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MEETING: INDEPENDENT REMUNERATION PANEL

(PLEASE NOTE: THIS MEETING IS NOT OPEN TO THE PUBLIC TO ATTEND)

DATE: Wednesday 14th May, 2014

TIME: 4.00 pm

VENUE: Town Hall, Bootle

Member

Mr. E. Davies
Canon Roger Driver
Mr. J. Fraser
Mrs. S. Lowe

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AGENDA

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>
1.	Declarations of Interest Members are requested to give notice of any disclosable pecuniary interest, which is not already included in their Register of Members' Interests and the nature of that interest, relating to any item on the agenda in accordance with the Members Code of Conduct, before leaving the meeting room during the discussion on that particular item.	
2.	Minutes Minutes of the meeting held on 14 October 2013	(Pages 5 - 8)
3.	Update On Elected Members' Membership Of The Local Government Pension Scheme Ministerial Statement from Brandon Lewis, Parliamentary Under Secretary of State at the Department for Communities and Local Government attached	(Pages 9 - 10)
4.	Correspondence Received From Member To consider the attached correspondence received from Councillor Dawson	(Pages 11 - 12)
5.	Date of Next Meeting To consider a date for the next meeting of the Panel	

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INDEPENDENT REMUNERATION PANEL

MEETING HELD AT THE TOWN HALL, BOOTLE ON MONDAY 14TH OCTOBER, 2013

PRESENT: Canon Roger Driver, (in the Chair)
Mr. J. Fraser and Mrs. S. Lowe

1. ELECTION OF CHAIR

RESOLVED:

That Canon Roger Driver be appointed Chair of the Independent Remuneration Panel for the 2013 -2014 Municipal Year.

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. MINUTES

RESOLVED:

That the Minutes of the meeting held on 21 January 2013 be confirmed as a correct record.

4. COUNCIL'S CURRENT FINANCIAL POSITION

The Panel received a presentation from Margaret Rawding, Head of Corporate Finance and ICT Strategy on the Council's budget 2013/14 and 2014/15 and future years' budget forecasts.

Mrs. Rawding detailed the major budget reductions and in particular referred to cuts in social care and highway maintenance; indicated that the June Comprehensive Spending Review and subsequent announcements presented a challenging picture in 2015/16 including a reduction in Government grants of £19m and inflationary pressures of £8.7m; and that for 2015/16 onwards, information was still unknown on the Council Tax referendum rules and levels, the national distribution of 10% cut in government funding of local government services, the number of Council Tax Reduction Scheme claimants, the level of business rates and the level of social care required.

Mrs. Rawding also detailed that a pay award of 1% had been made for staff in 2013/14 but that increments had been frozen for the third year running; that the pay award for 2014/15 was still unknown; and identified issues associated with the pension deficit and that from 2014/15 a new career average pension is being introduced. Other factors referred to related to budget reductions going deeper into services resulting in the reduction or cessation of such services; and adult social care funding pressures which included the potential for the Council having to pick up far

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more care costs when the the “cap” (as suggested in the Dilnot report) is reached.

Mrs. Rawding concluded by indicating that the anticipated savings to be made by the Council in 2015/16 and 2016/17 were £28m and £22m respectively;

A Panel member asked whether Sefton would enter into partnership arrangements for services with other local authorities and officers responded by detailing current partnerships relating to:-

- Finance/audit services with Warrington
- Insurance services with Wirral
- The private sector partnership with arvato
- Election services across the 5 Merseyside authorities

Furthermore, partnership arrangements relating to procurement services and shared financial management systems were being investigated.

RESOLVED:

That Margaret be thanked for her informative presentation.

5. REVIEW THE DEPENDENT'S CARERS' ALLOWANCE

Further to Minute No. 17 (4)(ii) of the meeting held on 21 January 2013 the Panel considered the report of the Head of Governance and Civic Services that provided data from other local authorities on their dependent carers' allowances (DCA) schemes.

The report indicated that the Local Authorities (Members Allowances) (England) Regulations 2003 provided for the payment to Members of an authority of a DCA; that Sefton's Scheme of Allowances currently provided for this as follows:

“8. Dependents' Carers' Allowance

Members who incur additional expenses in order to arrange care for dependents may claim these expenses. This rate is based on the National Minimum Wage up to a maximum of £60 per week”;

and that one Councillor currently claimed this Allowance and the published table of allowances paid showed that this amounted to £1,263.85 in 2012/13 (equivalent to 0.16% of the total amount paid to Members).

Attached as an Appendix to the report was a table providing information on the levels of DCA in place across Merseyside and other neighbouring local authorities; and that the most recent survey of 386 local authorities in England, conducted by the Local Government Association in winter 2008, showed that a total of 324 authorities responded (83.9%) and that 89.5% of authorities offered a DCA at an average hourly rate of £7.83.

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The Panel also considered correspondence received from an elected Member on this matter that stated that “the Carers’ allowance should be addressed as it’s not the tax payers responsibility to pay for Councillor child care”

The report concluded by requesting that the Panel review the information provided and determine whether any recommendations to Council should be made on this matter.

It was noted that the principle behind the payment of Dependent Carer’s allowance generally was to ensure equality in terms of candidates seeking election and that no-one felt unable to stand for election due to their caring responsibilities.

The Head of Governance and Civic Services reported that in reviewing the Dependent Carer’s Allowance payable within neighbouring authorities, it was intended that the guidance to Members be reviewed to bring this in line with others. This would not affect the published Scheme of Members Allowances or the amount payable.

RESOLVED: That

- (1) the principle of the payment of the Dependent Carers’ Allowance be asserted; and
- (2) due to the increase in the minimum wage to £6.31 per hour and in order to maintain the payable allowance of 10 hours per week, the maximum Dependent Carers’ Allowance be amended to be based on a maximum of 10 hours a week rather than the current financial limit.

6. CORRESPONDENCE RECEIVED RELATING TO MEMBERS’ ALLOWANCES

The Panel considered the report of the Head of Governance and Civic Services detailing items of correspondence relating to the payment of attendance allowances, the payment of dependant carers’ allowances and elected Members’ membership of the Local Government Pension Scheme, that had been received since the Panel last met.

A response had been sent to the member of the public regarding information on the payment of attendance allowances and the issue relating to the payment of dependant carers’ allowances had been dealt with earlier in the meeting (Minute No. 5 refers). The report advised that in relation to the final issue (elected Members’ membership of the Local Government Pension Scheme) a written Ministerial Statement to Parliament had been made setting out Government proposals to remove access by Councillors to the taxpayer-funded Local Government Pension Scheme in England from April 2014 and the outcome of consultation on

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this proposal was awaited. The cost to Sefton in terms of 'employer's contributions' came to £49,773.73 in 2012/13.

The actual comments made and responses received were provided in the Appendix attached to the report.

The report concluded by requesting that the Panel review the information provided and determine whether any recommendations to Council should be made on these matters.

RESOLVED: That

- (1) the correspondence relating to the payment of attendance allowances be noted;
- (2) in connection with the issue relating to elected Members' membership of the Local Government Pension:-
 - (i) the Panel considers that it is reasonable to defer a decision on this matter bearing in mind that the outcome of the national consultation exercise is still awaited; and
 - (ii) the Head of Governance and Civic Services be requested to consult with the Cabinet Member – Corporate Services and Performance on whether Sefton's elected Members should be consulted on this issue; and
- (3) in relation to the issue of the payment of dependant carers' allowances the Head of Governance and Civic Services refer Councillor Jones to the information contained in the report with a request that if he has any further comments/questions then he submit them for consideration to the next meeting of the Panel.

7. DATE OF NEXT MEETING

RESOLVED:

That the next meeting be held in late January 2014.



Written statement to Parliament **Local government pension scheme regulations**

Organisation: Department for Communities and Local Government

Delivered on: 11 March 2013

Page history: Published 11 March 2014

Policy: Making sure Council Tax payers get good value for money

Topic: Local government

Minister: Brandon Lewis MP

Location: Parliament

Written ministerial statement by Brandon Lewis on the local government pension scheme.



The government has laid before Parliament the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 which makes the transitional provision between the existing local government pension schemes and the new scheme which will come into force on 1 April 2014. They preserve benefits already accrued by scheme members under the existing schemes and make provision to ensure that members within 10 years of their normal retirement age on 31 March 2012 do not suffer any detriment.

Together with the Local Government Pension Scheme Regulations 2013 introduced in September last year, the introduction of the regulations completes the regulatory framework for the new local government pension scheme. Implementing the new scheme a year ahead of the other major public service pension schemes represents a major achievement; we are very grateful to the Local Government Association, the scheme's shadow advisory board and other key interested parties for the help and co-operation they have given to ensure the successful implementation of the new scheme.

In my written statement of 19 December 2012, Official Report, Column 105WS, we announced our intention to abolish taxpayer-funded pensions for councillors. A statutory consultation to this effect was undertaken between April and July 2013.

The regulations we have laid also abolish such taxpayer-funded pensions for new councillors in England and other elected office holders from 1 April 2014, and terminate access for existing councillors at the end of their current fixed term of office (for example, from May 2014, in relation to councillors with elections this year). The rationale for the reforms is outlined in my statement from

December 2012.

Taken together, I believe these necessary reforms deliver on the coalition government's pledge to reform public sector pensions and provide a fair deal for public service workers and taxpayers. The reforms ensure that local government pensions are fair, affordable and sustainable in the long term, particularly in the light of changing demographics, and are justifiable to taxpayers who foot the bill for employer contributions.

I have placed copies of the associated documents in the Library of the House.

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Text of an Email received from Councillor Dawson on 19 January 2014

“In considering the future payments to Councillors in Sefton MBC, would the Chair of the Panel ensure that he and his members are cognisant of the payments made in other local authorities in the North West region, particularly all Metropolitan and Unitary Authorities of a similar size and complexity to Sefton MBC, with respect to the work and remuneration of:

- (a) Leader and Deputy (ies)
- (b) Other Cabinet Members
- (c) Overview/Scrutiny Chairs
- (d) Planning and Licensing Chairs
- (e) Area Committee Chairs
- (f) Leaders and deputy leaders of major opposition parties
- (g) Leaders and deputy leaders of minor opposition parties
- (h) back bench councillors with no special responsibilities

....so that the Panel are confident that where there is to be a significant variance from the payments generally made elsewhere in the Region for similar types of work, they can provide their own clear reason for this.

Please note that this request is made by me as an individual.

Councillor Tony Dawson”

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