



**REPORT TITLE: Independent Remuneration Panel - Allowances and Cycle of Reviews**

<b>County Council meeting:</b>	Constitution Committee
<b>Date:</b>	12 June 2023
<b>Purpose of Report</b>	To bring forward recommendations regarding: <ul style="list-style-type: none"><li>- the allowances paid to the members and the chair of the Independent Remuneration Panel; and</li><li>- retaining annual reviews of member allowances.</li></ul>
<b>Recommendations</b>	<p>That Constitution Committee agrees:</p> <ol style="list-style-type: none"><li>1. That allowances for panel members are set at the following levels for 2023/24:<ul style="list-style-type: none"><li>- Member of the panel: £300 per annum</li><li>- Chair of the panel: £1,060 per annum</li></ul></li><li>2. That for subsequent years, the allowances are index-linked to the employee pay award as negotiated nationally through the National Joint Council for Local Government Services ('Green Book') conditions of service (for employees attached to Grades 1-11), and automatically increased accordingly.</li><li>3. That the Council retains its current practice of conducting a full review of all member allowances on an annual basis.</li></ol>
<b>Resource Implications</b>	The proposed increase to IRP allowances will cost an additional £210 for 2023/24 and will increase annually in line with the staff pay award. The extra cost can be met from existing Democratic Services budgets

<b>Background Documents</b>	Previous report to Constitution Committee on 31 March 2023 and minutes of that meeting: <a href="https://glostext.gloucestershire.gov.uk/ieListDocuments.aspx?CId=265&amp;MId=11272&amp;Ver=4">https://glostext.gloucestershire.gov.uk/ieListDocuments.aspx?CId=265&amp;MId=11272&amp;Ver=4</a>
<b>Equality Impact Assessment</b>	Has an Equality Impact Assessment been completed: No. There are no specific equality considerations for this proposal.
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## Introduction

1. At its previous meeting, Constitution Committee considered a number of matters in relation to the Independent Remuneration Panel (IRP). Two items were unable to be resolved at that meeting:
  - The level of allowances to be paid to the chair and members of the IRP from 2023/24 onwards
  - Whether or not the Council should retain its current practice of conducting a full review of all member allowances on an annual basis.
2. Members requested that a further report be brought following further benchmarking of allowances and consultation with Group Leaders

## Allowances paid to the Chair and Members of the IRP

3. At its previous meeting, Constitution Committee noted that IRP allowances had not been reviewed or raised since being put in place in 2016. A proposal was brought that, for subsequent years, those allowances should be index-linked to the employee pay award as negotiated nationally through the National Joint Council for Local Government Services ('Green Book') conditions of service (for employees attached to Grades 1-11), and automatically increased accordingly.
4. This approach was agreed in principle, but there was a divergence of views as to whether, before index-linking those allowances, they should be re-baselined with regard to benchmarking data. Officers agreed to undertake some analysis of the allowances paid by other councils to their IRP members with a view to bringing back a recommendation.
5. The results of that analysis are provided as an appendix to this report. Benchmarking data was drawn from County Councils as well as from Gloucestershire's District Councils. Where councils pay an hourly, daily or 'per review' rate to their panel members, this was converted to an annual rate to provide consistency and comparability. The results of that analysis show that:

- The majority of councils (but not all) do pay an allowance to their IRP members. This allowance ranges from £100pa to £900pa.
  - Most councils (but not all) pay the same rate to the chair of the panel as to panel members. The chair's allowance ranges from £100pa to £1,312
  - The median and mean rates paid to panel members are £250pa and £309pa respectively. These rise to £300pa and £392pa respectively when those authorities who do not pay an allowance are excluded from the calculation.
  - The median and mean rates paid to panel chairs are £250pa and £428pa respectively. These rise to £500pa and £542pa respectively when those authorities who do not pay an allowance are excluded from the calculation.
6. Gloucestershire's current allowance for panel members of £250, while broadly in line with other local authorities, is at the lower end of allowances paid, particularly by larger authorities. There is therefore a case for re-baselining the allowance at £300pa before index-linking increases to that allowance in future years.
  7. At £1,000pa, the rate paid to the chair of the IRP is already above the mean and median paid by other councils. While the higher rate paid to the chair is justified by the fact that the workload involved is significantly higher than that of panel members, there does not appear to be a case for re-baselining this allowance, other than to index link it to last year's officer pay increase to recognise the 'in-principle' support for that approach at the last meeting. That would mean that the chair's allowance for 2023/24 would be set at £1,060 and index-linked to the officer pay increase in subsequent years.
  8. Having consulted with Group Leaders on these findings and recommendations, there appears to be support for this proposals.

### **Pattern of future reviews**

9. Gloucestershire County Council has asked the IRP to carry out a full review of member allowances each year since the panel was established. As discussed last time, the regulations do allow for reviews to be carried out less frequently and for allowances to be index-lined between reviews, so long as the time elapsed between reviews does not exceed 4 years.
10. At its last meeting, members considered the pros and cons of each approach, but did not reach a view as to whether it wished to adopt a different approach going forwards.
11. Since that meeting discussions have taken place between Group Leaders, and have concluded that, on balance, there is a preference for retaining the current practice of carrying out a full review on an annual basis. That is on the basis that:
  - Members of the IRP have expressed a strong preference for retaining the current practice.

- Inflation and other factors are still having a significant impact on the cost of living, and an annual review is better able to take account of those changing factors.
- There are some minor issues arising from this year's review that the Council would like the panel to consider.

12. This report therefore recommends that Constitution Committee agrees:

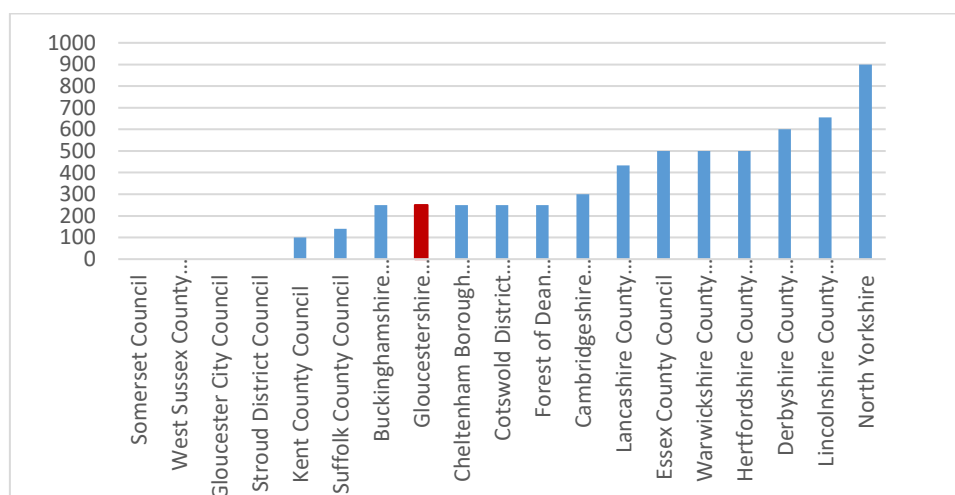
- 1) That allowances for panel members are set at the following levels for 2023/24:
  - Member of the panel: £300 per annum
  - Chair of the panel: £1,060 per annum
- 2) That for subsequent years, the allowances are index-linked to the employee pay award as negotiated nationally through the National Joint Council for Local Government Services ('Green Book') conditions of service (for employees attached to Grades 1-11), and automatically increased accordingly.
- 3) That the Council retains its current practice of conducting a full review of all member allowances on an annual basis.

## Appendix 1: Benchmarking Data: IRP Allowances

Allowances paid to Panel Members

Council	Panel Member Allowance (per annum) £
Somerset Council	0
West Sussex County Council	0
Gloucester City Council	0
Stroud District Council	0
Kent County Council	100
Suffolk County Council	140
Buckinghamshire Council	250
<b>Gloucestershire County Council</b>	<b>250</b>
Cheltenham Borough Council	250
Cotswold District Council	250
Forest of Dean District Council	250
Cambridgeshire County Council	300
Lancashire County Council	433
Essex County Council	500
Warwickshire County Council	500
Hertfordshire County Council	500
Derbyshire County Council	600
Lincolnshire County Council	656
North Yorkshire	900

Range	0 - 900
Average (mean)	309
Average (median)	250
Range amongst those who pay an allowance	100-900
Average (mean) amongst those who pay an allowance	392
Average (median) amongst those who pay an allowance	300



## Allowances paid to Panel Chairs

<b>Council</b>	<b>Chair's allowance (per annum) £</b>
Somerset Council	0
West Sussex County Council	0
Gloucester City Council	0
Stroud District Council	0
Kent County Council	100
Suffolk County Council	140
Buckinghamshire Council	250
Cheltenham Borough Council	250
Cotswold District Council	250
Forest of Dean District Council	250
Lancashire County Council	433
Essex County Council	500
Warwickshire County Council	500
Hertfordshire County Council	500
Cambridgeshire County Council	600
Derbyshire County Council	850
<b>Gloucestershire County Council</b>	<b>1000</b>
North Yorkshire	1200
Lincolnshire County Council	1312

Range	0 - 1312
Average (mean)	428
Average (median)	250
Range amongst those who pay an allowance	100-1312
Average (mean) amongst those who pay an allowance	542
Average (median) amongst those who pay an allowance	500

