

<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 Remuneration 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 Remuneration 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 (end of Appendix 1) 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. To approve a Members Allowances Scheme for 2018/19 as attached at Appendix 2 OR Appendix 3.**
- 4. 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 Remuneration Panel recommendations are set out in full in their Report attached as Appendix 1. The Council must adopt a Scheme of Allowances 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 IRP previously met to recommend a scheme of allowances for 2017/18, these recommendations were presented to Full Council on 1 March 2017. However, the recommendations were not implemented at that time and the Council chose to continue with the existing scheme of allowances that was in place. In view of the joint working arrangements with Chiltern District Council and 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.

### **Independent Remuneration Panel Report**

- 3.6 The Independent Remuneration Panel met on two occasions in March 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 scheme of Chiltern District Council (CDC) whom South Bucks share joint working arrangements and share delivery of services to the public and local communities. The Panel noted that 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.
- 3.8 The Panel also considered neighbouring authorities and those deemed by the Audit Commission to be most similar to South Bucks. They looked at what had changed for SBDC councillors since the last review. The Panel also considered any changes made to Committees since the last review and the average length of meetings.
- 3.9 The Panel reaffirmed the approach of the previous review of the Members Allowances Scheme 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 including 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.
- 3.10 Having considered information about meetings, current challenges faced and other council and ward responsibilities and having received a representation from the Leader of the Council, the Panel concluded that it was appropriate the BA for 2018/19 be increased to £4,800.

- 3.11 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 CDC. They were also satisfied that the responsibilities of the Deputy Leader warranted its own SRA.
- 3.12 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.
- 3.13 When the Panel compared the Childcare and DCA rates with similar 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 (the HMRC recommended rates).
- 3.14 The Panel considered the annual fee of registering with the Information Commissioners Office (ICO) as a Data Controller and recommended that this fee be included in the scheme as a fee which Members can claim for.

### Alternative Proposal

- 3.15 Having reflected on the Panel's recommendations and the allowances scheme in place at Chiltern District Council, an alternative proposal has been received from the Conservative Group. Two draft Schemes for Members of Allowances 2018/19 are attached. Appendix 2 shows a Scheme based on the IRP's proposal, and Appendix 3 shows a Scheme based on the Conservative Group's proposal. The table below highlights the differences between the different Schemes and proposals.

	Current SBDC Scheme	Independent Remuneration Panel Proposal	CDC Scheme 2018/19	Conservative Group Proposal
	£	£		£
Basic	4,360	4,800	4,800	4,800
Leader of the Council	10,900	13,920	13,920	13,920
Deputy Leader	4,794	6,960	6,960	6,960
Cabinet Member	4,794	6,000	6,240	<b>6,240</b>
Chairman of Council	3,491	3,840	5,040	3,840
Vice-Chairman of Council	1,458	1,584	2,016	1,584
Chairman of Overview and Scrutiny Committee	3,491	2,400	3,360	<b>3,840</b>
Chairman of Planning Committee	3,491	3,840	5,040	3,840

	<b>Current</b>	<b>Independent Remuneration Panel Proposal</b>	<b>CDC</b>	<b>Group Proposal</b>
Vice-Chairman of Planning Committee	0	960	1,440	960
Chairman of Licensing Committee	3,491	2,400	1,680	2,400
Chairman of Audit & Standards Committee	722	2,400	1,680	2,400
Chairman of Governance & Electoral Arrangements Committee*	722	816	96 (per meeting)	<b>720</b>
Ordinary Members of Planning Committee (8)	0	0	720	<b>720</b>
Leader of a political group (2+Members)*	722	816	960	816
<b>Total Basic Allowance</b>	<b>122,080</b>	<b>134,400</b>		<b>134,400</b>
Cabinet	34,870	44,880		45,840
Other	*16,144	*17,424		**20,304
	<b>173,094</b>	<b>196,704</b>		<b>200,544</b>
Budget 18/19		<b>174,520</b>		<b>174,520</b>
Difference		<b>22,184</b>		<b>26,024</b>

*\*Under the current and proposed schemes Members can only claim one SRA. As such the SRA's for the Chairman of Governance and Electoral Arrangements Committee and Leader of a political group are not currently claimed.*

*\*\* In addition to the above note currently 6 Ordinary Planning Committee Members will not claim this allowance due to the limit on one SRA.*

#### 4. Options

The Council, having considered the Independent Remuneration Panel's report and recommendations can choose to adopt the Panel's allowances and proposed indexation in full or agree the alternative proposal as detailed above at 3.15.

#### 5. Corporate Implications

##### 5.1 Financial

The 2017/18 budget for Members BA is £122,080 and for SRAs is £52,458.

The scheme for 2018/19 proposed by the Independent Panel has a budget requirement of £134,400 for Members BA and £62,304 for SRAs.

The scheme for 2018/19 proposed by the Conservative Group has a budget requirement of £134,400 for Members BA and £69,024 for SRAs.

The Council is 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 Remuneration Panels report.

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