

## COUNCIL

14 November 2017

### MEMBERS ALLOWANCES SCHEME

#### Report of the Director for Resources

Strategic Aim:	All		
Exempt Information	No		
Cabinet Member(s) Responsible:	Mr T Mathias, Leader of the Council		
Contact Officer(s):	Debbie Mogg, Director for Resources	01572 758358	dmogg@rutland.gov.uk
Ward Councillors	Not Applicable		

#### DECISION RECOMMENDATIONS

1. That the Welland Remuneration Panel is commissioned to undertake an independent review of Members' Allowances as per the terms of reference at Appendix A
2. That a budget of £2,000 is approved in 2018/19, to be funded from the general fund, for the cost of the review.

#### 1 PURPOSE OF THE REPORT

- 1.1 To consider the timing and scope of a review of Members' Allowances.

#### 2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 A review of Members' Allowances was last undertaken in 2014/15 and considered by Council January 2015 (Report 10/2015 refers).
- 2.2 At the time, the Independent Member Allowances Panel recommended no changes to allowances, and this was accepted by the Council. Draft terms of reference have been prepared and are shown at **Appendix A**.
- 2.3 The Panel also recommended that
  - a) All allowances should be index linked to Officers' NJC pay awards with effect from the beginning of the 2015/16 municipal year; and
  - b) That future independent reviews of the scheme should take place every four years prior to implementation at the beginning of each new term of Council

Neither of these recommendations were accepted by Council. Consequently, there is no decision in place about when the next review should take place.

- 2.4 Prior to the decision in 2015, there had been no review of the scheme of allowances since 2007. If no further review is undertaken, by the time of the next election in May 2019, there will have been no change to Members Allowances for 12 years.
- 2.5 The continued success of the Council is reliant on the attraction and retention of high quality candidates for election in 2019. Undertaking a review of Members' Allowances in advance of the election will provide an assessment of whether changes are needed to ensure that the level of allowance does not deter candidates from wishing to become a Councillor, particularly from diverse and under-represented groups.
- 2.6 It is therefore recommended that a review be undertaken in advance of the next Council term, which commences in May 2019.
- 2.7 The Council maintains an independent Member Allowances Panel, and this is shared with the other Authorities that were part of the former Welland Partnership. The appointment of the panel was approved by Council in July 2016, for a period of 4 years (report 115/2016 refers).
- 2.8 The potential for a review has been discussed with the Chair of the Panel. If Council agrees to proceed with the review, the preliminary work would commence in February/March 2018. This could include a workshop for all Members to hear from the Panel about their role and the review, and for Members to share early views with them.

### **3 CONSULTATION**

- 3.1 No consultation has been undertaken. Members' views will be sought as part of the review if it proceeds.

### **4 ALTERNATIVE OPTIONS**

- 4.1 As there is no legal requirement to undertake a review at this time, the Council could choose not to do so, and to leave the Scheme of Allowances as it is.

### **5 FINANCIAL IMPLICATIONS**

- 5.1 The Chair of the Panel agreed fixed costs with the partnership authorities at the time of the re-appointment in July 2016. For a full review, the cost is £2,000. This is made up as follows and is inclusive of travel, subsistence and any other out of pockets expenses:

- Full Review £1,000
- Chair's Final Report £500
- Presentation of report to Full Council £500

- 5.2 There is no budget in place for a review, therefore Council is asked to approve the release of £2,000 from the general fund in 18/19 to cover the expenditure.

## **6 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692 ["the Regulations"]) require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice about the allowances to be paid to Members. All Councils are required to convene their Remuneration Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members Allowances Scheme.
- 6.2 A Scheme of Members' Allowances may make provision for an annual adjustment of allowances to be ascertained by reference to an index. The scheme must be publicised each year, whether or not it has been amended. Where the only change made to a scheme is that caused by the annual impact of the index contained within that scheme, the scheme shall not be deemed to have been amended and thus the authority will not have to seek a recommendation from its Remuneration Panel.
- 6.3 Where a recommendation is made that allowance levels should be determined according to an index, the Panel must recommend how long the index should run before reconsideration. In any case, an index may not run for more than four years before a further recommendation on it is sought from an Independent Remuneration Panel.

## **7 EQUALITY IMPACT ASSESSMENT**

- 7.1 An Equality Impact Assessment (EqIA) has not been completed as there is no decision on the nature of the scheme at this time. The decision is whether to proceed with a review.

## **8 COMMUNITY SAFETY IMPLICATIONS**

- 8.1 None identified

## **9 HEALTH AND WELLBEING IMPLICATIONS**

- 9.1 None identified

## **10 BACKGROUND PAPERS**

- 10.1 None

## **11 APPENDICES**

- 11.1 Appendix A – Draft Terms of Reference for Review of Members Allowances

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.**