

**RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY AND FINANCE COMMITTEE**

DECISION

Agenda Item No 9

meeting date: 21 SEPTEMBER 2010
title: MEMBERS ALLOWANCES
submitted by: DIRECTOR OF RESOURCES
principal author: JANE PEARSON

1 PURPOSE

- 1.1 To consider the increase in members allowances which are due from 1 October 2010 in line with the agreed scheme.
- 1.2 To agree to form an independent remuneration panel to review the members allowance scheme in order to comply with legal requirements.

2 ALLOWANCES INCREASE FROM OCTOBER 2010

- 2.1 Members will recall the scheme states that allowances increase each October in line with increases in the minimum wage rate.
- 2.2 In 2009/10 members agreed to forgo the increase and as such allowances were frozen at those for the previous year.
- 2.3 The minimum wage rate is due to increase on 1 October from £5.80 to £5.93, an increase of 2.2%. This will be applied to the basic and special responsibility allowances agreed in March 2010.

3 INDEPENDENT REMUNERATION PANEL

- 3.1 Under The Local Authorities (Members' Allowances) (England) Regulations 2003 local authorities are required to establish and maintain an independent remuneration panel. The purpose of the panel is to make recommendations to the authority about the allowances to be paid to elected members.
- 3.2 Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.
- 3.3 The last review of this Council's scheme of members allowances took place in 2007 and therefore we need to arrange for an independent review in time for the next municipal year 2011/12.
- 3.4 The members of the 2007 panel were;
 - Martin Hill – Retired Works Manager ICI Clitheroe
 - Peter Robinson OBE – Former High Sheriff of Lancashire & Deputy Lord Lieutenant
 - Vic Hewitt – Former Chief Executive North West Employers Organisation
 - Paul Timson – Retired Director of Legal Services Ribble Valley BC

Advised By:

- David Morris
- Marshal Scott
- Diane Rice

- 3.5 An independent remuneration panel shall consist of at least three members none of whom;
- is also a member of an authority in respect of which it makes recommendations or is a member of a committee or sub-committee of such an authority; or
 - is disqualified from being or becoming a member of an authority.
- 3.6 In the past we have formed a new panel every four years, however we could retain the same panel subject to the availability of individual panel members.
- 3.7 The options are
- to approach the existing panel to see if they are still willing to serve
 - or to form a new panel
 - or a combination of both
- 4 RECOMMENDED THAT
- 4.1 Members confirm whether allowances should be increased wef 1 October 2010 in line with the increase in the minimum wage rate.
- 4.2 Determine which of the options at 3.7 members wish to pursue to form the independent remuneration panel.

DIRECTOR OF RESOURCES

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13 SEPTEMBER 2010