

# North Tyneside Council

## Report to Council

Date: 23 March 2017

### ITEM 5

Report of the Independent  
Remuneration Panel

Portfolio(s): Elected Mayor

Cabinet Member(s): Mrs Norma Redfearn

Report from: Head of Law and Governance

Responsible Officer: Vivienne M. Geary, Head of Law and Governance  
Tel: (0191) 643 5339

Wards affected: All

## PART 1

### 1.1 Executive Summary:

This report requests the Council to give consideration to the recommendations of the Independent Remuneration Panel in relation to the Members' Allowances Scheme for 2017/18.

The Authority is required to have in place a scheme for Members' Allowances and is required to have regard to the recommendations of the Independent Remuneration Panel when determining its Members' Allowance Scheme.

### 1.2 Recommendation(s):

It is recommended that Council  
(1) considers the recommendation of the Independent Remuneration Panel; and  
(2) agrees a Scheme of Members' Allowances for 2017/18.

### 1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 6 February 2017.

### 1.4 Council Plan and Policy Framework

This report has no direct relevance to the Authority's Our North Tyneside Plan priorities or to the Policy Framework.

## 1.5 Information:

### 1.5.1 Background

- 1.5.2 Under the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) the Authority is required to have regard to the recommendations of the Independent Remuneration Panel when considering any changes to its Members' Allowances Scheme.
- 1.5.3 The Panel noted that the majority of neighbouring local authorities have not increased their allowances since this Authority agreed an increase to the level of basic allowance in November 2014.
- 1.5.4 The Panel therefore considers that no change be made to the current Members' Allowances Scheme in relation to basic allowances for the 2017/18 financial year.
- 1.5.5 The Panel continues to recognise that there may be a need to undertake a review of special responsibility allowances, however it thought this was not the appropriate time for it to undertake such a review.
- 1.5.6 Under the current Members' Allowances Scheme, a Dependent Carers Allowance is available to Members who have childcare or other care commitments, whilst undertaking approved duties, at the equivalent to an hourly rate of the statutory minimum wage.

The Government's National Living Wage was introduced on 1 April 2016 for all working people aged 25 and over, and the Panel recommends that the current Members' Allowances scheme be amended in respect of the payment of the Dependent Carers Allowance to reflect the introduction of the National Living Wage (the National Minimum Wage rates would continue to apply to those under the age of 25).

The following rates are for the National Living Wage and the National Minimum Wage.

<b>Year</b>	<b>25 and over</b>	<b>21 to 24</b>	<b>18 to 20</b>
October 2016 (current rate)	£7.20	£6.95	£5.55
April 2017	£7.50	£7.05	£5.60

## 1.6 Decision options:

The following decision options are available for consideration by Council:

### Option 1

Approve all or part of the recommendations of the Independent Remuneration Panel in relation to the amendments to the Members' Allowances Scheme; or

### Option 2

Refer the matter back to the Independent Remuneration Panel for further consideration of specific issues identified by Council; or

### Option 3

Defer consideration of the matter to obtain appropriate advice on the implications of any alternative proposals.

#### **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

The Authority is required to have in place a Members' Allowances Scheme before 1 April each year having had regard to the recommendations of the Independent Remuneration Panel.

#### **1.8 Appendices:**

Appendix: Report of the Independent Remuneration Panel March 2017.

#### **1.9 Contact officers:**

Vivienne M. Geary, Head of Law and Governance, (0191) 643 5339  
Alison Campbell, Senior Business Partner, Finance, (0191) 643 2430  
Paul Wheeler, Democratic Services Officer, Law and Governance, (0191) 643 5318

#### **1.10 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- North Tyneside Council Constitution
- North Tyneside Members' Allowances Scheme
- Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

It is anticipated that the payment of Members' allowances under the proposed Members Allowance Scheme for 2017/18, including the amendment to the payment of Dependent Carers Allowance to reflect the National Living Wage, will be met from existing budgets in Law and Governance. Any variations will be reported as part of the usual financial management arrangements.

### **2.2 Legal**

The Council is required to approve a Members' Allowances Scheme before the beginning of each financial year, following advice from the Independent Remuneration Panel, in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

The Elected Mayor was consulted as part of the Independent Remuneration Panel's preparation of the report.

### 2.3.2 External Consultation/Engagement

There has been no external consultation or engagement on the report of the Independent Remuneration Panel.

## 2.4 Human rights

The proposals within this report do not themselves have any direct implications in respect of the Human Rights Act 1998.

## 2.5 Equalities and diversity

There are no direct equalities or diversity implications arising from this report.

## 2.6 Risk management

The risks associated with this report will be managed in accordance with the North Tyneside Council risk management process.

## 2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

## 2.8 Environment and sustainability

There are no direct environment and sustainability implications arising from this report.

## PART 3 - SIGN OFF

- Deputy Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy