

	Changes proposed by Independent Remuneration Panel	Implications for Cheshire East
1	The changes proposed should not result in more than a marginal (1%) overall increase to the 2015-2016 allowances budget.	The Council must decide upon the appropriateness of allowances for members. The Panel's views are noted.
2	Of the current SRA entitlements, ten* should be discontinued, including all vice-chairs (as set out in paragraph 3.8 of the IRP's report) *This figure includes proposal at (4) below	The nine committee posts which are proposed to be removed are: (SRA per annum) Constitution Vice Chairman (£1000) Licensing Vice Chairman (£1000) Public Rights of Way Vice Chairman (£1000) Audit and Governance Vice Chairman (£1000) Strategic Planning Vice Chairman (£1000) Southern Planning Vice Chairman (£1000) Northern Planning Vice Chairman (£1000) Deputy Administration Whip (£1680) Deputy Administration Whip (£1680) Potential savings which could be accrued: Minimum £1,000 (removal of 1 post), maximum £10,360 (removal of all the above posts)
3	The SRAs for the leader and deputy leader of the Council, cabinet members and group leaders should remain at their current level	No changes would be required to the current scheme from this proposal.
4	The SRA of the Chair of the Public Rights of Way Committees should be discontinued (paragraph 3.5 of the IRP's report)	SRA per annum is £5,600. Potential saving of £5,600
5	The SRA for the Chair of the Licensing Committee should be redistributed between the Chair and Vice-chair, on a proportionate basis, reflecting the involvement of both in decision-making sub-committees over the course of the year	If approved, a mechanism for allocating the allowance will need to be developed and formally approved.
6a	The savings accruing from recommendations (2) & (4) should be reallocated to increase the Basic Allowance from £11,466 to £11,754.	It is for Council to decide upon how, if available, any savings should be utilised.
6b	A second option, increasing the basic allowance by a further £187 from £11,754 to £11,941 should also be considered by the Council (see paragraph 3.21 of the IRP's report).	It is not possible to validate this proposal as the IRP's report does not include any calculations which show how the £187 figure was reached. Notwithstanding this, if this secondary increase was to be applied, the potential cost would be (£187 x 82) = £15,334 Potential increase to the base budget

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7	All allowances should be index-linked every year to the NJC officers pay award (see paragraph 4.1 of the IRP's report)	An index can only be applied for a four year period before it needs to be reviewed. The NJC pay award for 2016/2017 is 1%. The first indexation would be applied in line with the following NJC officer award; projections for this and subsequent years would need to be made to ascertain the cost to the budget. Potential increase to the budget
8	The stipulation that only one SRA can be claimed by any one councillor should be discontinued (except for the leader and deputy leader of the council), and replaced by a maximum of two.	The removal of this rule is likely to result in an increase on the budget. However, the amount by which the budget would increase is difficult to quantify as it is dependent on which members are in post/appointed to an ASDV at any given time. The level of increase could also go up or down if appointments were to change during the course of a financial year. Potential increase to the budget
9	The fees paid to councillors as directors of WOCs etc. should not (as is the present situation) be taken into account in relation to payment of SRAs, unless this is a legal requirement.	The removal of this rule is likely to result in an increase on the budget. However, the amount by which the budget would increase is difficult to quantify as it is dependent on which members are in post/appointed to an ASDV at any given time. The level of increase could also go up or down if appointments were to change during the course of a financial year. Potentials increase to the budget
10	The mileage allowance paid to members and officers should be the same*, and should be pitched at the level stipulated as being tax-free by HMRC (currently 45p per mile). An additional 5p per passenger per mile should be payable, if to do so avoids additional claims for mileage allowance being made.	The 2015-2016 Members Allowances Scheme allows members to claim 45p, 46.9p or 52.2p per mile based on engine size and mileage of no more than 8,500 per year. However, members are recommended to claim the HMRC tax free rate of 45p, which some members currently adhere to. Potential savings to the budget

Summary of proposals - possible savings:

- a) If all the proposals were rejected, there would be no change to the allowances base budget
- b) If recommendations 2 and 4 were adopted, the maximum saving would be £15,960

Summary of proposals - possible increases:

- d) If basic was raised further from £11,754 to £11,941 (by £187), the increase to the budget would be £15,334.
- e) On a current budget of £1,392,386, a 1% increase would equate to £13,923.