

**TELFORD & WREKIN COUNCIL**

**COUNCIL – 7 OCTOBER 2010**

**MEMBERS' ALLOWANCES**

**REPORT OF THE CHIEF EXECUTIVE**

**1.0 PURPOSE**

- 1.1 To consider the report of the Independent Remuneration Panel and to agree changes to the Members' Allowances Scheme.

**2.0 RECOMMENDATIONS**

- 2.1 That the members of the Independent Remuneration Panel be thanked for the production of their report;
- 2.2 That the Council consider the recommendations set out in the report of the Independent Remuneration Panel as summarised in paragraph 3.3 of the report;
- 2.3 That members agree that any remuneration scheme that they agree will become effective from the 21<sup>st</sup> May 2010 (with the exception of proposed scrutiny allowances which become effective from 25<sup>th</sup> June 2010);

**3.0 SUMMARY**

- 3.1 The Council is obliged under the Local Authorities (Members Allowance) (England) Regulations 2003 and subsequent amendments to set up and maintain an advisory Independent Remuneration Panel to review and provide advice on Members Allowances.
- 3.2 At its meeting on the 29<sup>th</sup> April 2010 the Council agreed, in the light of changing economic conditions and proposed changes to scrutiny and the discontinuance of the use of cabinet assistants that the Independent Remuneration Panel be convened to consider the Members' Allowances Scheme. A copy of the Independent Remuneration Panel Report is attached at Appendix 1.
- 3.3 The Council has discretion whether to accept the report of the Independent Remuneration Panel in its entirety, in part or to reject it. The Council must also decide the effective date for implementation of the recommendations.

## 4.0 **INFORMATION**

- 4.1 Major reviews are typically scheduled at four or five year intervals, the last one being in 2008 so this review was a selective, rather than comprehensive review.

A summary of the main proposals is detailed in paragraph 3.3 of the report. The main changes are detailed below:-

**Special Responsibility Allowance** - the proposed changes to allowances are as follows:-

Chairmen of Scrutiny Committees (Reduced from £7,870)	7	£7,139
Minority Opposition Group Leaders (minimum size of group is 4 members) (increased from £2,606)	2	£3,664
Speaker * Proposed constitutional changes may, if agreed by Council, lead to the abolition of the role of Speaker in the new Council from May 2011.	1	£2,606 (for 2011/12)

### **Co-optee's Allowance**

Independent Chairman Standards Committee (reduced from £7,583)	1	£3,935
Co-optees appointed to Audit Committee or any other Committee		£260

**Discontinued Allowances** - The Panel have recommended that the following Special Responsibility Allowance be discontinued:-

Chairman of Scrutiny Leadership Board	1	£10,624
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- 4.2 Members should note that it is not possible to pay more than 50% of the members of the Council a Special Responsibility Allowance. The proposals will lead to the payment of no more than 24 allowances. Members should also note that in some cases the same Member holds more than one position entitled to a Special Responsibility Allowance. In this case only one allowance is payable.

## **5.0 IMPLEMENTATION**

- 5.1 If the Council agrees changes to the existing scheme then they should consider when these allowances are payable from. Particularly in relation to the scrutiny arrangements that were introduced with effect from 25<sup>th</sup> June 2010.

## **6.0 LEGAL COMMENT**

- 6.1 The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003. These regulations (which arise out of provisions in the Local Government Act 2000) require local authorities to set up and maintain an advisory Independent Remuneration Panel, to review and provide advice on Members' allowances. The Council is required to convene the Panel and seek its advice before making any changes or amendments to the allowances scheme and must have regard to the recommendations of the Panel.

## **7.0 FINANCIAL COMMENT**

- 7.1 The Council's overall spending of over £500m is overseen by 54 councillors whose allowances total just under £0.75m. Within this total, the current total cost of special responsibility allowances is £236k. A saving of £23.6k against this cost is achieved through deletion of the Cabinet Assistant SRAs. The other amendments to SRAs as detailed in this report then lead to an overall net saving of £21.3k. However members should note that the number of ordinary Cabinet members was increased from 6 to 7 in 2010/11. The overall net saving for 2010/11 municipal year is £13.5k with a £9.5k saving ongoing. The saving is higher in 2010/11 due to the implementation of Scrutiny allowances from 25 June 2010.

## **8.0 WARD IMPLICATIONS**

Borough wide.

## **9.0 EQUALITY & DIVERSITY**

No specific equalities issues arising.

## **10.0 LINKS TO CORPORATE PRIORITIES**

Ensuring value for money as part of a Community Focussed, Efficient Council.

## **11.0 ENVIRONMENTAL IMPACT**

No specific environmental issues arising.

## **12.0 BACKGROUND PAPERS**

Report of the Independent Remuneration Panel 2008  
Report of the Remuneration Panel 2010.

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