

COUNCIL

24th NOVEMBER 2015

REPORT OF MANAGEMENT AND MEMBERS' SUPPORT MANAGER

A.6 Annual Review of the Scheme of Members' Allowances by the Independent Remuneration Panel (IRP)

(Report prepared by Karen Neath)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To agree a Scheme of Members' Allowances for 2015/16.

EXECUTIVE SUMMARY

- At the meeting of Council on 7th July the recommended Scheme of Members' Allowances for 2015/16 from the IRP was considered.
- At that meeting the IRP was asked to undertake a further review into the proposed scheme of allowances for 2015/16.
- The IRP has undertaken this further review and has given members an opportunity to comment on the proposals.
- Having had regard to these comments, the IRP's final recommendations are set out in Appendix A and are as proposed in July 2015 except that:-
 - An additional Special Responsibility Allowance is proposed for Members of the Planning Committee;
 - A reduction in the Portfolio Holder Special Responsibility Allowance is proposed.
- The IRP has also considered whether a Special Responsibility Allowance should be paid to the Chair of the Standards Committee but has decided not to recommend this.

RECOMMENDATION(S)

- (a) That the allowances recommended by the IRP, as set out in its report to the Council (Appendix A) be approved;
- (b) that in the event that Council adopts alternative allowances to those recommended in the IRP's report, reasons for the variations are given and minuted;
- (c) that the approved scheme be implemented with effect from 1 November 2015 in respect of allowances due for November 2015 to be paid in December 2015;
- (d) that the IRP undertakes a further review for 2016/17 and makes recommendations to Annual Council in May 2016; and
- (e) that the Appendix 2 to the Scheme of Members' Allowances in Part 7 of the Constitution be amended to reflect the agreed allowances and expenses.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The adoption of a published Scheme of Members' Allowances, having regard to the recommendations of an Independent Remuneration Panel, is consistent with the Council's core values of integrity and openness.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The budget for 2015/16 for Members' Basic and Special Responsibility Allowances and for the Chairman and Vice Chairman Allowances totals £461,250. Based on the current council and committee structure, the cost of the proposed scheme totals £461,250, as set out in Appendix B.

Risk

The crucial feature of the Panel is that it is composed of people unconnected with the local authority. This degree of independence is designed to secure that the Council is directly accountable to the electorate in respect of the payments made to the Members and that the risk of any lack of transparency is mitigated.

LEGAL

The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the arrangements to be followed in relation to Members' allowances and expenses. The Regulations set out that regard must be had to the recommendations of an IRP before determining or amending the Scheme of Allowances. Consideration of this report and its appendix will enable the Council to meet those statutory requirements.

The Local Government Act 1972 (sections 3 and 5) allows the payment of an allowance to the Chairman and Vice Chairman.

OTHER IMPLICATIONS

Members Responsibility For Reporting Receipt of Allowances

Members are advised to declare the receipt of a members allowance if **any form** of benefit such as income support or housing benefit is being claimed. The rules on how members' allowances are treated may vary depending on the benefit claimed and advice should be sought from the relevant administrating body. For example the rules for those in receipt of Housing Benefit and Council Tax Support state that "basic members allowance, special responsibility allowance and conference attendance allowance are treated as earnings except for any expenses which have been wholly, exclusively and necessarily incurred in the performance of their duties". Members are therefore advised that in order to claim expenses in these circumstances receipts and records to justify the expenses incurred must be kept.

Wards Affected

All.

PART 3 – SUPPORTING INFORMATION

BACKGROUND PAPERS FOR THE DECISION

There are no background papers.

APPENDICES

Appendix A – Supplementary Report of the Independent Remuneration Panel

Appendix B – Members Allowances 2015/16 – Financial Implications of IRP Recommendations

Tendring
District Council



INDEPENDENT REMUNERATION PANEL
SUPPLEMENTARY REPORT TO
TENDRING DISTRICT COUNCIL

November 2015

**Recommendations on the Level of Members'
Allowances to Be Paid in the Municipal Year 2015/2016**

1. INTRODUCTION

Following the request from Council of 7th July, the Independent Remuneration Panel has further considered their recommendations for the Scheme of Allowances for 2015/16 and in particular:-

- Whether to recommend a Special Responsibility Allowance for Planning Committee members.
- Whether to recommend a Special Responsibility Allowance for the Chair of the Standards Committee.
- Whether to make any other recommendation such that the cost of the scheme is within the overall budget allocation.

2. RECOMMENDATIONS

In relation to the points above the Panel's recommendations are as follows:-

- That a Special Responsibility Allowance is paid to Planning Committee members to recognise the exceptional time commitment required to sit on this Committee.
- That a Special Responsibility Allowance is not paid to the Chair of the Standards Committee because the nature of the Committee means that the Chair may change depending on the cases being considered and the workload is therefore not considered sufficient to warrant additional payment.
- That, along with the changes to allowances already recommended in their report of May 2015, the Special Responsibility Allowance for Portfolio Holders be reduced to reflect the fact that the workload is unchanged but there are more Portfolio Holders. In making this recommendation the Panel has been mindful of the overall budget.

Other allowances are recommended to be as proposed to Council on 7th July.

3. REVIEW OF ALLOWANCES FOR 2016/2017

The Panel strongly recommends a further review of allowances be undertaken in respect of the municipal year 2016/2017.

SUMMARY OF PROPOSED ALLOWANCES 2015/16

Allowances	£
Basic Allowance	5,122
Leader of the Council	18,438
Cabinet Member	8,669
Opposition Group Leaders	
– Amount for being a Group Leader	1,000
- Amount per Group Member	90
Chairman – Planning Committee	6,268
Vice Chairman – Planning Committee	2,029
Planning Committee members	500
Chairman – Licensing and Registration Committee	4,300
Chairmen – Licensing and Registration Sub Committees	2,029
Chairman - Audit Committee	4,300
Chairman - Community ,Leadership and Partnership Committee	4,300
Chairman - Service Development and Delivery Committee	4,300
Chairman – Corporate Management Committee	4,300
Chairman – Education and Skills Committee	3,800
Chairman - Human Resources Committee	3,800
Chairman of the Council	6,266
Vice Chairman of the Council	2,209
 Expenses	
Childcare allowance	Living Wage (currently £7.85 per hour)
Dependent Carer allowance	Living Wage (currently £7.85 per hour)
Conferences – outside London	£120 maximum per day
Conferences – within London	£140 maximum per day
Use of a motor car – first 10,000 miles	HMRC rate (currently 0.45p per mile)
Use of a motor car – over 10,000 miles	HMRC rate (currently 0.25p per mile)
Use of a motor cycle	HMRC rate (currently 0.24p per mile)
Use of a bicycle	HMRC rate (currently 0.20p per mile)
Subsistence – breakfast	£6.00
Subsistence – lunch	£7.50
Subsistence – dinner	£12.00

Appendix B

MEMBERS ALLOWANCES 2015/16 - FINANCIAL IMPLICATIONS OF IRP RECOMMENDATIONS

Allowance	2015/16		
	Amount £	No.	Total £
Leader	18,438	1	18,438
Portfolio Holder	8,669	9	78,021
Group Leader (Lab)	1,360	1	1,360
Group Leader (Ind)	1,540	1	1,540
Group Leader (HR)	1,270	1	1,270
Group Leader (UKIP)	2,440	1	2,440
Group Leader (Coast Ind)	1,450	1	1,450
Chair Planning	6,268	1	6,268
Vice Chair Planning	2,029	1	2,029
Planning Committee Members	500	9	4,500
Chair Licensing and Registration	4,300	1	4,300
Chair Audit	4,300	1	4,300
Chair Corporate Management	4,300	1	4,300
Chair Community, Leadership and Partnerships	4,300	1	4,300
Chair Service Development and Delivery	4,300	1	4,300
Chair Education and Skills	3,800	1	3,800
Chair Human Resources	3,800	1	3,800
Chair Licensing sub A	2,029	1	2,029
Chair Licensing sub B	2,029	1	2,029
Chair Licensing sub C	2,029	1	2,029
Chair Licensing sub General	2,029	1	2,029
Chairman	6,266	1	6,266
Vice Chairman	2,209	1	2,209
TOTAL			163,007
Actual to be Paid as Members are only entitled to one SRA			
Group Leader (Ind)			-1,540
Group Leader (Coast Ind)			-1,450
Chair Licensing sub A			-2,029
Chair Licensing sub B			-2,029
Chair Licensing sub C			-2,029
			153,930
Basic	5,122	60	307,320
TOTAL			461,250
BUDGET			461,250
Difference			0