

<b>Report to:</b>	<b>COUNCIL</b>
<b>Relevant Officer:</b>	Mark Towers, Director of Governance and Partnerships
<b>Relevant Cabinet Member:</b>	Councillor Simon Blackburn, Leader of the Council
<b>Date of Meeting:</b>	23 November 2016

## REPORT OF THE INDEPENDENT REMUNERATION PANEL

### 1.0 Purpose of the report:

- 1.1 To consider the reports of the Independent Remuneration Panel and the joint Independent Remuneration Panel in relation to a 12 month review of allowances for Independent Persons (in relation to Standards matters) and Non-Executive Directors of wholly-owned companies.

### 2.0 Recommendation(s):

- 2.1 To consider the recommendations of the Independent Remuneration Panels, as set out in the reports at Appendix 9(a) and (b) namely:

#### 2.1.1 That in relation to Independent Persons:

- (a) the remuneration be set at £700 per annum with effect from 1 May 2016 (subject also to the agreement of Fylde Borough Council)
- (b) the remuneration be included in the Members Allowances Scheme, without the annual uprate, but reviewed after a period of three years (alongside a review of other allowances within the Scheme), unless circumstances require a review in the meantime.

#### 2.1.2 That in relation to non-executive directors of Council wholly-owned companies:

- (a) the remuneration for non-executive chairmen be set at £3,500 per annum and £1,750 for other non-executive directors, with effect from 1 April 2017
- (b) the payments be reviewed in 18 months' time and that the annual uprate (the National Joint Council for Local Government Pay award) would therefore not apply.

- 2.2 That subject to the decision of Council, the Director of Governance and Partnerships be authorised to update the Members' Allowances Scheme accordingly (if necessary).

### **3.0 Reasons for recommendation(s):**

- 3.1 The reasons for the recommendations from the Panels are set out in the attached appendices.

### **4.0 Background Information**

- 4.1 The Independent Remuneration Panel (IRP) has a duty to provide the Council with recommendations on its scheme of members' allowances and amounts to be paid.

- 4.2 There have been two recent meetings of the Panel:
- A joint meeting held on 22 September 2016 between Blackpool's Panel and Fylde's Panel to review the special responsibility allowance for independent persons (for standards matters).
  - A meeting of the Blackpool Panel held on 24 October 2016 to review the payments to Chairmen and non-executive directors of the Council's wholly owned companies.

### **5.0 List of Appendices:**

- 5.1 Appendix 9(a) – Report from the Joint Meeting of the Independent Remuneration Panels of Blackpool Council and Fylde Borough Council held on 22 September 2016
- Appendix 9(b) - Report from the Independent Remuneration Panel meeting held on 24 October 2016

### **6.0 Legal considerations:**

- 6.1 The Local Government Act 2000 and subsequent regulations set out the process to establish and maintain a Members Allowances scheme. The Independent Remuneration Panel appointed under that legislation has a duty to provide the Council with recommendations on its scheme of members' allowances and amounts to be paid. The current Members Allowances Scheme is part of the Council's Constitution at this link. <https://www.blackpool.gov.uk/Your-Council/The-Council/Council-constitution-and-plans/Council-constitution.aspx>
- 6.2 The Articles of Association for the wholly owned companies allow for the Council, as Shareholder, to set the remuneration for non-executive directors. Those for councillors who are non-executive directors of Blackpool Transport Services Ltd are contained within the Members' Allowances Scheme.

## **7.0 Equalities Considerations**

- 7.1 One of the roles of the Independent Remuneration Panel under the Local Government Act 2000 and associated legislation is to recommend what it considers fair and appropriate allowances in relation to levels paid to members working in comparable authorities.

## **8.0 Financial considerations:**

- 8.1 If the proposals of the Independent Remuneration Panel in relation to the Members' Allowances Scheme were agreed in full then this would amount to an extra £300 for Blackpool Council in total per annum in relation to the independent person allowance (Fylde Borough Council, if the payment is agreed, would meet the other £300 ie half of the costs). The additional cost for the councillor non-executive directors of Blackpool Transport Services Ltd would amount to £2,500 in total per annum. The Council's wholly owned companies would meet the costs of payments of all other non-executive directors.

## **9.0 Risk management considerations:**

- 9.1 None.

## **10.0 Ethical considerations:**

- 10.1 None.

## **11.0 Internal/ External Consultation undertaken:**

- 11.1 None.

## **12.0 Background papers:**

- 12.1 None.