



AGENDA ITEM: 13

COUNCIL: 24 February 2016

Report of: Interim Borough Solicitor

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SUBJECT: MEMBERS' ALLOWANCES SCHEME 2016/17 AND APPOINTMENT OF THE INDEPENDENT REMUNERATION PANEL (IRP)

Wards affected: Borough wide

1.0 PURPOSE OF REPORT

1.1 To consider the report of the Independent Remuneration Panel (IRP), agree the Members' Allowances Scheme for 2016/17 and to note and endorse the Membership of the IRP.

2.0 RECOMMENDATIONS

2.1 That the IRP's report for 2016/17, attached at Appendix 2, be received and taken into account when considering the recommendation at 2.2 and 2.3 below.

2.2 That in accordance with paragraph 4 of the IRP's report, a Members Allowance Scheme be made, effective from 1 April 2016 incorporating a Basic Allowance of £4,842 (no increase) and provision for SRA payments, as detailed on the Schedule attached as Appendix 1, including a new Special Responsibility Allowance (SRA) of 50%, i.e. £2421, for the Chairman of the Audit and Governance Committee and a uniform rate of SRA of 100% for Cabinet Members.

2.3 That the Basic Allowance of £4,842 be fixed for a 4 year period until 31 March 2020, as set out in paragraph 4.2 of the IRP's report, the Council being able to ask the IRP to consider an increase in any year and to give specific reasons for the request.

2.4 That the Interim Borough Solicitor update and publish the Members' Allowances Scheme for the period commencing 1 April 2016, such scheme to be incorporated into the Constitution.

2.5 That the Membership of the IRP for 2016/17 and the respective terms of office be noted and endorsed as follows:

Mrs G Stanley (Chairman) 1 May 2018

Mr J Boardman 1 May 2017

Mr I Thompson 1 May 2019

3.0 BACKGROUND

- 3.1 The Council must establish and operate an IRP to consider and make recommendations on various issues relating to the matter of allowances to members of the authority. The Council is required to take into consideration any recommendation made by its IRP when making any new scheme of allowances or revising or amending any existing scheme.
- 3.2 The Council currently has a scheme for the payment of a Basic Allowance to each Councillor plus a Special Responsibility Allowance (SRA) for each member holding a position of special responsibility. The Scheme also provides for the payment of travel and subsistence allowances and, in certain specific circumstances, Childcare and Dependent Carer's Allowance.

4.0 THE COUNCIL'S SCHEME FOR 2016/17

- 4.1 The IRP met on 11 June 2015 to consider the current position in relation to Members' Allowances and the Council's Scheme for 2016/17, and agreed to undertake a full review. Details of the information considered as part of the review, the two meetings held with Members and the Panel's recommendations are contained in their report attached at Appendix 2, which also contains recommendations for the addition of an SRA for the Chairman and the Audit and Governance Committee and a uniform rate of SRA of 100% for Cabinet Members in the Council's Scheme for 2016/17.
- 4.2 During the review the Panel also considered the current methodology for considering annual adjustments to Members Allowances (in place until 31 March 2016) following a decision in February 2008 and then again in February 2012 that provision should be made in the Scheme of Allowances for an annual adjustment of allowances to be ascertained by reference to an index, namely the National Joint Council annual increase payable to staff. The Panel recommended that the current arrangement be discontinued and that the Basic Allowance should be fixed for four years. This figure would then be used to calculate the SRAs payable under the Council's Scheme as detailed in Appendix 1, the Council being able to ask the Panel to consider an increase in any year and to give specific reasons for the request.
- 4.3 Members of the IRP also meet to consider Parish matters as the Parish Remuneration Panel (PRP) and in this respect they did not receive any requests to make amendments to the previous report, the Panel considered there was no need to issue a new report.
- 4.4 The Scheme commences on 1 April in each year in accordance with the legislation, rather than the municipal year. Following the Council's decision, a new scheme for 2016/17 will be prepared, effective from 1 April 2016. A copy of the new scheme will be circulated to all members, incorporated in the Council's Constitution and as a consequence published on the Council's website.

5.0 THE INDEPENDENT REMUNERATION PANEL (IRP)

- 5.1 The IRP Membership is Mrs G Stanley, Mr J Boardman and Mr I Thompson. Terms of office are 3 years, with one position on the Panel being subject to re-selection each year. The Term of Office of Mr I Thompson expires on 1 May 2016. The Council is required to adopt an appointments process that it considers is best able to provide an Independent Panel that is well qualified to discharge its functions and which is representative of the community. The Council's arrangements for appointing the Panel involved the placing of advertisements in the local press and then interviewing the candidates.
- 5.2 Mr Thompson has been on the Panel since July 2010 and has indicated that he is prepared to serve for a further period of three years. Given the infrequency with which the IRP is required to meet it takes some time to gain relevant experience and therefore it is sensible to reappoint Members. If the Council wished to appoint a replacement member, a full recruitment process would be required to be undertaken in accordance with the appropriate Regulations, which would then be reported to Council for approval at a future meeting.
- 5.3 Regulations provide for Allowances to be paid to IRP members and for 2016/17 each member will be entitled to receive an allowance of £250, with the Chairman receiving an additional £50. These are included as part of the Council's scheme and provision is included in the current budget.
- 5.4 The Panel has also been appointed to serve as the Parish Remuneration Panel and in this respect considers and reports to the Parish Councils on issues relating to allowances to those bodies. As referred to in 4.3 there has been no change to the Parish Scheme this year.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact of crime and disorder. The report has no significant links with the Sustainable Community Strategy.

7.0 FINANCIAL IMPLICATIONS

- 7.1 The Budget Requirement report contained elsewhere on this agenda includes provision to meet a 1% increase in the cost of Basic and Special Responsibility Allowances in line with current practice. If this increase is not agreed in line with the recommendations of this report it would lead to a saving of £3,300 against the base budget position.
- 7.2 There is no provision in the budget estimates for an SRA for the Chairman of Audit and Governance Committee as this is a new issue. Consequently if this new SRA is approved it would lead to an increase in the budget requirement of £2,421.
- 7.3 The IRP recommendation that all Cabinet Members should receive a SRA of 100% would not have any budget impact at this time. However if in the future the number of Cabinet Members is changed then this could have a financial impact,

as currently the SRA paid varies depending on the number of Members in the Cabinet.

8.0 RISK ASSESSMENT

8.1 This report sets out the recommendations of the IRP report, which the Council is required to take into consideration when making any new scheme of allowances or revising or amending any existing scheme.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972 to this Report).

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees and stakeholders, however there is a direct impact on elected members. Therefore an Equality Impact Assessment is attached as Appendix 3 to this report.

Appendices:

1. Schedule of Special Responsibility Allowances with no increase
2. IRP report and recommendations.
3. Equality Impact Assessment.