

<b>SUBJECT:</b>	<i>Scheme of Members Allowances 2018/19</i>
<b>REPORT OF:</b>	<i>Jim Burness, Director of Resources</i>
<b>RESPONSIBLE OFFICER</b>	<i>Joanna Swift, Head of Democratic and Legal Services</i>
<b>REPORT AUTHOR</b>	<i>Mat Bloxham, Democratic &amp; Electoral Services Manager</i>
<b>WARD/S AFFECTED</b>	<i>Not ward specific</i>

## 1. Purpose of Report

To present the report and recommendations of the Independent Review of Members Allowances Panel following its review of the Council's Scheme of Allowances for Members. Full Council is asked to agree a Scheme of Allowances for Members for the financial year 2018/19.

## RECOMMENDATION

- 1. To note the report of the Independent Review of Members Allowances Panel at Appendix 1 and thank them formally for the work they have done in producing the report**
- 2. Consider the recommendations from the Panel summarised in Appendix A of their report including an increase in the Basic Allowance, changes to some of the Special Responsibility Allowances and uprating of Dependants Carers Allowance.**
- 3. Either:**
  - a) agree the Panel's recommendations in full**
  - b) agree a different level of Basic Allowance, Special Responsibility Allowances, Dependant Carers Allowance and Travelling and Subsistence Allowance and agree indexation arrangements for future years**
- 4. To approve the wording of the Members Allowances Scheme for 2018/19 attached at Appendix 3 subject to the inclusion of the allowance figures agreed by the Council under recommendation 3.**
- 5. That the budget for 2018/19 for Members Allowances be amended, as required, to put into effect recommendation 3.**

## **2. Reasons for Recommendations**

The reasons for the Independent Review of Members Allowances Panel recommendations are set out in full in their Report attached as Appendix 1. The Council must adopt a Scheme of Allowances for its Members before the start of each financial year and must do so having regard to the recommendations made by an Independent Remuneration Panel.

## **3. Content of Report**

### **Relevant Legislation and Council Duties**

3.1 Every local authority must make a scheme in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 which provides for the payment of a Basic Allowance (BA) to each member of the authority and specifies the amount of that allowance.

3.2 This scheme may also provide for the payment of a Special Responsibility Allowance (SRA) to members who have a special responsibility in one or more of the following categories:

- a) Acting a leader or deputy leader of a political group within the authority;
- b) Acting as a member of the Cabinet;
- c) Presiding at meetings of a committee or sub-committee or joint committee;
- d) Representing the authority at meetings of, or arranged by any other body;
- e) Acting as a member of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods;
- f) Acting as a spokesman of a political group on a committee or sub-committee;
- g) Acting as a member of any committee or sub-committee that deals with licensing functions;
- h) Carrying out other activities in the discharge of the authority's functions which require an amount of time and effort equal to or greater than required of a) to g) above

The amount of the SRA must be specified in the scheme.

3.3 The scheme may also provide for :

- a) payment of Dependants' Carers' Allowance (DCA) to members for the expenses they incur in arranging for the care of children or dependants when attending meetings and other official duties approved by the council;
- b) payment of travelling expenses and any subsistence incurred in undertaking official duties prescribed in the Regulations, and
- c) an annual adjustment of allowances by reference to an index specified by the authority, for up to 4 years, after which time the Council must seek a further recommendation from the Independent Panel on the application of an index to its scheme.

- 3.4 The Regulations require every local authority to establish an Independent Remuneration Panel consisting of at least three members who are appointed following a public advertisement and who cannot also be elected members of the authority concerned. Before an authority makes or amends its scheme of members allowances it must have regard to the recommendations made by its appointed Panel. The authority does, however, retain the discretion not to agree or follow those recommendations, after giving them due regard. In these circumstances the authority should give reasons for its decision.

### **Current Scheme of Allowances**

- 3.5 The member allowances for the current financial year are shown at Appendix 2. Following recommendations made to the Council by its Independent Review of Members Allowances Panel in 2014 for financial year 2014/15, the amount of the basic allowance has been considered annually, although Council rejected the index linked increases in line with staff pay until 2017/18 when it incorporated a 1% increase to the basic allowance. In view of the passage of time since the Council last received recommendations from an Independent Remuneration Panel it has been necessary to reconvene a panel to review the allowances scheme and recommendations on the indexation.

### **Independent Review of Members Allowances Panel Report**

- 3.6 Following the statutory public advertisement and receipt of applications, the Director of Resources appointed an Independent Review of Members Allowances Panel of 3 members who met on two occasions in January 2018 to review the current scheme and make recommendations on each allowance as required by the Regulations. The full report is attached at Appendix 1 and the main points are summarised below.
- 3.7 The Panel's starting point was to consider the Council's current scheme of allowances and compare it with the schemes of neighbouring authorities and those deemed by the Audit Commission to be most similar to Chiltern. They looked at what had changed for CDC councillors since 2014 and noted the continued joint working arrangements with SBDC and shared delivery of services to the public and local communities. They also noted this arrangement involves close working between the Leaders at both CDC and SBDC who meet on a regular basis, as well as the respective Cabinet portfolio holders at each Council who sit on a Joint Committee. The Panel also considered the changes made to Committees since the last review and noted the number of Committees which had been amalgamated.
- 3.8 The Panel reaffirmed the approach of the previous Independent Review of Members Allowances Panel that the BA should be objective and transparent, and is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as council and committee meetings, meetings with officers and

constituents, and attendance at political group meetings. It is also intended to cover incidental costs such as the use of private homes and stationary costs.

- 3.9 Having considered information about meetings and other council and ward responsibilities and having received representations from Group Leaders, the Panel concluded that it was appropriate the BA for 2018/19 be increased to £4,800.
- 3.10 With regard to SRAs the Panel recognised the high level of responsibility of the Leader in appointing the Cabinet and cabinet portfolios and additional workload arising from the joint working arrangements with SBDC. They were also satisfied that the responsibilities of the Deputy Leader warranted its own SRA.
- 3.11 The Panel also considered that the additional responsibility of the Chairman of the Audit and Standards Committee merited recognition. The Committee now has associated statutory responsibilities for standards issues and signing-off annual accounts and the Chairman is consulted by officers acting under delegated powers in respect of standards matters and is personally responsible for statements of assurance on governance and accounting matters.
- 3.12 When the Panel compared the Childcare and DCA rates with other councils' rates, the Panel recommended revisions to both the childcare and dependants' carers' allowances. No change was considered necessary in respect of subsistence rates for councillors which are set in line with subsistence rates for officers or travel allowances which are set in line with the HMRC recommended rates.
- 3.13 The Panel considered the annual fee of registering with the Information Commissioners Office (ICO) as a Data Controller and recommended that this be included in the scheme as a fee which Members can claim for.

#### **4. Options**

The Council, having considered the Independent Review of Members Allowances report and recommendations can choose to adopt the recommended allowances and proposed indexation in full or agree an alternative level of allowances.

## 5. Corporate Implications

### 5.1 Financial

The 2017/18 budget for Members BA is £184,000 and for SRAs is £89,550.

The scheme for 2018/19 proposed by the Independent Panel has a budget requirement of £192,000 for Members BA and £80,448 for SRAs.

The 2018/19 budget for Members BA is £185,840 and for SRAs is £72,620, which is £13,988 less than the Panel's proposed scheme. The Council is therefore recommended to agree that the 2018/19 budget for Members BA and SRAs be amended, as required, to put into effect the Scheme of Allowances agreed by the Council.

### 5.2 Legal – The statutory duties relating to member allowances which the council is obliged to follow are contained in The Local Authorities (Members' Allowances) (England) Regulations 2003 and referred to paragraph 3 above.

The Council has a duty under the Regulations to have regard to the recommendations made to it by the Panel before making a scheme of allowances for 2018/19. The Council does not have to accept the Panel's recommendations but should give reasons for departing from them. The Council must also publish the recommendations of the Panel as well as the scheme it approves.

## 6 Next Steps

The Allowances scheme agreed by the Council must be published on the Council's website and in the local press together with a copy of the Independent Review of Members Allowances Panels report.

<p><b>Background Papers:</b></p>	<p>None other than referred to in this report and appendices</p>
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