

SUBJECT: REPORT OF THE INDEPENDENT REMUNERATION PANEL – MEMBERS ALLOWANCES 2015

REPORT BY: INDEPENDENT REMUNERATION PANEL

LEAD OFFICER: STEVE SWAIN – PRINCIPAL DEMOCRATIC OFFICER

1. Purpose of Report

1.1 To advise on the recommendations of the Independent Remuneration Panel for Members Allowances for the financial year commencing on the 1 April 2015.

2. Executive Summary

2.1 Each year the Council is required to adopt a remuneration scheme for Members. Before doing so they must have regard to the recommendations made by the Independent Remuneration Panel (IRP).

2.2 The Independent Remuneration Panel has now submitted their recommendations, details of which are attached as **Appendix A**. Also attached as **Appendix B** are the details of the current allowances. The IRP last recommended an increase in allowances in 2014 and this was accepted by Council.

2.3 At the Council meeting held on 5 March 2013 it was agreed that in future members allowances would be increased in line with staff pay awards on the recommendation of the Independent Remuneration Panel. The latest staff pay award of 2.2% was made in October 2014 and the IRP has now recommended that this should be applied to the current members allowance scheme back dated to the 1 January 2015.

3. Options Available

3.1 The following options are available to the Council:-

Option 1 – To accept the recommendation of the IRP to apply a 2.2% increase to all allowances backdated to the 1 January 2015.

Option 2 - Accept and implement part of the recommendations to certain allowances and either retain part of the existing scheme or propose certain alternatives.

3.2 The financial effects of the above options are detailed in the financial implications below.

3.3 The decision to determine the Members Allowance Scheme is for Council; provision has been made within the budget for a 2.2% increase.

3.4 The Council is required to advertise the receipt of the Panel's report as soon as

practicable after receipt. Details of the main recommendations must also be given in the advert. The Panel's recommendations have recently been published in the Lincolnshire Echo.

3.5 The decision of Council must also be advertised once made.

4. Strategic Priorities

4.1 Develop a fit for purpose Council

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

5.1.1 The proposed budget provision for 2015-16 for members allowances is £219,690. The Council's Medium Term Financial Strategy assumes 2.2% pay rise for staff in 2015/16. Therefore if this rise is applied to the allowances detailed at appendix B this would equate to a cost of £219,041. This represents a potential saving of £649.

5.1.2 If Option 2 was chosen the effect on the budget would depend on any proposals made.

5.2 Legal Implications including Procurement Rules

5.2A The Authority has a duty to appoint an Independent Remuneration Panel who must make recommendations to the Council in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003. Council is required to have regard to the recommendations of the Panel but is not required to follow them. However Members should give reasons for moving away from the recommendations if they take this course of action.

5.3 Equality, Diversity & Human Rights

5.3A Any implications are taken into account by the Panel when considering their recommendations.

6. Recommendations

6.1 That the Executive consider the Independent Remuneration Panel report and recommend to Council which option detailed in paragraph 3.1 it prefers to take effect from 1 January 2015.

6.2 That the Principal Democratic Officer make the necessary arrangements for the decision of Council to be published in a local newspaper.

Key Decision No

Do the Exempt Information Categories Apply No

Call in and Urgency: Is the No

decision one to which Rule
15 of the Scrutiny Procedure
Rules apply?

**Does the report contain
Appendices?**

Yes

If Yes, How many?

2

**List of Background
Papers:**

None.

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