

Committee report

Committee	FULL COUNCIL
Date	17 JANUARY 2018
Title	REPORT OF THE INDEPENDENT REMUNERATION PANEL ON THE MEMBERS' ALLOWANCES SCHEME – 2017/18
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 2017/18 taking into account the changes made at Full Council in May 17 following the local elections. These changes revised the arrangements for Scrutiny and Policy Committees, removal of the Employment Committee, creation of an Appointments Committee and reinstatement of delegated member decisions.
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 2017/18 be as set out in the table in the recommendation.

BACKGROUND

3. The last full review undertaken by the panel commenced in the autumn of 2015, with the recommendations submitted to council on June 2016 for consideration. The Members' Allowances Scheme provides for there to be an annual review.
4. On the 5 May 2017 local elections took place for the 40 council members. Following the election, and the change in the administration, a report was considered by council on the 17 May 2017 which proposed changes to the committee/decision making arrangements. The leader announced his Cabinet with a maximum of nine members appointed as Cabinet members in addition to the leader.
5. The members of the Independent Remuneration Panel are selected following an open advertisement being published and applicants invited for interview. The current members of the Independent Remuneration Panel are:

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

6. Where SRAs have been determined in relation to a new role or changed committee these will be reviewed again in the next report when there is more information to consider.

STRATEGIC CONTEXT

7. A fair and transparent allowances' scheme will help to attract and retain the quality of councillors needed to help deliver all the corporate themes.
8. 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

9. The panel invited views from all current members about the allowances' scheme 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

10. 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.
11. Having considered all the issues the IRP is recommending that the basic allowance remain the same but that some changes be made to the SRAs, in part to reflect the changes made to the committee structure following the May elections. The proposed changes are to the new policy and scrutiny committees, a reduction in the licencing chair and removal of the employment chair. The net effect is that the proposed spend is the same as last year, which the IRP felt was essential again 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.
12. 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

13. 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. At its meeting on 17 June 2009, Full Council resolved to always accept the recommendations of the Independent Remuneration Panel, and has done so until 2016 when changes to that year's recommendation were approved.

14. The regulations require the basic allowance to be the same for each member.
15. 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.
16. Members should also be aware that the monitoring officer, in accordance with the powers delegated to her by Full Council, on 17 May 2017 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

17. 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).
18. 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

19. 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

20. 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.

EVALUATION

21. 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

22. To approve Option (i) and agree the panel's recommendations as follows:

- (a) That the Special Responsibility Allowances (SRAs) for 2017/18 be as set out below:

Position	Multiplier of the basic	Special Responsibility Allowance
Leader	2.00	£15,400
Deputy leader	1.25	£9,625
Cabinet member	1	£7,700
Scrutiny chair	1	£7,700
Adult Social Care and Health Policy and Scrutiny Committee chair	0.5	£3,850
Childrens Policy and Scrutiny Committee chair	0.5	£3,850
Regeneration and Environment Policy and Scrutiny Committee chair	0.5	£3,850
Audit chair	0.4	£3,080
Planning chair	0.8	£6,160
Planning vice chair	0.2	£1,540
Licensing chair	0.4	£3,080
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
Vice Scrutiny chair	0.2	£1,540
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 2017.

- (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

23. [Appendix A](#): A review of the Isle of Wight Council Members' Allowances Scheme – Fourteenth report of the Independent Remuneration Panel January 2018.

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