



NORTHAMPTON
BOROUGH COUNCIL

Council		Date	22 May 2006
Report Title	Councillors Allowances, Further Report of Remuneration Panel		
Item No			

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Report of: Finance, Governance & Citizens Francis Fernandes, Solicitor to the Council Jim Inch, Senior Solicitor	Councillors Allowances, Further Report of Remuneration Panel
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Key Decision	NO
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1. Purpose and Brief Summary of the report

To seek Council's approval to the amendment of the Members Allowance Scheme to take into account the Recommendations made by the Independent Remuneration Panel.
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2. Options Available

	Option	Summary
<i>a</i>	To accept the Panel's recommendation	The Authority is obliged to take into account the Panel's recommendations but not necessarily to accept them.
<i>b</i>	Not to accept the Panel's recommendation	

3. Recommendations

1. The Council accepts the advice of the Independent Remuneration Panel and in accordance with such advice amends the Council's Members Allowance Scheme in the following respects:-
 - (1) The Leader's Special Responsibility allowance to be increased from £10,000 to £11,000 per annum.
 - (2) The Deputy Leader's Special Responsibility allowance to be increased from £6,000 to £6,600 per annum.
 - (3) The Special Responsibility allowance for other Cabinet members to be increased from £4,000 to £5,000.
 - (4) The above increases to have effect from 1 April 2006.
 - (5) That the Council reaffirms the allowances approved at its 27th March Council meeting.
 - (6) Basic allowance and all Special Responsibility allowances to be revised annually in line with the Local Government pay award (the first revision to be from April 2007).
2. To note that the Panel will be making recommendations on the Mayor's allowance at a future Council meeting and to agree to hold the status quo in the interim.

4. Relevant Background

Background

Section 18 of the Local Government and Housing Act 1989, as amended by the Local Government Act 2000, makes provision in relation to various allowances for members of local authorities.

The Local Authorities (Members Allowances) (England) Regulations 2003 provide that each local authority has to decide its own scheme and the amounts to be paid under that scheme.

At its meeting on 27 March, Council accepted a number of changes for the 2005/2006 financial year to Councillors Allowances in accordance with recommendations from the Independent Remuneration Panel. It was noted that the panel would be continuing its work in reviewing the whole of the Council's scheme and would report to this meeting.

A copy of the Panel's further report is annexed. The combination of the earlier recommendations and the present is intended as a complete review of the Councillors Allowance Scheme, but without ruling out further investigations if these are required.

The Panel suggested no changes to the allowances already approved by Council at its March 2006 meeting so Council is being asked to reaffirm those. In essence the Panel, in its further report, has recommended that the Leader's and the Deputy Leader's Special Responsibility allowance be increased by £1,000 and £600 respectively and the Special Responsibility allowance for Cabinet members be increased by £1,000.

The Panel also recommended an annual increase to the allowances in line with the Local Government pay award, but subject to ratification by Council.

If the Panel's recommendations are accepted by Council the allowances will be as follows:

Basic Allowance for all Councillors £6,000

Special Responsibility Allowances

Leader £11,000

Deputy Leader £6,600

Other Cabinet Member £5,000

Leader of the Opposition £2,000

Leader of the Third Party £2,000

Chair of Overview and Scrutiny Committee £3,000

Chair of Audit Committee £2,000

Chair of Planning Committee £2,000

Chair of Licensing Committee £2,000

Chair of Standards Committee £2,000

(not at present a Councillor)

Councillor on the Improvement Board £6,000

(Note: that this is in addition to any other Special Responsibility Allowance payable)

Mayor's Allowance

The Remuneration Panel has also been asked to assess the Mayor's allowance. Whilst it is not strictly a legal requirement for the Mayor's allowance to be put through the Panel, it is regarded as good practice and certainly in line with the spirit of the Local Government Act 2000, for such an assessment to be made.

Unfortunately, the Panel have not been able to make the assessment in time for the Council meeting, but are scheduled to commence the assessment immediately.

It is proposed that the Mayor's current allowance continues on a pro-rata basis until Council has considered any recommendations from the Panel.

5. Evaluation of Alternative Options

	Option	Evaluation Summary
a	To not accept the Panel's recommendations.	While the Council do not have to accept their Independent Remuneration Panel's recommendations, the general expectation is that they will; and they should only depart from this for very good reasons.
b		
c		

6. Consultees (Internal and External)

Internal	
External	

7. Compliance Issues

Links to Relevant Council Priorities
Recovery Plan
Appropriate levels of Councillor remuneration are seen as relevant to the recovery process.
Corporate Plan
Other Strategies

Financial Implications
There is no budgetary provision for the increases in remuneration outlined in the report, but existing budgets will be re-prioritised to meet the identified expenditure.

Legal Implications
The Council must have regard to their Independent Remuneration Panel's recommendations.

Crime & Disorder Issues
None

Children Act Issues
None

Risk Management Issues

Equalities Compliance Issues
A fair system of allowances will accord with the Council's equal opportunities' objectives.

8. Background Papers

Title	Description	Source
Remuneration Panel Report May 2006 Remuneration Panel Report March 2006 Various Papers File ref FJF Remuneration		