

COUNCIL

21 March 2022

MEMBER ALLOWANCES 2021-22 AND 2022-23

Report of the Monitoring Officer

Strategic Aim:	[Strategic Aim]	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr O Hemsley, Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships, Economy and Infrastructure	
Contact Officer(s):	Marie Rosenthal, Interim Deputy Director for Corporate Governance and Monitoring Officer	mrosenthal@rutland.gov.uk
	Tom Delaney, Governance Manager	01572 720993 tdelaney@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Council:

- 1) Approves the Member Allowances scheme for 2021-22 at Appendix B including a back-dated rise in allowances for 2021/22 of 1.75% in line with the recently agreed National Joint Council Pay Award for officers.
- 2) Approves the Member Allowances Scheme for 2022-23 including a backdated rise in allowances once any agreement is made on a pay award for Council staff by the National Joint Council.
- 3) Notes the intention to engage the Welland Partnership Remuneration Panel to undertake a review of Member's Allowances in time to report to Council by March 2023.

1 PURPOSE OF THE REPORT

- 1.1 To agree the Member Allowances Scheme for 2021/2022 and to agree a Member Allowances Scheme for 2022/3.

2 BACKGROUND

- 2.1 The Council is required under the Local Government Act 2000 and the Local

Authorities (Members' Allowances) (England) Regulations 2003 to agree a scheme of Member's Allowances for the forthcoming year by the end of the previous financial year.

- 2.2 Due to limited officer resources during the pandemic and the lack of information at the time regarding any staff pay award for 2021/22, a report was not brought to Council last year and this report covers Members Allowances for both 2021/22 and 2022/23.
- 2.3 When agreeing such schemes, local authorities are also required to maintain and have regard to the recommendations of an Independent Remuneration Panel when considering changes to Member's Allowances. The Council last used such a Panel in March 2020.
- 2.4 As set out in the Legal and Governance considerations there is no requirement to consult a Remuneration Panel for four years from March 2020, as long as the only changes in allowances are to implement a rise in line with an agreed index.

3 THE CURRENT SCHEME

- 3.1 In March 2020 Council considered a report of the Welland Partnership Remuneration Panel (Report No. 54/2020 and appendices) and agreed to the current Member Allowance Scheme, set out at Part 6 of the Council's Constitution and Appendix A to the report.
- 3.2 Among other matters the Scheme agreed in 2020:
 - 3.2.1 Increased the Basic Allowance from £3,770 to £4,944.
 - 3.2.2 Made several changes to the calculation of Special Responsibility Allowances.
 - 3.2.3 Approved an annual increase to Member's Allowances index linked to the National Joint Council (NJC) Pay Award made to council staff.

4 INDEX LINKING SINCE 2020

- 4.1 At the time of publication, the Pay Award for council staff has recently been agreed for 2021/22 at 1.75% therefore the Allowance Scheme at Appendix B contains updated figures for 21/22. The separately agreed Pay Award for Chief Officers for 2021/22 has been set at 1.5%.
- 4.2 The pay award for 2022/23 is still outstanding and it is not known when this will be agreed.
- 4.3 Council is asked to agree that Allowances be increased in line with the staff Pay Award as previously agreed in March 2020.

5 NEXT REVIEW OF ALLOWANCES

- 5.1 There is not a legal requirement to receive new recommendations from an Independent Panel until four years after the last time such recommendations were considered. For Rutland County Council this means a Panel is not required to report to the Council until March 2024 for a Scheme (amended or otherwise) to commence in April of that year.

- 5.2 However, it is expected that there may be several changes to the structure of several Council Committees from May 2022, in particular the Scrutiny function, as a result of ongoing reviews. There are also scheduled elections to Rutland County Council taking place in May 2023.
- 5.3 Therefore, given these factors it is considered timely for the Welland Remuneration Panel to be engaged to undertake a review of allowances following any changes in 2022 in order for an updated to scheme to be in place by the time a new Council is elected in 2023.

6 CONSULTATION

- 6.1 Public consultation is not required when considering increases in Member Allowances. But under the 2003 Regulations a publicity notice will be made setting out details of the agreed scheme following the resolution of Council.
- 6.2 As set out in the report, there is no requirement to convene or receive recommendations from an Independent Remuneration Panel where Council is agreeing a scheme identical to that already in place, or only increasing allowances in line with an agreed index.

7 ALTERNATIVE OPTIONS

- 7.1 Council may choose not to apply a back-dated increase in Member's Allowances for 2021/22 and leave allowances as they currently are, as set out in Appendix A. This would have the effect of leaving Members Allowances frozen since March 2020 and create a small saving to the Council.
- 7.2 Likewise, Council may choose for there to be no increase in Member Allowances for 2022/23 following the outcome of any Pay Award for 2022/23, which would leave allowances frozen for another year and create a small saving.
- 7.3 In addition, Council may at any time request an Independent Remuneration Panel to conduct a review of Member Allowances ahead of the next planned review, as a sooner than required review is intended to take place in the next municipal year this is not recommended.
- 7.4 A reduction in Member's Allowances below those set in 2020 cannot be agreed without Council having first had regard to the recommendations of an Independent Remuneration Panel. Therefore, a decrease in allowances is not recommended.

8 FINANCIAL IMPLICATIONS

- 8.1 The agreed revenue budgets for 2021/22 and 2022/23 assumed an increase of 2% in Member's Allowances. Therefore, there would be a small underspend arising from a back-dated increase of 1.75% for 2021/22.
- 8.2 Should Council agree to apply a rise in allowances for 2022/23 once a Pay Award is reached for Council staff and this award is then above 2%, then the subsequent increase in Member allowances would constitute a pressure on the budget.
- 8.3 The allowance scheme principle of 'one allowance' means that a Member holding multiple positions entitled to a Special Responsibility Allowances only receives one such allowance, where this occurs the unpaid allowances are recorded as

underspends.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 The Council is required by the Local Authorities (Members' Allowances) (England) Regulations 2003 to have regard to the recommendations of an Independent Remuneration Panel before considering a new Member's Allowance Scheme different from that already in place.
- 9.2 The regulations allow for an Allowance Scheme to be agreed annually without reference to an Independent Remuneration Panel provided the only changes reflect an increase in line with an agreed Index, and provided four years have not passed since the previous consideration of an independent panel's recommendations.

10 DATA PROTECTION IMPLICATIONS

- 10.1 A Data Protection Impact Assessments (DPIA) has not been completed because no personal data has been processed in the drafting of the report.

11 EQUALITY IMPACT ASSESSMENT

- 11.1 An Equality Impact Assessment (EqIA) has not been completed because the report is proposing minor changes to an existing policy.

12 COMMUNITY SAFETY IMPLICATIONS

- 12.1 There are no Community Safety Implications arising from the report.

13 HEALTH AND WELLBEING IMPLICATIONS

- 13.1 There are no Health or Wellbeing implications arising from the report.

14 ORGANISATIONAL IMPLICATIONS

- 14.1 The Council's Human Resources and Finance teams are responsible for administering the payment of Members Allowances in consultation with the Governance Manager who notifies these teams when there has been a change to required payments, for example when a new scheme comes into effect, a new Committee Chair is appointed or there is a change to Cabinet membership.
- 14.2 Any increases in Members Allowances following an agreed Pay Award would be administered by these teams in line alongside the increases in staff pay.

15 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 The Scheme set out in Appendix B contains no amendments to the recommendations of the Welland Partnership Remuneration Panel in 2020 besides an increase in line with the Pay Award for council staff and is therefore recommended for approval.
- 15.2 The alternative option to not accept such an increase in line with council staff pay is for Council to determine. Members may wish to consider the overall financial position of the Council, but also that prior to the increase in March 2020 the level of allowances were already considered by the Remuneration Panel to be modest in comparison to other local authorities.

16 BACKGROUND PAPERS

- 16.1 The Local Authorities (Members' Allowances) (England) Regulations 2003: <https://www.legislation.gov.uk/uksi/2003/1021/contents/made>
- 16.2 Report No. 54/2020 – Recommendations of the Independent Remuneration Panel. Considered by Council on 9 March 2020.
- 16.3 The current Member's Allowance Scheme at Part 6 of the Council's Constitution

17 APPENDICES

- 17.1 Appendix A – Member's Allowance Scheme 2020-21
- 17.2 Appendix B – Proposed Members Allowance Scheme 2021-22 and 2022-23

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