

COUNCIL

19 March 2013

REPORT OF THE SOLICITOR TO THE COUNCIL AND MONITORING OFFICER

REVIEW OF MEMBERS ALLOWANCES

Purpose of Report

To advise Council of the recommendations of the Members Independent Remuneration Panel who have recently undertaken a review of Members Allowances in accordance with regulations. The report of the panel is attached at **Appendix 1**.

Executive Summary

Regulations came into force in May 2003 which requires the Council to review and adopt a scheme of allowances for members.

All Councils are required to convene an Allowances Panel and seek its advice before they make any changes or amendments to their allowance scheme and they must "pay regard" to the Panel's recommendations before setting a new or amended Members Allowances Scheme.

The Members Remuneration Panel was convened on 28 February 2013.

It is a statutory requirement that a summary of the remuneration panel recommendations are published in a local newspaper and this has to be undertaken.

The recommended changes to be implemented from the date of the Annual Council meeting in 2013/14 can be summarised as follows:

1. No increase to the basic allowance or to any Special Responsibility Allowances. Thus the proposed basic allowance remains £5,054.
2. All of the current Allowances payable to Members be discounted by 10%. That the 10% discount is only paid to the Members who attend 75% of the scheduled meetings of the Committees that they are appointed to. The payment then takes the form of a lump sum paid retrospectively at the end of the municipal year. The meetings that count for Members attendance are those published in the attendance summary on the Council website.
3. Post holders in receipt of Special Responsibility Allowance are subject to a double discount penalty.
4. The panel reconvenes in 12 months time to review the Members Allowances Scheme with particular regard to assessing the success of the new performance related element of remuneration and refine accordingly.
5. The SRA paid to the leader of £12,814 remains unaltered for 2013/14 subject to the aforesaid performance criteria being met.

6. The payment of SRA to Vice Chairs of Scrutiny be discontinued.
7. The provision for a co-optee allowance of £311 be deleted from the Members Allowance Scheme and replaced by a remuneration of £45 for each meeting under 4 hours duration, £90 for each meeting over four hours duration.
8. Subsistence Allowance can no longer be claimed by Members attending approved duties within the Borough unless there are exceptional circumstances as defined by the person calling the meeting and approved by the Monitoring Officer.
9. The current definition and scope of approved duties for which Members can claim travel allowances remains unaltered. With no change to allowances where Members travel by public transport, with all claims requiring to be backed up with receipts.
10. Payments under the Dependents Careers Allowance Scheme remain unaltered.
11. As previously recommended the panel considered all members should be eligible to join the Local Government Pension Scheme for another four years.
12. That all the aforesaid Allowances and Subsistence rates are indexed accordingly.

Costs for items 8, 9, 10 and 11 are not easily quantifiable given that they are dependent on the level of duties, the uptake of members joining the LGPS and claims in the year. Based on past experience the recommendations should not have a significant financial effect, it may in fact result in a small saving.

Council is requested to consider the recommendation of the panel and either agree with the proposals or put forward reasonable alternatives.

The amended scheme as approved following the Panel's recommendations (or following Council Proposals) is to be adopted from the beginning of the Municipal Year 2013/14.

This report does not seek a key decision, but Council is responsible for reviewing and adopting a scheme of allowances for members.

Financial Implications

In the next financial year 2013/14 the proposals would mean no increase in the budget. It is expected that this can be managed within existing budgets.

The risk of not updating the allowance scheme is that the political management structure of the Council may not be accurately acknowledged in accordance with statutory and regularity requirements.

Recommendation(s)

Council is recommended to consider the Panels report and adopt one or a combination of the following:

- a) Receive the recommendations in full
- b) Receive the recommendations in part.
- c) Put forward alternative recommendations in addition to or as opposed to those not accepted.
- d) Reject the recommendations.

If Members would like further information or clarification prior to the meeting, please contact Jane Hackett on Ext. 258

| | |
|----------------------------|------------|
| Background Papers:- | Appendix 1 |
|----------------------------|------------|

This page is intentionally left blank