

# Wiltshire Council

## Council

20 July 2021

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### Report of the Independent Remuneration Panel on Members' Allowances

#### Purpose of Report

1. To set the financial and legal context for the following report on the agenda from the Independent Remuneration Panel (the Panel).

#### Main Considerations for the Council

2. The Panel's remit is to recommend to the Council a scheme of allowances. It has, however, no remit over the budget for allowances as this is a matter for the Council.
3. The Council is asked to take into account the information contained within this report when considering the recommendations of the Panel.
4. The Panel has recommended the following changes to the current Scheme:

SRA	Current Allowance	Recommendation	Variation
Leader	£34,583	£36,000	+£1,417
Deputy Leader	£27,665	£29,000	+£1,335
Cabinet Member	£20,749	£22,000	+£1,251
Chairman of Council	£13,833	£8,000	-£5,833
Chairman of O&S	£13,833	£15,000	+£1,167
Chairman of HWB	£10,375	£0.00	-£10,375
Portfolio Holder	£7,782	£8,000	+£218
Chairman PCP	£7,782	£8,000	+£218
Chairmen Select Committees	£7,782	£8,000	+£218
Chairmen Area Board	£7,782	£8,000	+£218
Vice Chair of O&S	£7,782	£8,000	+£218
Vice Chair of Council	£6,916	£4,000	-£2,916
Chairman of Strategic Planning	£6,916	£8,000	+£1,084
Chairman of Area Planning	£6,916	£8,000	+£1,084
Chairman of Audit and Governance	£3,459	£8,000	+£4,541
Chairman of Licensing	£3,459	£4,000	+£541
Chairman of Staffing	£3,459	£4,000	+£541
Chairman of Pension Fund	£3,459	£4,000	+£541

Chairman of Standards	£3,459	£4,000	+£541
Chairman of OFWG	£3,459	£4,000	+£541
Conservative GL	£8,552	£6,000	-£2552
Lib Dem GL	£6,414	£6,000	-£414
Independent GL	£1,497	£1,000	-£497
Labour GL	£641	£1,000	+£359
O&S Fund	£15,000	£15,000	N/A
Standards Independent person	£2,522	£3,000	+£478
Co-opted Standards (non-voting)	£1,262	£1,000	-£262
Co-opted PCP (co-opted voting)	£2,169	£2,000	-£169
Co-opted CSC (Co-opted voting)	£1,009	£2,000	+£991
Basic Allowance	£13,833	£14,500	+£667

5. Recommendations are also made to increase the ability to claim up to £30 per hour for caring responsibilities and for the inclusion of a long-term absence policy to cover instances of long-term sickness or parental leave.
6. The Council adopts the annual pay award to the majority of council staff, subject to the NJC local government services terms and conditions as the index by which annual adjustments are made to allowances. The Panel recommends this continues from the 2022-23 financial year and therefore future budget provision will need to be made for this, an incremental uplift has already been factored into the 2021-22 recommendations.

### **Budget Provision 2021/22**

7. The current budget for members' allowances is £1,957,380 (excluding National Insurance contributions and travel, subsistence and carers allowance claims).
8. If the Council were to agree the Panel's recommendation in full, the overall estimated full year cost would be approximately £2,065,000, given that the proposals would only be effective from 10 May (for the basic allowance, and a later date for most SRAs) the estimated impact in the 2021/22 financial year is £2,051,004. The cost of the sickness/parental leave policy is not forecasted as the nature of this expenditure is that it cannot be planned ahead, additionally, it is expected to be used infrequently and therefore can do so without significant budgetary implications.
9. Employer's National Insurance contributions are payable against both the basic and special responsibility allowances. The current budget is £157,800 which is currently sufficient to meet the estimated NI cost arising from the Panel's recommendations.
10. The full year impact of the panels recommendation represents a 5.5% increase on the current budget which, if approved, will be a further pressure on the Councils estimated £45m budget gap in 2022/23 of £107,620. In the

current year there is no current budget provision for any increase and this would therefore leave an estimated overspend of £93,624.

11. If the recommendations are approved by Council, both the overspend in this current year and the full year impact from 2022/23 will need to be managed and mitigated by finding equivalent savings and/or reductions in spend elsewhere across the Council. These will be identified within the appropriate budget monitoring reports to Cabinet as well as the 2022/23 budget setting process and medium term financial strategy

### **Future Budget Provision**

12. The recommendations of the Panel are intended to cover the period of this council from 2021-2025, including the annual pay award. Subject to Council approving this recommendation, these additional costs will need to be taken into account in future budget setting processes.

### **Financial Implications**

13. These are detailed above in this report and the relevant Head of Finance has been consulted in the preparation of this report.

### **Legal Implications**

14. The review of the scheme of allowances has been conducted in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003.
15. In respect of the recommended parental/sickness leave policy, this is a matter of local discretion as there is no legal right to parental leave of any kind for people in elected public office (i.e. MPs as well as Councillors).
16. From 2014 the government removed the entitlement of councillors to join a Local Government Pension Scheme, therefore the Members' Allowance Scheme is no longer able to provide pensions for councillors.

### **Other implications**

17. There are no other relevant implications arising from the Panel's report.

### **Recommendations**

18. **That Council is asked to determine a scheme of members' allowances for Wiltshire Council for the period May 2021-May 2025, having regard to the recommendations of the Independent Remuneration Panel, and the financial context as described in this report.**

**Perry Holmes (Director of Legal and Governance and Monitoring Officer)**

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Date of report: 1 July 2021