

# MEETING OF THE COUNCIL

13 FEBRUARY 2019

## REPORT OF DIRECTOR FOR LEGAL AND DEMOCRATIC SERVICES

### MEMBER ALLOWANCES SCHEME 2019/20

#### 1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the Independent Remuneration Panel's recommendations contained within a report attached as Appendix A and to seek approval of the recommended changes to Special Responsibility Allowances.
- 1.2 To note that any changes will be incorporated into the Member Allowances Scheme which forms part of the Council's Constitution.

#### 2.0 RECOMMENDATIONS

- 2.1 That Members approve the recommended Special Responsibility Allowance Payments shown in paragraph 3.10 of the report
- 2.2 The Member Allowances Scheme be amended to reflect the changes approved at this meeting and be incorporated as part of the Council's Constitution.

#### 3.0 KEY ISSUES

- 3.1 The Council is required under government regulations made in 2003, and subsequent amendments, to establish and maintain an Independent Remuneration Panel (IRP) to review and make recommendations to the Council on the range and levels of remuneration for councillors.
- 3.2 The Council maintains the Independent Welland Remuneration Panel "the Panel" in accordance with the legislative requirement.
- 3.3 Each Council is to review its Member remuneration arrangements annually and approve a scheme for the forthcoming financial year to which the allowances relate. The Welland Panel last reviewed the Council's Member Allowances Scheme in 2016 and usually completes a full review every 4 years or when there is a change in Member roles and responsibilities.
- 3.4 Following approval of the Council's new governance arrangements, the independent Welland Remuneration Panel were convened to consider any required changes to the Member Allowance Scheme.
- 3.5 It should be noted that the panel only considered Special Responsibility Allowances for those Members who would hold a particular position within the new structure. Therefore the Basic Allowance was not considered by the Panel and will remain as it is.

- 3.6 When proposing changes to Member allowances, the Panel must review the proposed governance arrangements and make recommendations to the Council on payments to be made based on evidence considered. The Council can either accept in full or in part.
- 3.7 The Panel was chaired by Mr. John Cade of the University of Birmingham. Before the Panel met, Mr. Cade invited all Councillors for their views on the impact of the new executive arrangements on special responsibility allowances. Members were invited to make representations to the Panel in person at its meeting on 9 January 2019 or to respond by email.
- 3.8 Three Members responded and provided their views. The Panel also met with the Leader, Chief Executive and Director for Legal and Democratic Services and received comparative data from other Leicestershire authorities. All of these contributions were considered and are reflected in the Panel's report at Appendix A.
- 3.9 The Panel's report contains changes to the Members Allowances Scheme and provided six recommendations.
- 3.10 The Panel has recommended the following Special Responsibility Allowances :-

<b>Position</b>	<b>Detail relating to role</b>	<b>Allowance per annum</b>
Leader of the Council	Role includes Chair of Cabinet with authority to take delegated decisions	£12,781
Deputy Leader	Role includes Vice Chair of Cabinet and portfolio with authority to take delegated decisions	£8,887
Cabinet Member	Role includes portfolio with authority to take delegated decisions	£4,084
Chair	Scrutiny Committee	£4,084
Chair	Regulatory Committees	£4,084
Regulatory Vice Chairs	Regulatory Vice Chairs	£1,204

- 3.11 The rationale of the Panel's deliberations and final recommendations are included in their report at Appendix A. Overall the recommendations propose an increased allowance for the Deputy Leader at 1.85 percent of the basic allowance.
- 3.12 It is proposed that the new roles which consist of Cabinet Members and Chair/Vice Chair of Scrutiny receive an allowance that aligns with the existing Chair and Vice Chair allowances.
- 3.13 The Leader has discretion to appoint between 2 and 9 members of Cabinet. Until the Leader is appointed at Annual Council, the composition of Cabinet will not be known. The Panel therefore estimated a budget based upon just over 50% of the maximum membership allowed (excluding the Leader).

3.14 The Panel received representations for increases to some of new roles and some existing roles beyond the proposals but as the new governance arrangements would not be convened until May 2019, the evidence was not available to make these recommendations. The Panel therefore agreed that following at least six months of the new arrangements being in place a further review would be held to allow for evidence gathering on the responsibilities of all the SRAs. January 2020 was suggested for this review.

3.15 In accordance with the current Member Allowances Scheme it is not proposed to change that allowances remain index linked to the NJC pay award scheme.

#### **4.0 POLICY & CORPORATE IMPLICATIONS**

4.1 The ability to attract and retain interested and hard working Members is essential to enable the Council to meet its priorities and an appropriately set remuneration package is key in achieving these aims.

#### **5.0 FINANCIAL IMPLICATIONS**

5.1 The current budget for Member Allowances is £181,830 for this year and this includes the current special responsibility allowances. By accepting these changes there would be an increase by £15,851 based upon the assumptions of the Welland Remuneration Panel (although this may change depending on the size of Cabinet) and this has been built into the budget which is being presented to Council.

#### **6.0 LEGAL IMPLICATIONS/POWERS**

6.1 Under the Local Authorities (Members Allowances) (England) Regulations 2003, the Council is required to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to review the existing Scheme of Allowances, including the Special Responsibility Allowances paid to Members and to make recommendations to the Council on the appropriate level of payments to be made in the future.

#### **7.0 COMMUNITY SAFETY**

7.1 There are no direct links to community safety as a result of this report other than the role that Members take in relation to this area of the Council's work.

#### **8.0 EQUALITIES**

8.1 An equalities impact assessment has been undertaken on the policy. There is no anticipated impact which would disadvantage any persons with protected characteristics.

#### **9.0 RISKS**

9.1 Should Member allowances not be set an appropriate level, the Council will not be able to recruit and retain good quality Members.

9.2 The use of an independent panel with a professional Chair using evidence of responsibility as well as comparative data from other Councils should assist in reducing the risk of adverse publicity to any budgetary increase.

9.3 In the current economic climate there is the risk that the Council cannot afford to fund increases without making cuts to services elsewhere.

## 10.0 **CLIMATE CHANGE**

10.1 There are no direct links to climate change as a result of this report

## 11.0 **CONSULTATION**

11.1 The Panel provided an opportunity for all Members and the Chief Executive to make representations to the Panel. The Chair will answer members' questions during the consideration of its recommendations.

## 12.0 **WARDS AFFECTED**

12.1 All wards are indirectly affected.

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Contact Officer: Adele Wylie, Director for Legal & Democratic Services  
Date: February 2019  
Appendices: Appendix A – Welland Independent Remuneration Panel's Report  
Background Papers: Supporting papers held by Remuneration Panel  
Reference: X: Committees/Council/2018/19/130219