a Standards Hearing that they are paid an SRA of £127 per meeting, subject to any annual indexation applied from Council's Annual Meeting on 26th May 2021 for the next 4 years. This SRA is also intended to recognise reading and preparation time so should be paid regardless of the length of meeting. This SRA should also not be subject to the 1-SRA only rule and can be paid if and when a Standards Hearings is Chaired by the Chairman of the Audit, Governance and Standards Committee.

The Dependants' Carers' Allowance (DCA)

The IRP recommends that the DCA should be altered by removing specified hourly rates for care to be replaced with the following:

- Childcare: maximum rate claimable at the National Living Wage
- Other care: maximum rate claimable at the rate charged by the Council for the employment of a personal assistant for care for elderly or people with disabilities.

Travel and Subsistence Allowances - Outwith the Authority

The IRP recommends that the current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained and it is added to schedule that when a Member is claiming for outwith the authority for mileage while driving a hybrid/electric vehicle that the same rate (45p per mile) for claims when driving a petrol or diesel vehicle is also applicable.

Recommendations under the GMCA Order 2011

The IRP recommends that the SRA for the Wigan Member when appointed Chair of the GMCA TC be reset at £7,901, subject to any annual indexation applied from the Councils' Annual Meeting on 26th May 2021 for the next 4 years.

Other Issues not part of the Members allowances scheme

Remuneration paid to Tenant Representatives appointed the Council's Housing Advisory Panel (HAP)

The IRP recommends that the payment made to Tenant Representatives appointed to HAP is reset at £900 per year. The IRP is not recommending that this payment is indexed.

Issues Arising – Provision of iPads and Laptops

Thus, the IRP recommends that Members are no longer issued with iPads, they can keep the ones they have until the end of their life but will no longer be provided going forward. Instead, all Members should continue to receive laptops.

Amendment to the Scheme of Members' Allowances

5. If the Council amends its Scheme of Members Allowances then regulations require that the Council publishes the main features of the Scheme it has

approved and the main features of the Independent Remuneration Panel's recommendations.

Under the current scheme basic and special responsibility allowances are indexed to the annual percentage salary increase for local government staff until the end of 2024/25.

Indexation and Implementation

6. (1) The Panel recommends that the indices are applied to the remuneration and allowances paid to Members of the Council from 26 May 2021 for the full length of time permitted, namely four years which is up to the AGM of the Council in 2025: -

Basic Allowance, SRAs (including those paid in accordance with the GMCA Order) and Co-optees' Allowances:

- Indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council for Local Government Services; to be implemented from the start of the municipal year, for which it is applicable.

Mileage Allowance (Outwith only):

- Members' mileage allowances rates indexed to HMRC AMAP rates.

Subsistence Allowances (Outwith only):

- The subsistence allowances should continue to be indexed to the same rates that are applicable to Officers.

The Dependants' Carers' Allowance:

- Childcare rate: maximum hourly rate claimable indexed to the National Living Wage.
- Other care rate: maximum hourly rate claimable indexed to the hourly rate charged by the Council for the employment of a personal assistant for care for elderly or people with disabilities.

- (2) Payments to the Tenant Representatives on the Housing Advisory Panel be excluded from the indexation.

Conclusion:

- 7 (a) The Independent Remuneration Panel recommends that the new scheme of allowances based on the recommendations contained in its report be adopted from 26 May 2021.
- (b) The Independent Remuneration Panel will meet in 2025 to undertake a full review of Members Allowances at Wigan Council.

Relevance Check

Budget Reduction/Service Area: Resources

Service Lead: Democratic Services

Date: 19 March 2021

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

NA

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service you provide?

NA

Is a Customer Impact Assessment needed? NO