

Members' Allowances Review
for
Oadby and Wigston Borough Council

Report of the
Independent Remuneration Panel

Feb 2016

RECOMMENDATIONS

The Panel makes the following RECOMMENDATIONS:

- a) Special Responsibility Allowances (SRA) be agreed as set out in Column 2 of the following Table:

	Col 1 - Existing (£)	Col 2 – Proposed (£)
Leader of the Council	7310	10,000
Deputy Leader of the Council * halved where shared	2430*	2500*
Leader of the Opposition Group # pro rata based on the total membership of groups where applicable	2430#	2500#
Chairman of Policy, Finance & Development, Service Delivery, Development Control	3450	3500
Vice Chairman of Policy, Finance & Development, Service Delivery, Development Control	1150	1000
Chairman of Council (Mayor)	3040	3500
Vice Chairman of Council (Deputy Mayor)	910	1000
Chairman of Licensing & Regulatory Committee	2430	2500
Vice Chairman of Licensing & Regulatory Committee	800	1000
Member of Development Control Committee (other than Chairman or Vice Chairman)	240	Nil
Generic Task Group Chairman Allowance (pro rata if the Group disbands)	1000	1000
Change Management Committee Chairman	1000	1000
Community Engagement Group Chairman	1000	1000
Children and Young People Forum Chairman	1000	1000
Greening of the Borough Working Group Chairman	1000	1000
Community Safety Partnership Chairman (where it is a Member of the Council)	1000	1000
Place Shaping Working Group Chairman	1000	1000
Health and Wellbeing Board Chairman	1000	1000
Residents Forum Chairman	1000	1000
Members Standards Complaints – Adjudication Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**	50* or 100**
Member of Licensing Panel (up to 4 hours*, over 4 hours** per attendance)	30* or 60**	30* or 60**
Member of Internal Interview Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**	50* or 100**
Representative on Outside Body (up to 4 hours*, over 4 hours** per attendance)	30* or 60**	30* or 60**

- b) The Members Allowance Scheme included at Appendix A to this report be adopted, to be effective for the period 18 May 2016 until 9 May 2017.

- c) That a Basic Allowance of £4,750 should be paid to each Councillor and have effect from 18th May 2016.
- d) That councillors should be permitted to claim no more than two Special Responsibility Allowances. In those cases 100% of the higher and 50% of the lower Special Responsibility Allowance should be claimed.
- e) The Council note the results of the Panel's continuing work and benchmarking exercise against comparable local authorities.

INTRODUCTION

The Local Authorities (Members' Allowances) (England) Regulations 2001, requires Local Authorities to establish and maintain an Independent Remuneration Panel (IRP). The Local Authorities (Members' Allowances) (England) Regulations 2003, placed additional responsibilities on the role of the Panel.

The purpose of the Panel is to make recommendations to the Authority about allowances to be paid to Elected Members. The Panel has a duty, each year, to advise the Authority on its scheme and the amounts to be paid. The Council must have regard to this advice.

Membership of the Panel

The Panel comprises of the following individuals;-

- | | |
|--------------------|---|
| Mr Laurie Faulkner | - Magistrate and retired Head of Business Development at De Montfort University |
| Mr David Wood | - Self Employed Local Resident |
| Mr John Whiting | - Local Resident and Retired Tax Inspector |

Process of the Review

The Panel has addressed the requirements of the Regulations in drawing up the recommendations for the Council's 2016/2017 scheme.

The Panel continued to build on data in respect of its long term aim to rebalance the scheme to increase the basic allowance following a full review of the Scheme as reported in September 2013 and supplemented in April 2014 and February 2015. The review had sought to rebalance the Scheme to produce a more transparent and simplified structure.

The Panel recommends the adoption of the attached Scheme for the 2016/17 municipal year. This differs from the existing scheme in that it proposes to raise the Basic Allowance for all councillors and also simplifies the payment of Special Responsibility Allowances by reducing the bands from eight to four.

History

To recap, a benchmarking exercise identified that the current structure of the Scheme sets the basic allowance lower than that of many other comparable local authorities. It also highlighted that a number of Schemes adopted by other comparable local authorities were simpler, with fewer different bandings of special responsibility allowances. Consequently, the report of the Independent Remuneration Panel considered by the Council in September 2013 proposed two options for a Members Allowance Scheme. These can be summarised as 1) a rebalanced Scheme within the existing budget or 2) a re-adoption of the existing scheme with some minor rounding of allowances. The Council resolved to re-adopt the existing Scheme in line with recommendation 2.

In the report considered in September 2013, Recommendation 1 reduced the total number of bandings from thirteen to five, which made the scheme more transparent and much simpler to understand from the perspective of the public. This is due to the rationalisation of some inconsistencies contained within the scheme following the cumulative impact of minor changes made over a number of years.

Work carried out prior to the report in September 2013 analysed and adjusted the levels of special responsibility allowances, reducing the number of bandings of special responsibility allowances and removing some attendance allowances. The effect of this reduced the spread of allowances paid to individual councillors.

Since the initial proposals, the Panel has been mindful of continued financial pressure faced by the Council and on public spending in general. The Panel also acknowledges that the Council had expressed a view that it was not appropriate to remodel the scheme against a backdrop of budgetary constraints and cuts in local authority spending. In the circumstances, the Panel recommended no change to the existing Scheme in 2015/16 with the exception of the inclusion of a generic allowance for Task Groups that were set up following a governance review in April 2014. The purpose of a generic allowance supports the time limited nature of the Task Groups and allows flexibility within the Scheme for this model of governance.

The proposed scheme for 2016/17 revisits the basic principles that the Panel wished to focus on in 2013 in increasing the Basic Allowance and further streamlines the Special Responsibility Allowances by reducing them from eight bands to four.

2016/17 Scheme – Work Since April 2015

The Panel has continued to carry out benchmarking of the current structure against the cluster of other comparable local authorities to provide the Council with more information to support a rebalanced scheme for future years.

In a similar way to last year, data was collected from a cluster of fourth option local authorities which is set out below:

For the first time the Panel feels it has had the opportunity to review the allowance scheme without the limitations of having to constrain the overall budget within the historic financial limits. If the Council accepts the recommendations of the Panel then

this will increase the total amount of the Scheme by approximately £20,000. This approximate amount has been included within the budget estimates for 2016/17.

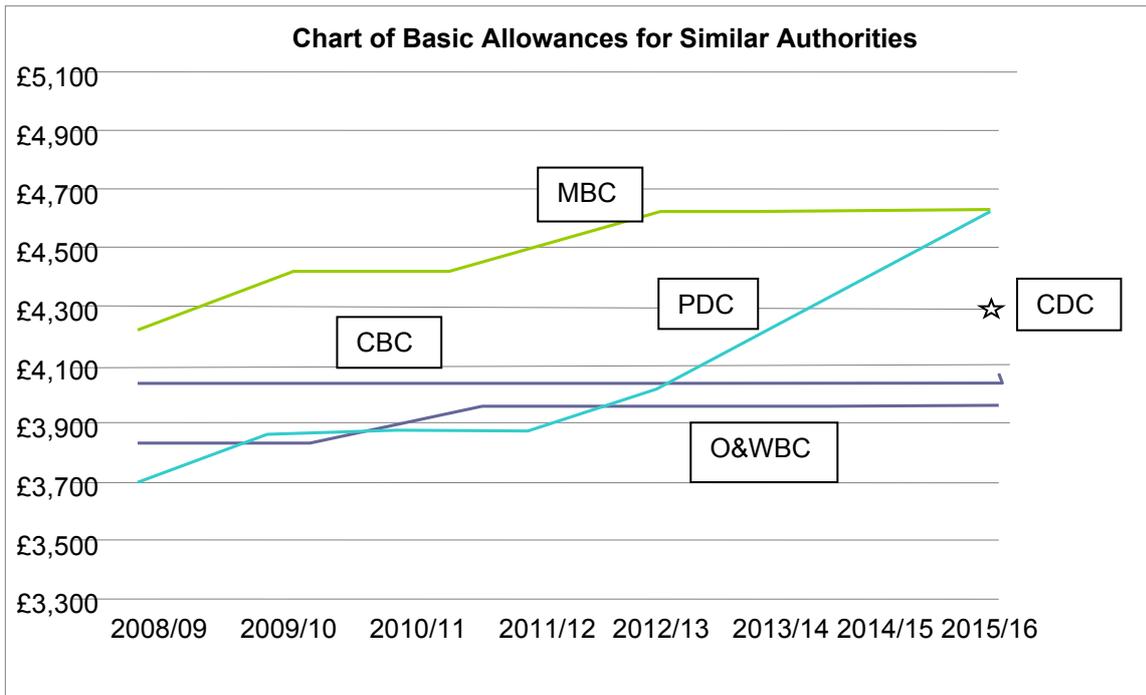
Table of cluster of similar authorities

Authority	Population	Number of Councillors	Basic Allowance October 2015
Christchurch Borough Council	47,752	24	£4072
Purbeck District Council	44,973	24	£4616
Oadby & Wigston Borough Council	56,170	26	£3960
Melton Borough Council	50,376	28	£4617
Craven District Council**	55,409	30	£4300
Averages	50,936	27	£4313

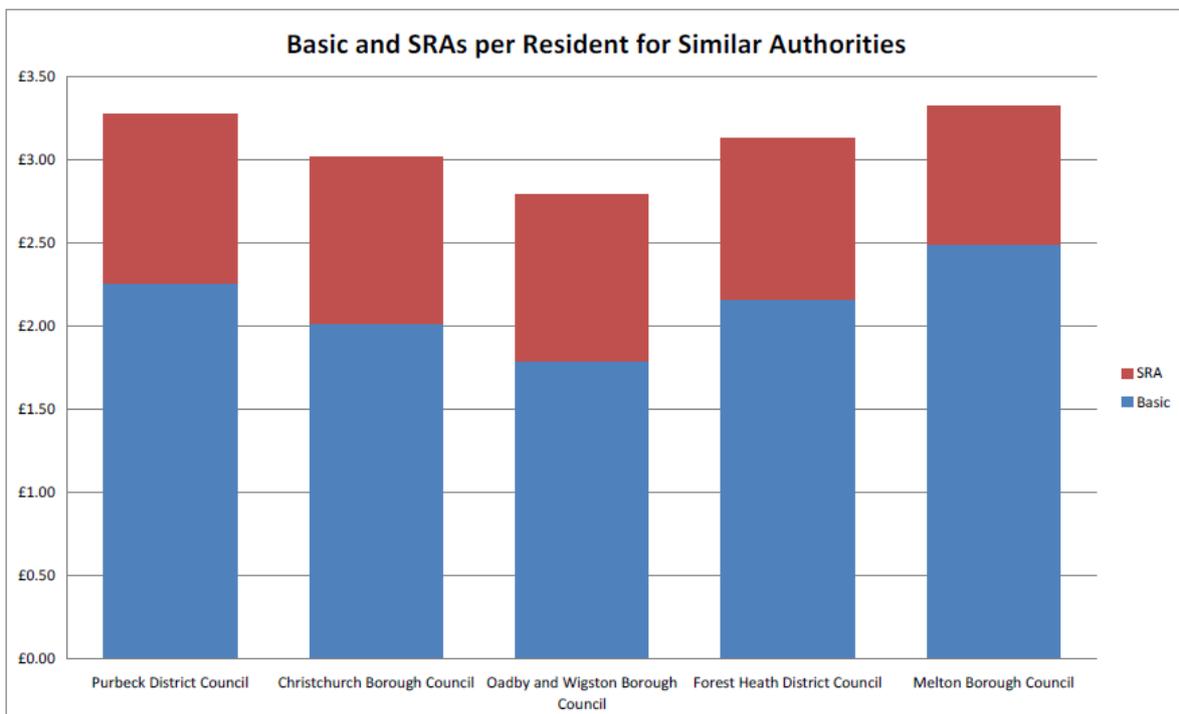
**Forest Heath District Council (used in the previous report) has now moved to an Executive system with a Cabinet. This has been replaced with Craven District Council.

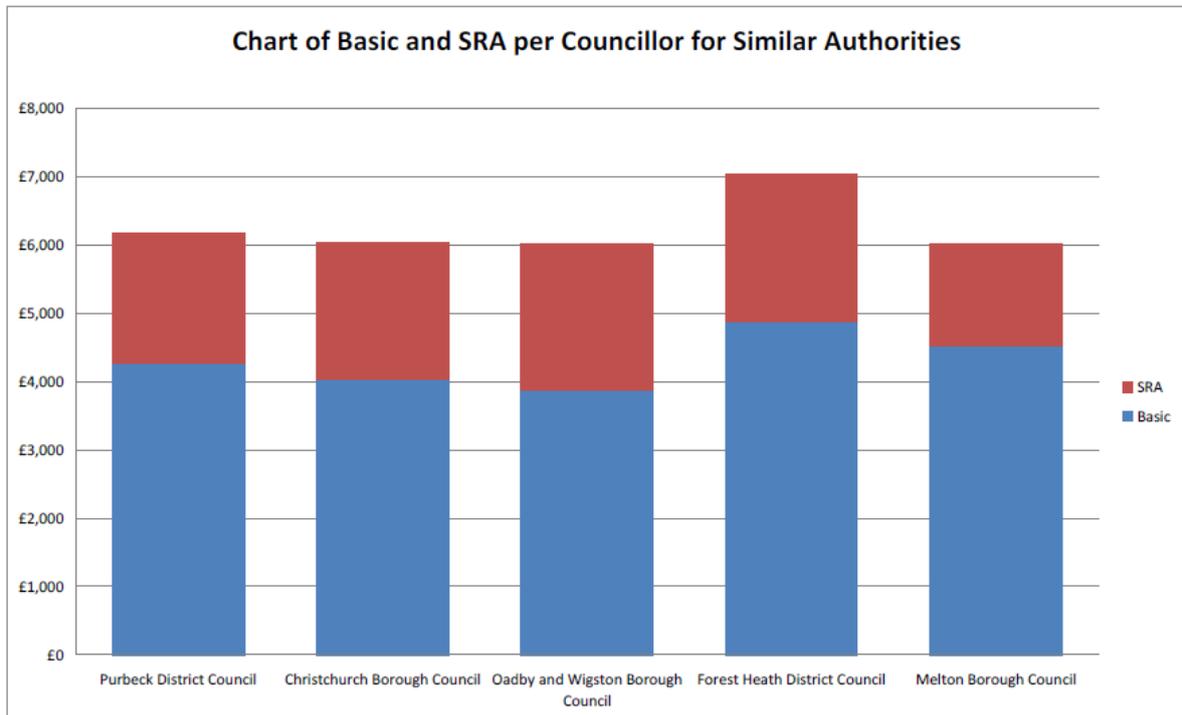
Analysis of historical payments going back several years of basic allowances across the cluster continue to show that Oadby and Wigston Borough Council has been consistently lower than average. [See table below.](#)

After consideration of the recent changes in workload for the Leader of the council, the panel have increased the Leader's allowance to reflect these changes to the role



Further analysis based on the Scheme cost per resident and cost per councillor using data for 2014/15 was a useful measure and the results are shown below. It was noted that while the special responsibility allowance was close to that of the other authorities in the cluster, the basic allowance, once again, was much lower than average. This supports the Panel's long term view to increase the basic allowance.





Future Workplan

If accepted by councillors this will be the first increase in basic allowance for over six years and by increasing it by that amount the Panel don't expect that it will increase again for some time. The Panel will, however, continue with its benchmarking exercises using the cluster of similar authorities.