

Appendix to the Report of the Independent Remuneration Panel

Mini Review

1 Introduction

- 1.1 We undertook a mini Review on 24 May 2017. The Panel, for this mini Review, comprised John Cade (Chair), Ron Dean and Cara Manchester.
- 1.2 Subsequent to us undertaking our original review between August 2016 and March 2017 we were asked to look at two further issues:
 - To consider the payment of and (if applicable) amount of allowance for an Independent co-opted Chair of the Council's Audit Committee.
 - To consider the payment of and (if applicable) amount of allowance for Independent Members and Parish Councillor Members to the Council's Standards Committee.

2 Independent co-opted Chair of the Audit Committee

- 2.1 Background information was provided to us. We were advised that the Audit Committee and Full Council were due to consider a proposal that the composition of Audit Committee be altered to provide for an independent co-opted Chair of Audit Committee to be appointed, instead of an elected Member chairing this Committee. We were advised that our views and recommendations as to the remuneration of an Independent Chair of Audit Committee were being sought in advance of a decision being made.
- 2.2 We noted that the Terms of Reference for the Audit Committee would not be changed as a result of any such change to the composition of the Audit Committee and that the Independent Chair would have the same responsibilities as the previous Councillor Chair.
- 2.3 Whilst it has no legal requirement, the IRP acknowledged the guidance on New Council Constitutions: Guidance on Regulations for Local Authority Allowances which states *"2.2 where either a co-opted or an appointed member is appointed chair of the Committee on which they are co-opted or appointed, the co-optees' allowance they receive must be of an amount no less than the equivalent special responsibility allowance being made available to chairs of equivalent committees of the Council."*
- 2.4 For the reasons set out in paragraphs 2.2 and 2.3 above, we therefore take the view that it would only be fair and equitable for an Independent co-opted Chair of the Audit Committee to be remunerated at the same level to that which the IRP recommended in its original report as a suitable special

responsibility allowance in respect of a Chair of the Audit Committee who is an elected Member of the Council - (recommendation 11.1.d and paragraph 4.2 b)ii) of our original report refer).

3 Co-optees to the Standards Committee

- 3.1 Background information was provided to us. The Council's Constitution makes provision for the co-option to the Council's Standards Committee of two Parish Councillors and such Independent Members as the Committee considers appropriate. We were informed that a recruitment process is underway as there are currently no co-optees on the Standards Committee. Whether such co-optees should receive remuneration and the level of such remuneration should be considered by us.
- 3.2 We noted that the Council also has two Statutory Independent Persons appointed pursuant to provisions in the Localism Act 2011. These statutory Independent Persons are not members of the Standards Committee, but have a number of specific functions in relation to standards casework (that is a complaint has been made about a Councillor). The statutory Independent Persons each receives an amount of £500 per year.
- 3.3 We considered the roles that the independent and Parish Councillor co-optees to the Committee will undertake and recognised the importance of the contributions they will make. We compared these co-optee roles to the role undertaken by the statutory Independent Persons and is of the opinion that the co-optees to the Standards Committee should be remunerated to the same level as the statutory Independent Persons.

4 Indexation

It is recommended that the co-optees' allowances are index linked to any increases awarded to Northampton Borough Council employees at Grade 5 of the organisations' Pay Scale. This index linking takes effect from the May 2017 AGM of full Council, until the next review of the IRP, or for a period of 4 years, whichever is the sooner. The reasoning for recommending indexation for these allowances is the same as the reasoning set out in relation to the Basic Allowance and the Special Responsibility Allowances. Paragraph 5 of our original report refers.

5 Budgetary Implications

- 5.1 In our original report, we stated that if our recommendations were accepted, this would mean a net increase in the 2017/18 municipal year budget of £6,789.30. If the recommendations in this Appendix are accepted, this would cost an additional £2,020 per annum (with 1% indexation for 17/18 taken into account) should the Standards Committee appoint two Parish Councillor Co-optees and two Independent Member Co-optees (i.e. 4 x £505), meaning a total budgetary difference of £6,789.30 + £2020 (ie. £8,809.30).

Summary of Recommendations

Allowance	Number of Recipients	Current Amount(Paid 16/17)	Current Percentage of Leader's SRA	Recommended Amount	Proposed Percentage of Leader's SRA	With 1% indexation (Paid 17/18)
Basic Allowance	45	6692.26	N/A	6692.26	N/A	6759.18
Leader's SRA	1	17043.75	N/A	17227.74	N/A	17400.02
Deputy Leader's SRA	1	10226.25	60%	10,336.64	60%	10440.01
Cabinet Member	5	9374.06	55%	9475.26	55%	9570.01
Chair of Overview and Scrutiny	1	5965.31	35%	6029.71	35%	6090
Leader of the Main Opposition	1	5965.31	35%	6029.71	35%	6090
Chair of the Planning Committee	1	5113.13	30%	5168.32	30%	5220
Chair of the Licensing Committee	1	5113.13	30%	5168.32	30%	5220
Chair of the Audit Committee	0	3408.75	20%			
Leader of the Third Group	1	3408.75	20%	3445.55	20%	3480.01
Councillor appointed to the West Northants Joint Strategic Planning Committee	4	1704.38	10%	1722.77	10%	1740
Chair of Standards Committee	1	2000	N/A	2584.16	15%	2610
Additional recommendations following the Mini Review of the IRP						
Independent Co-opted Chair of Audit Committee	1	N/A	N/A	4306.94	N/A	4350.01
Parish Councillor Co-optee to Standards Committee	2	N/A	N/A	500	N/A	£505
Independent Member Co-optee to Standards Committee	2*	N/A	N/A	500	N/A	£505
TOTALS:		£413,083.90				£421,893.20

6 Recommendations

6.1 The Panel recommends to full Council that:

- a) An Independent Chair of the Audit Committee should receive a co-optees allowance of £4,306.94 per annum.

(This recommendation supersedes recommendation 11.1.d of the original report of the IRP in the event that the Council alters the composition of the Audit Committee to provide for an Independent Chair).

- b) Any Independent Members or Parish Councillor Members co-opted onto the Standards Committee should receive a co-optees allowance of £500 each per annum.
- c) The co-optees' allowances referred to in paragraphs 6.1a) and 6.1b) above be index linked to any salary increases for Northampton Borough Council Officers at grade 5 of the organisation's Pay Scales and that such indexation continues until the next review of the IRP or for a period of 4 years whichever is the sooner.
- d) These recommendations take effect from the May 2017 Annual General Meeting of Full Council.

John Cade

Chair, Independent Remuneration Panel