



## Committee report

Committee	<b>FULL COUNCIL</b>
Date	<b>19 SEPTEMBER 2018</b>
Title	<b>REPORT OF THE INDEPENDENT REMUNERATION PANEL ON THE MEMBERS' ALLOWANCES SCHEME – 2018/19</b>
Report of	<b>ASSISTANT DIRECTOR OF CORPORATE SERVICES AND MONITORING OFFICER, AND INDEPENDENT CHAIRMAN OF THE INDEPENDENT REMUNERATION PANEL</b>

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### EXECUTIVE SUMMARY

1. The Independent Remuneration Panel (IRP) has undertaken a review of the Members' Allowances Scheme for 2018/19 taking into account the operation of the changes made at Full Council in May 2017 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 is increased by 2% to £7,854 and the Special Responsibility Allowances (SRAs) for 2018/19 be as set out in the table in the recommendation. The report sets out the matters considered by the panel

### BACKGROUND

3. The last review undertaken by the panel was in the autumn of 2017, with the recommendations submitted to council on 17 January 2018 for consideration.
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. Whilst the last review took into account of the new arrangements, the changes had been in place for less than a year and so this review has, in addition to reviewing the basic allowance, reviewed the SRA's with the benefit of a greater passage of time.

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.

### 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 Member' Allowances Scheme should be open, accountable and clear. Publication on the council's website of the panel's report, the allowances' scheme, and 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 did not consider the budget envelope as part of their consideration. That is however a matter for members to consider.
10. Having considered all the issues the IRP is recommending an increase in the basic allowance by 2%, from £7,700 to £7,854. Some changes to the SRAs are also proposed. These are a small increase to the Adult Social Care and Health Policy and Scrutiny Committee Chair, a small increase to the Pension Fund Chair, a small decrease in the Chair of Licencing, and the addition of a SRA for the Group Leader of a group of 5 or more.
11. The IRP is also recommending an annual percentage increase to be applied in the event that the IRP determine otherwise. The increase (if any) is to be the same as the annual percentage increase agreed for the majority of Isle of Wight Council employees to whom the NJC terms and conditions apply. It will be applied once the Local Government pay settlement pay rate is known, and will apply from April in each year unless a further review by the IRP determines otherwise.
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. 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.
14. 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.
15. 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 members receive.

### EQUALITY AND DIVERSITY

16. 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).
17. 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

18. 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

19. 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

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

## RECOMMENDATION

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

- (a) That the Special Responsibility Allowances (SRAs) for 2018/19 be as set out below:

Position	Multiplier of the basic	Special Responsibility Allowance
<b>Leader</b>	<b>2.00</b>	£15,708.00
<b>Deputy Leader</b>	<b>1.25</b>	£9,817.50
<b>Cabinet Member</b>	<b>1</b>	£7,854.00
<b>Scrutiny Chair</b>	<b>1</b>	£7,854.00
<b>Scrutiny Vice Chair</b>	<b>0.2</b>	£1570.80
<b>Adult Social Care and Health Policy and Scrutiny Committee Chair</b>	<b>0.6</b>	£4,712.40
<b>Children's Policy and Scrutiny Committee Chair</b>	<b>0.5</b>	£3,927.00
<b>Regeneration and Environment Policy and Scrutiny Committee Chair</b>	<b>0.5</b>	£3,927.00
<b>Audit Chair</b>	<b>0.4</b>	£3,141.60
<b>Planning Chair</b>	<b>0.8</b>	£6,283.20
<b>Planning Vice Chair</b>	<b>0.2</b>	£1,570.80
<b>Licensing Chair</b>	<b>0.3</b>	£2,356.20
<b>Pension Fund Chair</b>	<b>0.4</b>	£3,141.60
<b>Appeals Chair</b>	<b>0.2</b>	£1,570.80

<b>Chairman of Council</b>	<b>0.7</b>	£5,497.80
<b>Vice Chairman of Council</b>	<b>0.2</b>	£1,570.80
<b>Leaders of Groups of 5 or more</b>	<b>0.1</b>	£785.40
<b>Leaders of Groups of 10 or more</b>	<b>0.2</b>	£1,570.80
<b>Hampshire Police and Crime Panel Chair*</b>	<b>0.6</b>	£4,712.40

*\*Not from the Isle of Wight Council budget (see paragraph 12 of the IRP report).*

- (b) That the amended allowances are payable from 1 April 2018.
- (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 in the appendix to the attached report of the Independent Remuneration Panel.)

#### APPENDICES ATTACHED

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

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