

**Members' Allowances Scheme: Review  
25 January 2023**

**Report of the Head of Democratic Services**

**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 2023.

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 2023 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:

With regard to the Basic Allowance:

- (1) That the basic allowance be increased to £4,200 backdated to 1 April 2022 to reflect the Employee Pay Award for 2022/23. That, for future years, the basic allowance be increased, year on year, in line with Employee Pay Awards, unless the IRP recommends otherwise. Should the IRP recommend otherwise, its recommendation will be put to Council at the appropriate time.***

With regard to Special Responsibility Allowances:

- (2) That Special Responsibility Allowances (SRAs) do not increase for 2022/23.***
- (3) That, for future years, SRAs be increased by the same percentage increase as the basic allowance.***

With regard to Travel Allowances:

- (4) That no change be made to the arrangements for travel outside the district and that Councillors be encouraged to use public transport wherever possible.***

***(5) That the current levels of allowance should remain unchanged and remain in line with HMRC guidelines.***

<b>Type of Vehicle</b>	<b>First 10,000 miles</b>	<b>Above 10,000 miles</b>
<b>Cars and vans</b>	<b>45p per mile</b>	<b>25p per mile</b>
<b>Motorcycles</b>	<b>24p per mile</b>	<b>24p per mile</b>
<b>Cycles</b>	<b>20p per mile</b>	<b>20p per mile</b>

Regarding the scheme in general:

***(6) That 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.***

Regarding Dependents Carers Allowance:

***(7) That the existing levels of allowance should be increased to allow the reimbursement of up to a maximum of the current National Living Wage (currently £9.50 per hour, due to rise to £10.42 in April 2023).***

## **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 Review**

2.1 The review was carried out from September to the end of December 2022. Full details are in the IRP's report attached.

## **3.0 Salt Ayre Leisure Centre**

3.1 Employees currently receive a reduced price membership of Salt Ayre Leisure Centre and Officers had enquired about whether a similar scheme could be opened up to Councillors and whether the IRP had a view on that. The IRP did not look into that matter during their review, as this sort of benefit falls outside the narrow scope of the Councillors' Allowance Scheme, in a similar fashion to the parking permit for Councillors. That issue can be taken up separately by officers in Democratic Services and Salt Ayre Leisure Centre.

## **4.0 Conclusion**

4.1 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 2023 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 2023/24 budget for members' basic allowances is £237.3K and for special responsibility allowances £93.7K giving a total of £331K.

The recommended increase to Councillors' would equate to an additional increase of around £31.6K from 2023/24 and in the region of an additional £4K per year thereafter and will need to be built into the budget as part of the 2023/24 budget process. There will also be an additional cost of in the region of £24K in 2022/23 for the backdated award. However, the total required for Members' special responsibility allowances will depend on the number of members appointed to Cabinet by the Leader in May 2023, 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.

**SECTION 151 OFFICER'S COMMENTS**

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

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no comments.

**BACKGROUND PAPERS**

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