

Members' Allowances Scheme: Review 19 December 2018

Report of the Chief Executive

PURPOSE OF REPORT

To present the report and recommendations of the Independent Remuneration Panel, which Council must give due regard to in setting its Members' Allowances Scheme from May 2019.

This report is public

RECOMMENDATIONS

- (1) **That Council sets a Members' Allowances Scheme to come into effect following the City Council's elections in May 2019 and, in doing so, considers the attached report and recommendations of the Independent Remuneration Panel (IRP).**

The IRPs recommendations for amendments to the scheme are as follows:

That

- a) The broadband allowance, of £173.88 (£14.49 per month), be incorporated into the basic allowance and the scheme amended accordingly, as set out in the IRP report.
- b) The basic allowance of £3,557.38, (current basic allowance of £3,383.50 plus £173.88 broadband allowance) be increased by 2%, to match the Local Government Pay Award of 2% awarded to Council employees in 2018. This will give a new basic allowance of £3,628.53, to take effect following the local elections to the city council in 2019.
- c) The basic allowance be increased, year on year, in line with Employee Pay Awards, unless Council votes against an increase.
- d) An increase of 2% be applied to all Special Responsibility Allowances
- e) The Council should continue to adhere to the established conventions that no member should receive more than one SRA and that no more than 50% of elected members should receive an SRA.

- f) Before the next major review, detailed role profiles be drafted for each role qualifying for an SRA, to assist with future evaluation of responsibilities, complexity and time commitment.
- g) The existing levels of dependent carer's allowance should be increased to allow the reimbursement of up to a maximum of the current National Living Wage (currently £8.75 per hour).

1.0 Introduction

- 1.1 Local authorities are required to establish and maintain an Independent Remuneration Panel to provide them with recommendations on a scheme of allowances to be paid to members and others. The authority must have regard to the recommendations of its IRP before it makes or amends its members' allowance scheme.

2.0 The IRP's Methodology and Findings

- 2.2 The IRP invited a variety of Members holding different roles in the Council and from different political groups to meet with them and discuss the allowances scheme. The Members they spoke with are listed in the report.
- 2.3 A 'drop in' session for any other Councillors who wished to put forward their views was planned but did not take place as there were no expressions of interest in attending.
- 2.4 Benchmarking with other local authorities was also carried out. Full details of the IRP's review process and findings are set out in the Panel's report.

3.0 Conclusion

- 3.1 Members are requested to have regard to the report of the IRP when setting a scheme for Members' Allowances to come into effect after the May 2019 elections.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There are no direct implications as a result of this report.

FINANCIAL IMPLICATIONS

The provisional 2019/20 budget for members' basic allowances is £203k, for special responsibility allowances £81.5k and broadband allowance £10k giving a total of £294.5k.

A 2% increase would equate to £6.3k in 2019/20, £10.7k in 2020/21, £15.1k in 2021/22 and £19.7k in 2022/23 and will need to be built into the budget as part of the 2019/20 budget process. However, the special responsibility allowances actually payable will depend on the number of members appointed to Cabinet by the Leader in May 2019, and on whether there is any duplication of member roles, given that the scheme provides for any member to receive only one special responsibility allowance.

LEGAL IMPLICATIONS

The relevant regulation is set out in the IRP's report.

DEPUTY SECTION 151 OFFICER'S COMMENTS

The Deputy Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments.

BACKGROUND PAPERS

Contact Officer: Debbie Chambers
Telephone: 01524 582057
E-mail: dchambers@lancaster.gov.uk