



Draft

Report To: Lancaster City Council

From: The Independent Remuneration Panel

Recommendations for the Municipal Year 2016/2017

Report to Council on 16 May 2016



1. PANEL REMIT

- 1.1 The Lancaster City Council Independent Remuneration Panel was established in accordance with Local Authorities (Members’ Allowances) (England) Regulations 2003 (the Regulations).
- 1.2 A local authority is required to establish and maintain an Independent Remuneration Panel to provide it with recommendations on a scheme of allowances to be paid to members and others. The authority must have regard to the recommendations of the Panel before it makes or amends its members’ allowance scheme.
- 1.3 The allowances payable under a local authority scheme of allowances are as follows:
 - **Basic Allowance** *(Each local authority **must** make provision in its scheme of allowances for a basic, flat rate allowance payable to all members of the authority which must be the same for each member).*
 - **Special Responsibility Allowance** *(Each authority **may** also make provision for payment of special responsibility allowances for those members who have significant responsibilities e.g. leader of the council, member of the executive/cabinet, presiding at meetings of committees, acting as spokesperson for a political group).*
 - **Dependents’ Carers’ Allowance** *(Each authority **may** also provide for the payment of a dependents’ carers’ allowance to those members who incur expenditure for the care of children or other dependents whilst undertaking particular duties).*
 - **Travelling and Subsistence Allowance** *(Each authority **may** also provide for the payment of a travelling and subsistence allowance to its members, including co-opted members).*
 - **Co-optees’ Allowance** *(Each authority **may** also provide an allowance to any co-opted and appointed members of a council’s committees or sub committees).*

2. PANEL MEMBERSHIP

- 2.1 There are currently four members on the Panel, all of whom were appointed by Council on the 15th July 2015:

Kirsten McAteer (Chairman) is a solicitor who has worked locally in private practice and for the Crown Prosecution Service, and she is now a Deputy District Judge of the County Court and a First-Tier Tribunal Judge sitting in the Social Entitlement Chamber.

Neil Harris is the Registrar and Secretary of the University of Cumbria, and has previously held posts in other Higher Education Institutions, the Department of Education and Science, and the National Curriculum Council.

Ian Johnson is a solicitor, who has worked in leading City law firms and as a General Counsel and Company Secretary in a FTSE100 company. He is currently chairman of the Blackpool Teaching Hospitals NHS Foundation Trust.

Harsha Shukla MBE is Chairman of Communities Together, President of Lancaster and Morecambe Hindu Society, and a member of the Faith in Lancaster Group.

3. BACKGROUND TO LANCASTER CITY COUNCIL SCHEME OF ALLOWANCES

- 3.1 The current Members Allowances Scheme has been reviewed on a regular basis. It is generally reviewed every four years. The current Scheme took effect in May 2015, and was approved by Council in December 2014, following a review in autumn 2014. It will therefore be due for a full review prior to the municipal year 2019/20.



- 3.2 However, it is good practice for the Panel to consider the Scheme on an annual basis and to recommend the Scheme to Council for the forthcoming year, with or without amendment.
- 3.3 The Regulations require an authority before the beginning of each year to 'make' the scheme for the payment of allowances in that year.
- 3.4 The Regulations require an authority to publish the payment of allowances.

4.0 SUMMARY OF RECOMMENDATIONS

- 4.1 The Panel has considered the current Scheme. It recommends that with effect from the 1st May 2016, the contribution of £173.88 per annum for broadband be withdrawn and the annual basic allowance be increased by £100 (from £3,350 to £3,450). The effect of the recommended change would be an overall decrease of £73.88 per annum.
- 4.2 In all other respects, the Panel recommends that the Scheme remain unchanged for the next municipal year

5.0 APPROACH OF THE PANEL

- 5.1 The Panel met in January 2016.
- 5.2 The Panel was advised that the Chief Officer (Governance) had asked the Group Leaders if there were any matters that they wished the Panel to consider, but that none had been identified. Likewise, officers had not generally identified any problems arising from the operation of the Scheme. However, the Chief Officer (Governance) drew to the Panel's attention that paragraph 2.3 of the Scheme, in relation to ICT provision, was in need of updating.

6.0 ICT PROVISION

- 6.1 The Panel considered paragraphs 2.1 – 2.3 of the current Scheme, and were advised that the Council provides members with a choice from a number of types of Council-owned devices, to enable them to access the Council's network. Previously all members had been provided with a laptop.
- 6.2 The Panel was advised that when access to the Council's network was originally provided to members a number of years ago, the Council provided members with a broadband connection. Members who already had a broadband connection were paid a monthly amount equivalent to the cost of the Council providing the connection. Over the years, the norm had been for members to use their own broadband connection and to receive an allowance of £14.49 per month. However, until recently the Council still provided a broadband connection for eleven councillors. This was provided by Vodaphone, who recently gave notice that it would no longer be providing broadband services. On that basis, all members were now required to arrange their own broadband provision, and received a monthly allowance of £14.49.
- 6.3 The Panel noted that paragraph 2.1 of the scheme indicated that the basic allowance was intended to cover incidental costs such as the use of homes and private telephones. The Panel felt that now that most households have a broadband connection, it seemed anomalous for the basic allowance to include telephony but not broadband, especially as broadband often comes as a package with other services including telephony.
- 6.4 In considering the matter, the Panel obtained information from other local authorities in Lancashire and Cumbria, and found that the general approach of neighbouring district authorities was not to pay a separate broadband allowance, but rather to regard it as an expense that should be covered by the basic allowance. Some councils, such as Fylde and Ribble Valley stated that they had never paid a separate allowance for broadband. The Panel noted that



South Ribble used to provide broadband, and that Chorley used to pay for broadband. However, neither of these councils had increased the basic allowance to cover broadband costs. Blackpool, Burnley and South Lakeland had incorporated a modest increase into the basic allowance to cover broadband. Only Wyre, who do not provide devices for all members, had recently introduced an additional IT allowance to cover laptops, printers and broadband connection. The Panel was informed that Lancashire County Council do pay members £15 per month if they are using their own IT devices and broadband for council business.

- 6.5 The Panel was mindful that from the information available it appeared that the trend among neighbouring district councils was not to pay a separate broadband allowance. The Panel concluded that, in the interests of simplicity and transparency, withdrawal of a separate broadband payment should be recommended, together with a modest increase of £100 in the annual basic allowance. The Panel recognised that this increase did not cover the current broadband allowance, but was mindful that broadband is generally part of a telephony package.
- 6.6 A draft report was circulated to all Members and, as a result of comments received, the Panel met with Councillors on 31 March, to give Members the opportunity to put their views to the Panel. The Panel listened to their views, particularly with regard to the work involved with being a Member of the Council, the costs of broadband and the timing of the proposed change and considered them along with the other evidence available to the Panel.

7.0 RECOMMENDATIONS

- 7.1. The Panel therefore recommends that Section 2.0 of the Members’ Allowance Scheme should be amended to read as follows:

“2.0 **BASIC ALLOWANCE**

2.1 Basic allowance is to be paid to all Members, and is intended to recognise a time commitment expected of all Members, including such inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of homes and private telephones and broadband.

2.2 Each Member is entitled to £3,450 per annum, which will be paid monthly.

2.3 In addition to the Basic Allowance, all Members will be provided with a device to enable them to access the Council network. Members need to use their own broadband connection for such purposes, and the cost of this is included in the Basic Allowance.

2.4 In order to comply with the requirements of Data Protection legislation the Council will, in addition, pay for the registration of each Councillor under the Data Protection Act.”

- 7.2 The Panel makes no other recommendations for amendment of the current Scheme.