

Report to: **Council**
Date: **6 December 2016**
Title: **MEMBERS' ALLOWANCES REVIEW**
Portfolio Area: **Strategy and Commissioning**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:
(e.g. referral or recommendation or implementation of substantive decision) **Immediately following this meeting, with any changes taking retrospective effect from 1 May 2016**

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RECOMMENDATIONS

That the Council RESOLVES that the recommendations of the Independent Panel on Members' Allowances (as presented at paragraph 3 below) be agreed and that the revised draft Scheme of Members Allowances (as shown at presented Appendix A) be adopted with immediate effect, with any consequent increases in Allowances being backdated to 1 May 2016.

1. Executive summary

1.1 The Council's Independent Panel on Members' Allowances was convened on Wednesday, 23 November 2016 and made a series of recommendations on a revised Scheme of Members' Allowances.

2. Background

- 2.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, it is a requirement that any changes to a Council's Scheme of Members' Allowances are considered initially by an Independent Panel appointed for that purpose which in turn then makes recommendations to the Council;
- 2.2 The Council last considered its Scheme of Members' Allowances at its meeting on 26 July 2016. In so doing, Members took the following decision (Minute CM 31 refers):

"The Council RESOLVES that the Council's Independent Remuneration Panel be reconvened to consider and make recommendations to the Council on a revised Scheme of Members' Allowances, with the new Scheme taking retrospective effect from 1 May 2016."

- 2.3 Prior to the Panel meeting taking place, all Members were given the opportunity to make representations on the current Scheme of Members' Allowances, with submissions subsequently being received from Cllrs Benson, Oxborough and Parker
- 2.4 The Council's Independent Remuneration Panel met on Wednesday, 23 November 2016 and was attended by all four Panel Members:
 - Don Latham (Independent Chairman);
 - Hilary Boot-Handford (Parish Council Representative);
 - Simon Earland (Business Sector Representative); and
 - Karen Nolan (Community and Voluntary Sector Representative).

As a basis for its deliberations, the Panel considered a report (which was circulated to all Members) and was joined at its meeting by Cllrs Baldwin, Benson, Parker and Sanders.

3. Panel Recommendations

3.1 Basic Allowance

- 3.1.1 The Panel acknowledged that the current Basic Allowance (£4,242 per annum) was the lowest in the county. However, there was also a recognition that the Council had in effect penalised itself by historically not always accepting the Panel's recommended increase to the Basic Allowance;
- 3.1.2 The Panel noted that, during the consultation exercise, there had been no Member responses to this specific aspect of the Scheme and therefore **RECOMMENDED** that:

'the Basic Allowance remain at £4,242.'

- 3.1.3 Unless a belt and braces review was deemed necessary, the Panel reaffirmed its previously held view that the Basic Allowance should be aligned to a prescribed index and **RECOMMENDED** that:

'the Basic Allowance should continue to be aligned to the Staff Pay Award and automatically adjusted each year.'

3.2 Special Responsibility Allowances

- 3.2.1 The Council will recall that one of the main drivers that prompted this review was the comments expressed by a number of Members that the Special Responsibility Allowance (SRA) multiplier currently being applied to the role of Hub Committee Member (33% of the Basic Allowance) was too low;

- 3.2.2 This view was expanded upon by the three Hub Committee Members during the consultation exercise and by those Members in attendance at the Panel meeting;

- 3.2.3 Having given the matter detailed consideration, the Panel was sympathetic to the views expressed and **RECOMMENDED** that:

'the multiplier applied to the SRA for the role of Hub Committee Member be increased from the current level of 33% of the Basic Allowance to a new level of 90%.'

- 3.2.4 In making this recommendation, the Panel felt that there was a convincing argument for Hub Committee Members to be entitled to receive a higher SRA that was at the same level as that received by the Chairmen of the Overview and Scrutiny and Audit Committees;

- 3.2.5 With regard to the formula applied to the Leaders of Other Political Groups, the Panel was of the view this was good practice. However, in the event of any Groups being established that comprised of only two Members, it was **RECOMMENDED** that:

'to be entitled to claim the 'Leaders of Other Political Groups' SRA, a group must consist of a minimum size threshold of 3 Members.'

- 3.2.6 Since no requests were made to revisit any of the other roles entitled to claim an SRA, the Panel did not make any further recommended changes to this aspect of the Scheme;

3.3 Travelling Allowances

- 3.3.1 The Panel felt it was unusual for a Scheme to include provision for two alternative means of claiming for car travel. In line with the overwhelming majority of other local authorities, the Panel therefore **RECOMMENDED** that:

'Scheme 1 be deleted from Schedule B (Travelling Allowances) and that, in line with HMRC rates (i.e. that no taxable element is included), the one method for Members to claim for car travel be as follows:

Mileage Allowance:	Pence Per Mile:
For the first 10,000 miles	45p
Per mile after 10,000 miles	25p

3.4 Carers Allowance

- 3.4.1 Simply as a tidying up exercise, the Panel also **RECOMMENDED** that:

'the Scheme be updated whereby the rules applied to Carers Allowances should be included within Schedule C: Subsistence Allowances.'

3.5 Revised Draft Scheme of Members Allowances

- 3.5.1 Each of the above Panel recommendations have been included in a revised draft Scheme of Members Allowances (as attached at Appendix A).

4. Options available and consideration of risk

- 4.1 In ultimately making a decision, the Council must pay due regard to the recommendations of the Independent Remuneration Panel. However, the Council does have the discretion to reach an alternative view on some (or all) of the Panel's recommendations if it so wishes.

5. Implications

Legal/Governance		<p>The Local Authorities (Members' Allowances) (England) Regulations 2003.</p> <p>The Council has a statutory requirement to adopt a Scheme of Members Allowances and to consider the recommendations of its Independent Panel in doing so.</p>
Financial		If all of the Panel recommendations are endorsed by the Council, there will be an overall cost to the Council of £16,926.
Risk		There is a reputational risk if the Council does not have regard to the recommendations of its Independent Panel before approving its revised

		Scheme of Members' Allowances.
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no equality and diversity implications directly related to this report.
Safeguarding		There are no safeguarding implications directly related to this report.
Community Safety, Crime and Disorder		There are no community safety or crime and disorder implications directly related to this report.
Health, Safety and Wellbeing		There are no health, safety and wellbeing implications directly related to this report.
Other implications		N/A

Supporting Information

Appendices:

A. The revised draft Scheme of Members' Allowances

Background Papers:

The Scheme of Members' Allowances: 2015/16;
 Reports and minutes arising from the Special Council meeting held on 31 March 2015 and 26 July 2016; and
 The report and appendices submitted to the meeting of the Independent Panel held on 23 November 2016.