

REPORT TO COUNCIL



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PORTFOLIO	none
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Report of the Independent Remuneration Panel on the Members' Allowance Scheme for 2011/12

PURPOSE

1. To consider the findings of the Independent Remuneration Panel in respect to the Members' Allowance Scheme for 2011/12.

RECOMMENDATION

2. That the Executive recommends to Full Council the proposed scheme of members' allowances for 2011/12 as detailed in appendix 1 for consultation purposes.

REASONS FOR RECOMMENDATION

3. The Local Authorities (Members Allowances) (England) Regulations 2003 require that before Council can determine its Members Allowance Scheme for the ensuing year it must consider a report from the Independent Remuneration Panel.

The Panel is required to publish its findings for consultation purposes prior to making its final recommendations to Council in February 2011.

Although the Council must consider the findings of an Independent Remuneration Panel, it is a matter for Council to set the scheme and decide whether to implement any of the recommendations

SUMMARY OF KEY POINTS

4. This year the Independent Remuneration Panel has carried out a light touch review of the members allowances scheme and in doing so has had regard to the current economic situation, the changes affecting local government and the pressures on the Council's budget.
5. The findings of the Panel are detailed in appendix 1 to this report.
6. In determining the proposed scheme for 2011/12 the Panel agrees that;

- Any scheme should be transparent, easy to understand and administer
 - Allowances should reflect the responsibilities and commitments of councillors and be set at levels that recognise the expenses incurred but that also recognises an element of voluntary public service. The allowances should not be seen as a salary and should not be pensionable nor linked to any indices
 - Any scheme should not discourage people from becoming councillors for financial reasons
7. This year the panel interviewed group leaders to ascertain their views on how the Panel should proceed with its work in recommending a fair level of allowances in accordance with the above principles. The outcome was that the Group Leaders were not in favour of any increases in allowances at this time, however it was acknowledged that a low level of remuneration could adversely affect representation from large sections of the community.
8. **Comparative data with neighbouring authorities 2010**

The basic allowance currently paid to Burnley councillors is £2,700; the table below shows the levels of basic allowance paid at neighbouring authorities. It can be seen that Burnley's basic allowance is still lower than most of its neighbouring authorities

Council	Basic allowance
Burnley	£2,700
Pendle	£3,000
Rossendale	£3,342
Hyndburn	£4,498
Ribble Valley	£2,685
Preston	£3,567
Blackburn	£5,992
Lancaster	£3,300
South Ribble	£1,500
Wyre	£3,978

9. The Panel has concluded that whilst it would like to see a percentage increase in allowances to prevent Burnley falling further behind neighbouring authorities, given the unprecedented economic situation it feels there is a strong case for deferring any changes to the current Members allowance scheme.
10. The Panel will reconvene in 2011 to undertake a more in-depth review.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

11. The 2010/11 budget estimate for Members expenses is £189,268 (based on the Actual spend in 2009/10 £189,262), so restricting the 2011/12 Members expenses to the current level will result in a budget saving of £4,732.

POLICY IMPLICATIONS

- 12. Council must have regard to the IRPs recommendations before it takes a decision on the setting of a members allowance scheme

DETAILS OF CONSULTATION

- 13. Members Structures and Support Working Group

BACKGROUND PAPERS

- 14. Local Authorities (members Allowances) (England) Regulations 2003

FURTHER INFORMATION

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ALSO: