



Committee report

Committee	FULL COUNCIL
Date	15 JUNE 2016
Title	REPORT OF THE INDEPENDENT REMUNERATION PANEL ON THE MEMBERS' ALLOWANCES SCHEME – 2016/17
Report of	HEAD OF LEGAL SERVICES AND MONITORING OFFICER, AND INDEPENDENT CHAIRMAN OF THE INDEPENDENT REMUNERATION PANEL

EXECUTIVE SUMMARY

1. The Independent Remuneration Panel (IRP) has undertaken a review of the Members' Allowances Scheme for 2016/17 taking into account the 14 October 2015 decision of the council to create a Children's Committee to deal with both overview and scrutiny of Children's Services, to replace the Children's Services Select Committee.
2. This report recommends that Full Council approves the recommendations made by the Independent Remuneration Panel in its report, which is attached as an appendix to this report. The report recommends that the Basic Allowance remains unchanged and the Special Responsibility Allowances (SRAs) for 2016/17 be as set out in the table in the recommendation.

BACKGROUND

3. The last full review undertaken by the panel was in the autumn/winter of 2014, with the recommendations submitted to and agreed by the council on 1 April 2015. The Members' Allowances Scheme provides for there to be an annual review.
4. There are currently seven Executive members appointed to the Executive. The council's constitution provides for up to nine members to be appointed, which can include an Executive secretary as one member of the Executive. The role of Executive secretary has not been appointed to and this year it has been removed as a potential position and therefore the IRP has removed this from the list of SRA's.
5. The members of the Independent Remuneration Panel are selected following an open advertisement being published and applicants invited for interview. Interviews are undertaken by a panel including the monitoring officer and member representatives. Last year it was reported that there was one

vacancy. Following an advertisement and interview process a new member was appointed to the panel. The current members of the Independent Remuneration Panel are:

Max Morrison (chairman);
Brian Herbert;
Mike Anderson;
John Hayes (new member).

STRATEGIC CONTEXT

6. A fair and transparent allowances' scheme will help to attract and retain the quality of councillors needed to help deliver all the corporate themes.
7. The panel is very keen that the Members' Allowances Scheme should be open, accountable and clear. Publication on the council's website of the panel's report, the allowances' scheme, the allowances paid annually to each member and members' activities through the year will help demonstrate this.

CONSULTATION

8. The panel invited views from all current members about the panel's suggestions and interviewed a small number of members and officers. The results of this exercise are set out in the panel's report. External benchmarking data from the south east employers was also considered.

FINANCIAL / BUDGET IMPLICATIONS

9. The total current budget for members' allowances, which includes on Island travel, is £453,865. Members of the IRP, while not bound by this proposal, have nonetheless considered the current financial situation in making their recommendations.
10. Having considered all the issues the IRP is recommending some changes to the SRAs. The proposed changes are an increase in the Children's Committee Chair, a very slight reduction to the two Select Committee Chairs and a small increase in the allowances paid to the Leader and Deputy Leader. This follows on from the IRP's report last year when it reflected that it did not consider that the allowances paid for the Leader and Deputy Leader roles reflected the level of responsibility the roles involve. The IRP has utilised the previous Executive Secretary SRA to help fund the increases, and the net effect is that the proposed spend is the same as last year, which the IRP felt was essential in view of the current financial position. Any allowances not claimed by members during the year will be used to contribute towards further savings required.
11. The actual amounts paid to members have always been published on an annual basis, and Freedom of Information Act requests asking for the details of allowances paid to members are regularly received and dealt with. The overall allowances scheme is available on the council's website.

LEGAL IMPLICATIONS

12. The Local Authorities' (Members Allowances) (England) Regulations 2003 govern the process of making payment of allowances to members of local authorities and related bodies. The regulations require the council to have regard to the recommendations made in the attached report. While Full Council is not bound by its recommendations, it would be required to give reasons for departing from the recommendations of the panel. However, at its meeting on 17 June 2009, Full Council resolved to always accept the recommendations of the Independent Remuneration Panel – and has done so since then. However, Full Council does not have to accept the recommendations. It is also of course open to elected members to decline to accept their full allowances to which they are entitled.
13. The regulations also require the council to make copies of the panel's report available for public inspection, to provide copies on request and to publicise, in the local paper, the existence of the report of the Independent Remuneration Panel and any decisions that the council makes once it has considered it.
14. Members should also be aware that the monitoring officer, in accordance with the powers delegated to her by Full Council, on 19 June 2013 granted a general dispensation allowing all members to speak and vote on this recommendation, even though it deals with the allowances that some may receive.

EQUALITY AND DIVERSITY

15. The council has to comply with Section 149 of the Equality Act 2010. This provides that decision makers must have due regard to the elimination of discrimination, victimisation and harassment, advancing equalities, and fostering good relations between different groups (race, disability, gender, age, sexual orientation, gender reassignment, religion/belief and marriage/civil partnership).
16. All members were given an opportunity to comment on the scheme and make their views known to the panel. The panel took into account the need for the scheme to not exclude any individuals from becoming a member, balanced against the members' roles and public expectation, and the panel believes that the current scheme and recommendations in the report meet these.

OPTIONS

17. The options are:
 - (i) to approve all of the panel's recommendations;
 - (ii) not to approve the recommendations;
 - (iii) to approve the recommendations as amended by council.

RISK MANAGEMENT

18. The attached report (Appendix A) sets out the panel's conclusions and methodology as to how it arrived at its recommendations. There is a reputational risk of the members setting their own allowances, but this is the process required by legislation, and this risk is mitigated by the independence of the recommendations of the Independent Remuneration Panel and Full Council's decisions since June 2009 to always accept the recommendations of the panel.

EVALUATION

19. The Independent Remuneration Panel has considered a range of evidence and benchmarking data in reaching its conclusions and believes its recommendations are appropriate, justifiable, equitable and affordable.

RECOMMENDATION

20. To approve Option (i) and agree the panel's recommendations as follows:
- (a) That the Special Responsibility Allowances (SRAs) for 2016/17 be as set out below:

Position	Multiplier of the basic	Special Responsibility Allowance
Leader	2.25	£17,325
Deputy leader	1.50	£11,550
Executive member	1	£7,700
Children's committee	0.6	£4,620
Scrutiny chair	1	£7,700
Select Committee chair	0.35	£2,695
Audit chair	0.4	£3,080
Employment chair	0.3	£2,310
Planning chair	0.8	£6,160
Planning vice chair	0.2	£1,540
Licensing chair	0.6	£4,620
Pension Fund chair	0.2	£1,540
Appeals chair	0.2	£1,540
Chairman of council	0.7	£5,390

Vice chairman of council	0.2	£1,540
Leaders of groups of ten or more	0.2	£1,540
Health Scrutiny Sub-Committee	0.4	£3080
Hampshire Police and Crime Panel chair*	0.6	£4,620

**Not from the Isle of Wight Council budget (see paragraph 11).*

- (b) That the amended allowances are payable from the 1 April 2016.
- (c) That the process for the distribution of the on Island travel lump sum be left unchanged. This is currently based on the distribution of a lump sum divided between the members on the basis of a formula reflecting distance of county hall from their homes and office they hold. However, the panel will continue to keep this under review in future reports.
- (d) That all other allowances (for example those for co-opted members and child allowance) remain unchanged.

(A full copy of the proposed new members' allowances scheme is set out at Appendix 1 to the attached report of the Independent Remuneration Panel.)

APPENDICES ATTACHED

- 21. [Appendix A](#): A review of the Isle of Wight Council Members' Allowances Scheme – Thirteenth report of the Independent Remuneration Panel 2016.

Contact Point: Helen Miles, Head of Legal Services and Monitoring Officer;
 ☎ 821000 e-mail helen.miles@iow.gov.uk

HELEN MILES
 Head of Legal Services and
 Monitoring Officer

MAX MORRISON
 Chairman
 Independent Remuneration Panel