

ANNUAL MEETING OF THE COUNCIL

24 APRIL 2018

REPORT OF HEAD OF LEADERSHIP SUPPORT AND COMMUNITY

A.1 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 2018/19.

EXECUTIVE SUMMARY

Scheme of Members' Allowances 2018/19

- The Independent Remuneration Panel has undertaken a review to propose recommendations to the Council for the Scheme of Allowances to apply with effect from 1st May 2018. The IRP's report is attached at Appendix A to this report.
- The IRP's recommendations have been advertised in the local press in accordance with the Regulations.
- Council must now have regard to the recommendations of the IRP in determining a Scheme of Allowances for 2018/19. The Council may depart from the IRP recommendations provided it can demonstrate good reasons for doing so, having taken all relevant matters into account.
- Council last agreed a Scheme of Allowances at Council on 25th April 2017 with effect from 1st May 2017.
- The latest review proposes no changes to the 2017 scheme.

RECOMMENDATION(S)

It is recommended that:-

- (a) Council approves the allowances recommended by the IRP as set out in its report attached at Appendix A or proposes alternative allowances to be approved;
- (b) in the event that Council adopts alternative allowances to those recommended in the IRP's report, reasons for the variations be given and minuted;
- (c) the IRP undertakes a further review for 2019/20 and makes recommendations to Annual Council in May 2019.
- (d) subject to a) and b) above, 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 2018/19 for Members' Basic and Special Responsibility Allowances and for the Chairman and Vice Chairman Allowances totals £462,890. The cost of the proposed scheme is within budget as shown in Appendix B based on the current council, committee structure and group membership. However, members should be aware that this could change.

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 –Report of the Independent Remuneration Panel

Appendix B – Financial Summary