

**Report to:** Council

**Date of Meeting(s):** 2 November 2016

**Subject:** Report of the Independent Remuneration Panel

**Report of:** Acting Assistant Director – Legal

**Contact Officers:** Christine Charnock-Jones 01942 827156  
Peter Hassett 01942 827381

**Cabinet Portfolio Holder and area:** Councillor PRC Smith – Executive Leader

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**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:** Confident Council

- Your Council has re-focused its reduced resources towards early intervention and prevention to achieve more for less – integrating public services around whole life issues to build self-reliance and maximising community assets.

**Wards Affected:** All

**Recommendation(s):** The Council is requested to

- (1) 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
- (2) decide whether to merge the Standards and Audit and Governance Committees and to set an appropriate SRA for that Chair, with effect from the start of the 2017/18 municipal year.

**Implications:**

<i>What are the <b>financial</b> implications?</i>	If every recommendation in the report were implemented the Council would increase its expenditure on Members' allowances by approximately £1,669.00 per annum (an increase of 0.15%)
<i>Is budget release necessary (Capital Expenditure Only)? (if unsure please contact your Strategic Finance Manager)</i>	No
<i>What are the <b>legal</b> implications?</i>	In setting the Members Allowances for 2017/18, Council must have regard to the report of the Independent Remuneration Panel and also the statutory guidance, both appended to the report.
<i>What are the <b>staffing</b> implications?</i>	None
<i>Equality and Diversity Impact Assessment attached or not required because (please give reason)</i>	A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report
<i>What are the <b>property</b> implications in terms of reduction, addition or change to the council's asset base or its occupation?</i>	None
<b>Risks:</b>	Provided that Council has regard to the Panel's report, and the guidance, the risks are considered to be minimal.

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Has the Acting Assistant Director – Legal 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

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***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**

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<b>Directorate Sign-off:</b>	Brendan Whitworth
<b>Date:</b>	24 October 2016

Please list any appendices:-

<b>Appendix number or letter</b>	<b>Description</b>
1	Guidance of the Secretary of State
2	Independent Remuneration Panel Report

## 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 in the following respects:
  - Para 35 removes the ability to claim for in-authority mileage above 10 miles and in authority subsistence allowances. Currently Members can claim for in authority mileage above 10 miles.
  - Para 47 increases the Deputy Leader's SRA from 60% of the Leader's to 65%.
  - Para 67 reduces Standards Committee Chair's SRA from 20% of the Leader's to 15% because of reduction in standards cases going to assessment and hearing.
  - Para 69 increases Audit and Governance Committee Chair's SRA from 10% of the Leader's to 15% because of the remit of the Committee has been enhanced since the last review.
  - Para 71 The Panel recommends that, should the Council, merge the Standards and Audit and Governance Committees, that the SRA of the Chairman of the merged Committee be paid at 20 % of the Leader's SRA.
  - Para 74 introduces a SRA for the main opposition Deputy Leader of £50 per group member, but only if the group has 15 or more Members
  - Para 81 removes the SRA of the Parish Council representatives on the Standards Committee.
  - Para 82 introduces a payment of £114 per day or £57 per half day if the Parish representative sits on a hearing to consider a complaint
  - Para 86 changes the dependant's carers allowance to £7.20 per hour.
  - Para 97 Leader to get £9,600 for his new position on the GMCA to replace his existing AGMA SRA.
  - Para 102 recommends that the Council publish the number training sessions each Member attends. Also that the annual publication includes a breakdown of each type of allowance claimed by each Member.

## 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 Panel's recommendations.
6. Under the current scheme basic and special responsibility allowances are indexed to the annual percentage salary increase for local government staff. The table below shows the maximum cost of the main proposals in relation to basic and special responsibility allowances when last reviewed by the Independent Remuneration Panel in September 2011, the current amounts payable since May

2016 (following indexation and the amounts suggested in the current review by the Panel:

	<b>Basic Allowance per Member</b>	<b>Total Basic Allowances (75 Members)</b>	<b>Number of Members Eligible for an SRA</b>	<b>Total SRA's payable</b>	<b>Total Basic and SRA's Payable</b>
<b>July 2011</b>	£11,682	£876,150	21	£222,652	£1,098,802
<b>Since May 2016</b>	£12,179	£913,425	18	£232,243	£1,145,668
<b>Current Proposals</b>	£12,179	£913,425	19	£233,912	£1,147,337

### Indexation and Implementation

7. The Panel recommends that the following indices are applied to the remuneration and allowances paid to Members of Wigan Council from 1 April 2017 for the full length of time permitted, namely four years which is up to 31 March 2021:

**e 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.

**f Mileage Allowance (Outwith only):**

Members' mileage allowances rates indexed to HMRC AMAP rates.

**g Subsistence Allowances (Outwith only):**

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

**h The Dependants' Carers' Allowance:**

Maximum hourly rate claimable indexed to the National Living Wage.

### Potential Merger of Standards and Audit and Governance Committees:

8 A number of other Local Authorities have merged their Standards and Audit and Governance Committees. Given the reduction in standards complaints at Wigan, the Panel were informed of a potential decision for Wigan to follow suit and also merge these Committees.

### Conclusion:

9 The Panel recommends that the new scheme of allowances based on the recommendations contained in its report is adopted from 1 April 2017.



**Relevance Check**



**Budget Reduction/Service Area: Resources**

**Service Lead: Democratic Services**

**Date: 24 October 2016**

**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