



Members Allowances 2019/20

Legal Services Manager (Monitoring Officer) – Ann Greaves

Report to	Council
Ward(s):	All
Key Decision:	No
Appendix 1:	Members Allowances Scheme 2019/20

Papers relied on: N/A

Recommendation to Council: That Council

- 1) adopt the scheme of allowances as set out Appendix 1 for the municipal year 2019/20, effective from 1 April 2019
- 2) apply the index, the pay award agreed for officers on the National Joint Council for Local Government Services terms and conditions, once agreed, to 1 above from 1 April 2019
- 3) delegates authority to the Head of Law and Governance (or to the Legal Services Manager where the post of Head of Law and Governance is vacant) in consultation with the Executive Director for Finance and Resources to
 - (i) take all necessary action to implement 1 and 2 above
 - (ii) undertake the necessary publicity requirements in relation to the scheme adopted, and
 - (iii) update the constitution

Glossary of terms

Term	Definition
IRP	Independent Remuneration Panel
Scheme	Scheme of allowances payable to members
Index	A measure by which the scheme can be changed each year on a maximum of 4 occasions
Independent members	As defined under the Local Authorities (Members' Allowances)(England) Regulations 2003

1. Background, corporate objectives and priorities

1.1 Members are permitted by legislation to establish a scheme of allowances (scheme) that allows the authority to make payments for various responsibilities. The legislation provides for the Council to adopt a scheme of allowances which permits the payment of a

- Basic allowance
- Special responsibility allowance
- Travel and subsistence.
- Carers allowance

1.2 Prior to adopting a scheme the Council must consider a report produced by an Independent Remuneration Panel (IRP) unless it is the application of an index, see below. The Council considered a report of an IRP in 2017 and adopted a scheme of allowances. The scheme of allowances is appended and marked as **Appendix 1**. It provides for:

a basic allowance

a special responsibility allowance and the quantum, for defined roles

travel and subsistence

a carers allowance

1.3 The legislation permits a scheme to adopt an index that can be applied to the scheme for a maximum of four years before a new IRP has to be convened to produce a report.

1.4 When the Council considered the report of the IRP at its meeting in 2017, it adopted a scheme of allowances including an index that could be applied in subsequent years, the pay award agreed for officers on the National Joint Council for Local Government Services terms and conditions.

- 1.5 The index agreed was first applied in 2018 as approved by Council on 22 March 2018. This will be the second of four years in which that index could be applied. Negotiations are still on-going between the employers' organisation and the unions at a national level as to the quantum of the pay award for officers, this is not unusual at this stage of the calendar year.
- 1.6 If Council is minded to apply the index, the implementation and backdating of the index will need to take place once it has been determined. To facilitate that administrative step, Council is requested to delegate authority to the Head of Law and Governance (or to the Legal Services Manager where the post of Head of Law and Governance is vacant) in consultation with the Executive Director for Finance and Resources for its implementation (inclusive of back dating).
- 1.7 If a scheme is not adopted then no payment of allowances as set out in the scheme can be made. Further, the only variation to the scheme that can be made is the application of the index or not. Any other changes would require the Council to request an IRP to produce a report for its consideration.
- 1.8 The adoption of a scheme of allowances for 2019/20 will support the delivery of the Council Plan by promoting strong communities, supporting the improvement of life chances and vulnerable groups.

Corporate implications

3 Legal Implications.

- 3.1 Regulation 10(1) of the Local Authorities (Members' Allowances) (England) Regulations 2003 require that before the beginning of each year, an authority shall make the scheme required by regulation 4(1)(a) for the payment of basic allowance for that year. The scheme is also to make provision for the other allowances set out in regulation 10(2) if the authority intends to pay them. Regulation 10(4) makes provision for an annual adjustment of allowance by reference to a specified index and provides that where this is the only change made to a scheme in any year then the scheme is deemed not to have been amended.

4 Financial implications.

- 4.1 The council set its annual budget in February 2019 and made a provision for members' allowances.
- 4.2 The 2019/20 budget was set assuming that the index specified in the scheme would be applied. If the council determines to apply the index and that the pay award is within assumptions, this will be with current budgets. If the pay award exceeds working assumptions then a further report will be produced.

5 Risk management

- 5.1 Members' allowances may be regarded as a disclosable pecuniary interest, the declaration of which would lead to members not being able to participate in this decision. To overcome this Members can be granted a dispensation for a

period of four years, if they have requested one, in relation to considering and voting on any matter at Council as a result of an interest that may arise due to receiving members allowance from this Council.

6 Equalities implications.

- 6.1 A scheme of allowances enables the payment of allowances to members based on their responsibilities, irrespective of their personal circumstances or consideration of any protection characteristics. Members can choose to renounce their entitlement to an allowance if they wish to. There are no equalities implications arising from report.

7 Consultation and communication

- 7.1 When adopting the scheme in 2017, the Council determined to apply the index to the scheme of allowances in future years, as permitted. The scheme as revised by indexation once agreed will need to published

8 HR implications

- 8.1 There are no HR implications arising from this report.

Conclusion

9 Summary and reason for the decision

- 9.1 Without adopting a new scheme of allowances the council will be unable to permit the payment of allowances to members.
- 9.2 Adopting a scheme of allowances will support the council's priorities by promoting strong communities, supporting the improvement of life chances and vulnerable groups to participate in public life.

10 The options considered and rejected

- 10.1 Not adopting a new scheme. Such an approach would deny members the option to make an informed decision on whether to adopt a scheme or not.

Date: 28th March 2019

Lead officer	Legal Services Manager
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Confidentiality	It is considered that information contained within <i>this report (and appendices)</i> do not contain exempt information under the meaning of Schedule 12A of the Local Government Act 1972, as amended, and therefore can be made public.

Scheme of allowances for members 2019/20
(Subject to application of index)

Appendix 1