

# Full Council

8 November 2016



**Report of:** Shahzia Daya, Service Director – Legal & Democratic Services

**Title:** **Report of the Members Remuneration Independent Review Panel (IRP)**

**Ward:** Citywide

## Recommendation

To consider the recommendations of the IRP in relation to member remuneration.

Should Council agree to the recommendations put forward by the IRP, it is suggested that the new allowances become operative from 1 December 2016.



## **Policy**

1. The policy and procedure for the Members Independent Remuneration Panel are governed by the Local Authorities (Members' Allowances) (England) Regulations 2003 and subsequent amendments to the regulations.

## **Consultation**

2. **Internal**  
Mayor and Party group leaders / whips  
Senior Leadership Team
3. **External**  
Not applicable.

## **Context**

4. The Panel was convened under the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Remuneration Members' Allowances Panel to review and provide advice on members' allowances.
5. All councils are required to seek the advice of its Independent Panel before they make any changes or amendments to their allowances scheme. They must 'pay regard' to the Panel's recommendations before setting a new or amended Members Allowances Scheme.

## **Background / Proposal**

6. The Panel previously carried out a full review of the Members Allowances Scheme and its recommendations were presented to Full Council originally on 26 May 2015. These recommendations were rejected by the Full Council at that meeting.
7. The original IRP report as considered at the 26 May 2015 Full Council is at Appendix B.
8. The IRP met again on 30 October 2015 to reconsider their previous recommendations.
9. The IRP was asked to further review their recommendations and met again on 19 February 2016.
10. The IRP met again on 8 April 2016, when it was asked to consider recommending appropriate SRA(s) for the Deputy and Assistant Mayors, in that event that, following the 5 May election, a new Mayor might decide to give decision making responsibilities to the Deputy and Assistant Mayors. The Panel did not consider that it had enough information available to it at that stage to come to a conclusion / recommendation regarding an appropriate SRA(s) for the Deputy and Assistant Mayors in the event that they were to be granted decision making responsibilities. The Panel therefore made no recommendations on this point at that stage.

11. Following the 5 May election, the IRP met with the Mayor on 1 July 2016 when the Mayor outlined his reasons for proposing to allow delegated decision making by Cabinet members. At the meeting, it was agreed that the IRP would receive (draft) job descriptions for the Deputy and Assistant Mayors along with the (draft) Scheme of Delegations when these became available. The IRP agreed to meet again on 8 August 2016.
12. The IRP met on 8 August 2016, confirmed their recommended SRA for the Mayor and made recommendations relating to SRAs for the Deputy and Assistant Mayors. **Please see the supplementary report at Appendix A, which sets out the panel's recommendations in detail.**

## Risk Assessment

To not approve the recommendations would mean the scheme would continue in its current form.

## Public Sector Equality Duties

Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
  - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
  - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
  - tackle prejudice; and

- promote understanding.

Public sector equalities duties have been taken into account by the IRP as part of their deliberations.

## **Legal and Resource Implications**

### **Legal**

The Local Authorities (Members' Allowances)(England) Regulations 2003 ("the Regulations") provide that it is for each local authority to decide its scheme and the amounts to be paid under that scheme. Councils are required to establish and maintain an independent remuneration panel which will broadly have the functions of providing the local authority with advice on its scheme, the amounts to be paid and the pensionability of allowances where relevant. Local authorities must have regard to this advice.

The approach, therefore, is one where questions as to the amounts payable to members are matters for local determination. In this way, authorities can take full account of their particular circumstances, including the precise form of their new constitution, and be directly accountable to their electorate. This accountability is sharpened through each Authority being advised on its own allowances scheme by a local panel whose members are required to be independent.

(Legal advice provided by Shahzia Daya, Service Director and Monitoring Officer)

### **Financial (revenue)**

The total full year cost of Members Allowances (excluding the Mayor) as proposed by the IRP is £1.273m. Employers' National Insurance Contributions are also payable, and this is estimated to be a further £176k. Therefore, the total estimated cost of the proposed Members' Allowances Scheme is £1.450m. The current available budget for Members' Allowances is £1.341m, and therefore the proposals included within this report will result in an estimated budget pressure of £110k from 2017/18. Budget provision for this will need to be made in the Medium Term Financial Plan for 2017/18 onwards.

It is proposed that the changes to Members Allowances be introduced from 1<sup>st</sup> December 2016. The estimated full year cost of Members' Allowances in 2016/17 is £1.193m, with Employers' National Insurance Contributions being estimated to be £165k, a total of £1.358m, compared to a budget provision of £1.341m. Therefore, it is estimated that in the current financial year, the cost of these proposals will create a budget pressure of £17k. It will be necessary to draw on the Council's General Contingency in the current financial year to fund this budget shortfall. The balance on the general contingency as at the end of Period 5, was £2m.

It is also proposed the Mayor's Allowance is increased to £72k, which is an increase of c£5,600, plus on-costs. The additional cost in the current financial year is c£1,900, plus on-costs. This is funded from the Mayor's budget.

(Finance advice provided by Janet Ditte: Service Manager: Finance Business Support  
Date: 14<sup>th</sup> October 2016)

**Land**

Not applicable

**Personnel**

Not applicable

**Appendices:**

Appendix A – Supplementary report and recommendations of the IRP – August 2016

Appendix B – Original report of the IRP dated February 2015 (considered at Full Council on 26 May 2015)

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

Please note the present Members Allowances Scheme can viewed as part of the constitution on the web page <http://www.bristol.gov.uk/page/council-and-democracy/constitution> or via the Councillor Allowances and Payments page at <http://www.bristol.gov.uk/page/council-and-democracy/councillors-allowances-and-payments#jump-link-6>