

Report of the Deputy Chief Executive

PAY AWARD AND REVIEW OF ALLOWANCES1. Purpose of report

To advise the Committee of the recommendation of the Independent Remuneration Panel regarding the application of a potential pay award for 2021/22 to allowance rates for members.

2. Background

The Panel was advised that at the Council meeting held on 6 March 2020 Councillors resolved to accept the Independent Remuneration Panel's recommendation that members' allowances be increased by 2% in line with the employees' pay award. This was the first acceptance of the increase since 2015/16. In accordance with the Scheme of Members' Allowances approved by the Panel in September 2015, member allowance rates should increase in line with any employee pay award. The Panel considered a potential pay award for 2021/22 and it was noted that, the overall cost to the Council of an increase of 2% to members' allowances would be approximately £5,450, as included in appendix 2.

3. Further information

The Panel was informed of the *Government's Spending Review 2020*, of which there is further detail in appendix 1, which stated that that public sector pay would be "paused" for 2021/22.

During discussions, the national economic situation was considered in addition to unemployment and the freeze to Council employees' pay. There was concern that to recommend an increase in allowances for members at a time when officers were having a pay freeze would be seen as unacceptable. It was noted, however, that Councillors had seen an increase in their workloads due to the pandemic and their continued hard work for their communities was commended.

Recommendation

RECOMMENDED to the Finance and Resources Committee and on to full Council that it be requested that members' allowances be frozen in line with the employees' pay award.

Background papers

Nil

APPENDIX 1Public sector freeze for 2021/22

On 25 November 2020, the Government published *Spending Review 2020*. As part of the response to the economic impacts of the COVID-19 pandemic, the Chancellor announced that public sector pay will be “paused” for 2021/22. There will be an exemption for NHS staff. In addition, workers earning below £24,000 will receive a pay rise of at least £250.

This policy is only directly binding on the Civil Service and parts of the public sector that are covered by the Pay Review Bodies (PRBs). Public sector pay policy is reflected in the remits that are issued to the PRBs and Government departments.

The Local Government Association, which represents the employer side in the National Joint Council, has said that it is not bound by this pay policy but that pay awards will depend on the funding that local government receives through the financial settlement.

APPENDIX 2

Revised Members' allowances following a 2% increase

	<u>No. applying</u>	<u>Current rate £</u>	<u>Revised rate (£)</u>
Basic Allowance	44	3,816	3,892
Special Responsibility Allowances:			
- Leader	1	13,829	14,106
- Deputy Leader	1	6,223	6,347
Committees			
- Chair	8	4,840	4,937
- Vice chair	8	1,594	1,626
Quasi-Judicial Committees, Board etc.			
- Chair:			
o Planning	1	3,459	3,528
o Licensing & Appeals	1	2,766	2,821
o Housing Payments Committee	1	1,382	1,410
o Governance, Audit and Standards	1	2,074	2,115
- Vice chair:			
o Planning	1	692	706
o Licensing & Appeals	1	553	564
o Housing Payments Committee (prev. Review Board)	1	276	282
o Governance, Audit and Standards	1	276	282
- Members of Alcohol & Entertainments Licensing Committee	12	692	706
- Independent Person	1	1,382	1,410
Political Groups – Additional Allowance			
- Leader of Opposition	1	1,382	1,410
- Business Manager	2	867	884
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Civic			
- Mayor	1	4,840	4,937
- Deputy Mayor	1	1,382	1,410
Outside Bodies			
- Health Lead	1	1,125	1,148
- Chair of Broxtowe Partnership Health Task Group	1	1,125	1,148
- Police and Crime Panel	1	692	706