

Report To:	STANDARDS AND PERSONNEL APPEALS COMMITTEE	Date:	12 DECEMBER 2016
Heading:	MEMBERS' REMUNERATION SCHEME: PERFORMANCE RELATED ELEMENT		
Portfolio Holder:	N/A		
Ward/s:	N/A		
Key Decision:	NO		
Subject To Call-In:	NO		

Purpose Of Report

To inform the Committee of the new performance element of the Members' Remuneration Scheme and the role that the Committee will play in determining the payment of the performance related allowance.

Recommendation(s)

The Committee is asked to consider the suggested process for determining the payment of the performance related element of the Members' Allowance. The Committee may wish to consider seeking the views of the Cross Party Update Meeting before making a final recommendation to the Council.

Reasons For Recommendation(s)

To ensure a clear and transparent process to determine the payment of the performance element of the Members' Allowance.

Alternative Options Considered (With Reasons Why Not Adopted)

The Committee may wish to consider alternative approaches to determine the payment of the performance element of the Members' Allowance.

Detailed Information

Members will recall that the Independent Remuneration Panel (IRP) met earlier this year to review the Members' Allowance Scheme. The new Scheme was approved at Council in July 2016.

The function of an allowances scheme is to provide support to Members so they are able to carry out their roles and responsibilities without incurring undue personal costs or loss of earnings. The IRP reported that Members felt there was an inequity in the fact that Members received the same basic allowance regardless of their workloads. The IRP suggested that the simplest metric by which to gauge additional effort is attendance at meetings; attendance at meetings being simple to measure. The IRP felt that if a Member does not attend the majority of their scheduled meetings and training events they are not representing the interests of their constituents and the Council in general to the best of their ability.

Based on the recommendation of the IRP, the new Members' Allowance Scheme includes an element which relates to performance. The Basic Allowance was reduced by £500 per annum, the £500 per member was reassigned as a Performance Special Responsibility Allowance to be paid to all Members who attend 70% of all their formal meetings (these being all meetings of the Council and all meetings of the Committees and Sub-Committees to which Members are appointed by the Council) together with all training made mandatory in accordance with the Constitution and included in the Code of Conduct. An extract of the IRP's report is attached as Appendix A.

This Committee was given the remit to account for **genuine or excused absences** set out as:

- Illness/physical incapacity
- Family/domestic emergency
- Officially representing the Council in another forum, in other words outside bodies as detailed in the Constitution

The IRP's report sets out that the following are **NOT** to be accepted as excused absences:

- Work commitments
- Representing another local authority such as Nottinghamshire County Council or a Parish Council
- Representing their constituents
- Simply sending apologies without a reason
- Holidays

The Council resolved that the performance element of the allowance should be implemented from 29 May 2017 and the period of assessment running to the AGM the following year in May 2018. The performance element year will then continue thereafter starting at each AGM and ending the following May.

Mandatory Training

In accordance with the Constitution the following are classed as "mandatory" and will be taken into account in the calculation of 70% attendance:

- Planning
- Safeguarding
- Licensing Committee and its Sub- Committees

- Lone worker training
- Code of Conduct Training
- Chief Officers Employment Committee
- Standards Committee Training
- Equalities

The required frequency of training will require determination before the process is finalised to ensure it is clear what each Member's mandatory training requirement is each year.

Process for Payment of the Performance Allowances

- Members are required to provide reasons for every absence (meetings and mandatory training) to Democratic Services
- Failure to provide a reason will lead to the absence being noted as "not excused"
- Democratic Services will collate the attendance data. The data will be presented to the Committee annually in June
- The data presented to Committee will include for each Member the number of expected attendances, the number of absences, whether these are excused absences or not (in line with the definition set by the IRP and outlined above) and the percentage attendance highlighting where attendance is at 70% or above and 69% and below
- The Committee will be required to review the data and approve the Members to whom the £500 performance related pay is to be awarded
- Democratic Services will thereafter instruct Payroll to make performance related payments as approved by the Committee

For clarity, excused absences will **not** be taken into account when calculating the level of attendance, whereas absences which are not for excused reasons will be taken into account.

It is not considered feasible for Democratic Services or the Committee to look behind the reasons given, the onus is on each Member to accurately report reasons for absence in a timely manner. The Committee may wish to consider setting a deadline for the submission of absence reasons to Democratic Services.

To enable individual Members and Groups to monitor attendance on a regular basis, it is recommended that a quarterly update report will be provided to each Member and their Group Leader. This will enable advance notice of attendance levels and an opportunity to check reasons for absence in a timely manner.

Members are reminded that by virtue of section 85 of the Local Government Act 1972 if a Member fails throughout a period of 6 consecutive months from the date of the last attendance at a meeting of the authority, he/she shall cease to be a member of the authority unless the reason for the failure to attend has been approved by the Council.

Implications

Corporate Plan:

The Council will strive to ensure effective community leadership, through good governance, transparency, accountability and appropriate behaviours.

Legal:

The Council adopted a revised Scheme in accordance with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) and was recommended by the appointed Independent Remuneration Panel.

Finance:

This report is effective from 21/07/2016 and has the following financial implications:

Budget Area	Implication
General Fund – Revenue Budget	Failure to meet the required attendance by a Member would result in the withholding of a £500 Performance Related Payment. The maximum amount payable by the Authority would be £17,500 (35 Members @ £500 per Member). For the sake of prudence, it is assumed that all Members will attain the necessary performance level to receive the Performance Related payment, and the budget for 2017/18 has assumed payment to all Members.
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Human Resources / Equality and Diversity:

A record of training undertaken will be held by the HR Shared Service. Payment of allowances will comply with the approved arrangement.

Other Implications:

None.

Reason(s) for Urgency (if applicable):

N/A

Background Papers

Independent Remuneration Panel Report – July 2016

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