

<b>Report to:</b>	<b>Council</b>
<b>Date of Meeting</b>	8 July 2015

## **REPORT OF THE INDEPENDENT REMUNERATION PANEL**

### **1.0 Purpose of the report:**

- 1.1 To consider the report of the Independent Remuneration Panel in relation to a full review of the Members Allowances scheme, undertaken following an all-out local election.

### **2.0 Recommendation(s):**

- 2.1 To consider the recommendations of the Independent Remuneration Panel, as set out at Appendix 13(a).

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

- 2.3 That the Director of Governance and Regulatory Services be authorised to advertise for two additional members of the Independent Remuneration Panel following the vacancy indicated at paragraph 5.3 below and to liaise with the two Group Leaders in undertaking this recruitment and then to make recommendations to Council. The criteria for appointment being the same as previously applied.

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

- 3.1 The Independent Remuneration panel has a duty to undertake a full review of the Members' Allowances Scheme and this report is presented following the all out local elections every four years. The Council has a duty to consider the recommendations of the Panel but may make its own decisions.

### **5.0 Background Information**

- 5.1 The Independent Remuneration Panel was formed by the Council in 2001 and has a duty to provide the Council with recommendations on its scheme of members' allowances and amounts to be paid.

- 5.2 The Panel's terms of reference are to consider and make recommendations to the Council on the following:

**basic allowance** – the amount to be paid to all members of the Council.

**special responsibility allowance** – the roles for which this allowance should be paid and the levels of the allowance in each case.

**travel and subsistence allowance** – the duties for which this allowance should be paid and the amount.

**co-optees allowance** – whether this allowance should be paid and at what level.

**childcare and dependent carer's allowance** – whether this allowance should be paid, at what level and how it should be calculated.

**backdating allowances** – whether any allowance should be backdated to the beginning of the financial year in the event of the scheme being amended.

**annual adjustment of allowances** – whether annual adjustments may be made by reference to an index, and, if so, how long such a measure should run.

- 5.3 The Panel has met on six occasions and has also met with the Leader of the Council and the Leader of the Opposition Group in undertaking its review. Attached at Appendix 13(a) is the report of the Panel, including its recommendations.
- 5.4 Following the sad death of a previous panel member Mr Morris and the wish to add an extra person to the Panel in line with many other Panels, Council is asked to authorise the recruitment of two additional panel members.

**List of Appendices:**

Appendix 13(a) – Report of the Independent Remuneration Panel.

**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 If Council wished to agree to the recommendation for the payment of non-executive company chairmen and other non-executive directors, then the Chief Executive on behalf of the Council would need to instigate a process to make the changes (where necessary) to the articles of association of the companies.

## **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 £167,000 (in addition to the current budget of £507,000) which can be met from the contingency budget. If the proposals relating to payments for non-executive chairmen and other non-executive directors on the Council's wholly owned companies were to be implemented then the costs for these would come from the companies themselves.