



Title: **Members' Allowances – Recommendations of Independent Remuneration Panel**

Public Agenda Item: **Yes**

Wards Affected: **All Wards**

To: **Council** On: **1 February 2012**

Key Decision: **No**

Change to Budget: **Yes** Change to Policy Framework: **No**

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1. What we are trying to achieve and the impact on our customers

1.1 To ensure that Members receive allowances which reflect the level and time commitment required to fulfil their roles and that the scheme accords with the relevant legislation and guidance.

2. Recommendation(s) for decision

2.1 That the Council considers the recommendations of the Independent Remuneration Panel set out in paragraphs 7(a) to (a)ii) of Appendix 1.

2.2 That, in light of decisions made on the recommendations in 2.1. above, the Governance Support Manager be requested to bring the Members' Allowances Scheme up to date and to ensure that approved duties are clear.

3. Key points and reasons for recommendations

3.1 The Independent Remuneration Panel met on 14 and 16 November 2011 to review the scheme of allowances. The terms of reference of the Panel were as follows:

1. To review the level of basic allowance payable to all members.
2. To review the responsibilities and duties that should lead to the payment of a special responsibility allowance and the level of any such allowance.
3. To review the level of allowance payable to co-opted members and the Chairman of the Standards Committee.

4. To review the duties for which travelling and subsistence allowances should be payable, the level of any such allowances and the method for payment.
 5. To review the level of allowance payable for childcare and dependent care.
 6. To consider whether members should be permitted to join the Local Government Pension Scheme.
 7. To review the method adopted for the up-rating of allowances on an annual basis.
 8. To consider whether the allowances should be backdated to the beginning of the financial year in the event of the scheme being amended.
- 3.2 The report of the Independent Remuneration Panel is set out at Appendix 1 to this report.

For more detailed information on this proposal please refer to the supporting information attached.

**Caroline Taylor
Commissioner of Communities and Local Government and Deputy Chief
Executive**

Supporting information

A1. Introduction and history

- A1.1 The Local Government and Housing Act 1989 (as amended by the Local Government Act 2000) makes provision in relation to Members allowances. The Local Authorities (Members' Allowances) (England) Regulations 2003 were made under these provisions. The Regulations provide that it is for each Local Authority to decide its scheme and the amounts paid under that scheme.
- A1.2 All Councils are required to establish an independent panel to provide advice on its scheme and the amounts to be paid. Councils must convene a panel before any changes are made to their allowances scheme and they must have regard to the panel's recommendations before setting a new or amended allowances scheme.
- A1.3 The Independent Remuneration Panel last undertook a review of the Members' Allowances Scheme in 2007 following the local elections. It is recommended that Panel's should meet at least once every four years to review members' allowances schemes to ensure that they are fit for purpose and continue to reflect the needs of the Authority. The Panel therefore undertook a comprehensive review of the Members' Allowances Scheme in November 2011.
- A1.4 The Panel met on 14 and 16 November 2011 to review the allowances to ensure that they are still fit for purpose. In reviewing the scheme, the Panel had regard to the statutory guidance in relation to the allowances together with the job descriptions for the elected Members, the elected Mayor and other positions of special responsibility. The Panel also took into account the benchmarking data from mayoral, other unitary authorities and local Devon Authorities and the result of a survey undertaken with members. A number of Members met the Panel to express their views on allowances and to respond to questions put to them by the Panel.
- A1.5 The Panel's report was published on the Councils website on 21 December 2011. The Council is now required to consider the report of the Independent Remuneration Panel on its review of Members' Allowances for Torbay Council set out in Appendix 1 to this report.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

- A2.1.1 There are no significant risks. However, if Members are not provided with realistic allowances to enable them to carry out their representative and democratic duties this may act as a disincentive to the proper exercise of their duties and to them remaining Councillors.

A3. Other Options

- A3.1 It is for the Council to determine to what extent it wishes to have regard to the recommendations made by the Independent Remuneration Panel.

A4. Summary of resource implications

- A4.1 If the recommendations of the Panel are accepted in their entirety, the full year cost of the allowances scheme would be £485,810 (with effect from 1 April 2012) compared to the cost of the current Scheme for 2011/2012 £475,256.
- A4.2 If the efficiencies are implemented (£13,750) (e.g. members providing their own broadband and stationery rather than having this provided by the Council) the cost of the Scheme would reduce to £472,060, which is a saving of £3,196.

A5. What impact will there be on equalities, environmental sustainability and crime and disorder?

- A5.1 None

A6. Consultation and Customer Focus

- A6.1 The 2003 Regulations place certain duties on the Council in connection with publicising any scheme of allowances and the actual allowances paid. In particular, the Council must publish a notice in at least one newspaper of any scheme which has been adopted. Guidance recommends that local authorities should publicise more widely than the statutory minimum requirement.
- A6.2 The Panel's Report was published on the Council's website on 21 December 2011. We issued a press release advising that the Panel's report was available and the Herald Express ran an article on the Report in their website and newspaper on 29 December 2011.

A7. Are there any implications for other Business Units?

- A7.1 No

Appendices

Appendix 1 A Review of Members' Allowances for Torbay Council – The Sixth Report by the Torbay Independent Remuneration Panel

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

None