

Subject:	Review of the Members Allowances Scheme 2019-23		
Date of Meeting:	13 December, 2018 6 December, 2018 – Policy, Resources & Growth Committee		
Report of:	Executive Lead Officer for Strategy, Governance & Law		
Contact Officer:	Name:	Mark Wall	Tel: 01273 291006
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Ward(s) affected:	(All Wards);		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 In order to pay allowances to councillors all local authorities must have an agreed Members' Allowances Scheme outlining the levels of allowances available to all councillors and the roles that attract an allowance. The Scheme forms part of the Council's Constitution (Part 9.1).
- 1.2 The current Members Allowances Scheme was approved by the full Council in December 2014 and in accordance with the council's recommendations the Independent Remuneration Panel (IRP) has been undertaking a comprehensive review of the scheme. The Panel's report accompanies this report and is attached as appendix 1.
- 1.3 The IRP conducted an online survey of Members and met each of the Group Leaders, and other Members in September and has taken on board the comments received.
- 1.4 The IRP had been asked to review the current level of allowances and to put forward recommendations to the Council to approve a scheme to take effect for the new Authority in 2019. It is therefore recommended that the Panel's report is submitted to the full Council for consideration in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003/05. The new Members Allowances Scheme should then take effect from the Annual Council meeting in May 2019 subject to the qualifications outlined in the report.

2. RECOMMENDATIONS:

Policy, Resources & Growth Committee

- 2.1 That the Independent Remuneration Panel's report as detailed in appendix 1 be received and endorsed;
- 2.2 That the allowance payable to each of the members of the Independent Remuneration Panel be increased by 2% in line with the public sector pay award with effect from the

date of the Annual Council meeting in May 2019, in recognition of the time commitment and the role of the Panel; and

- 2.3 That the recommendations in the report of the IRP be recommended to the full Council for approval;

Full Council

- 2.4 That the full Council be recommended to adopt the new Members Allowances Scheme for the payment of allowances in 2019/20 with effect from the Annual Council Meeting in May 2019; subject to the implementation of the Basic Allowance from the 6th May 2019 as detailed in the IRP's report and the Scheme in appendix 7 to the report;

- 2.5 That the Chief Executive be authorised to issue the Brighton & Hove Members' Allowances Scheme for 2019-23 in accordance with the regulations following Council approval and subject to any additional recommendations of the Panel approved by the Council prior to the 2019 May elections;

- 2.6 That the Monitoring Officer be authorised to amend the Constitution to reflect the new Members Allowances Scheme accordingly; and

- 2.7 That where there are any changes to any role listed as attracting a Special Responsibility Allowance under the Scheme, and the revised role is substantially the same as the previous role in terms of the nature or level of responsibility; the Special Responsibility Allowance shall continue to apply to the new role. This is subject to the Independent Remuneration Panel being consulted and agreeing that it is substantially the same role.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Panel has sought to report back to the Policy, Resources & Growth Committee and full Council in December 2018 with the intention that the Council would be able to approve a new Scheme to be effective from the Annual Council Meeting in 2019. This would then apply for the duration of the new council following the local elections in May. It would also provide for the Scheme to be agreed by an out-going council and enable any perspective councillors to be aware of the arrangements that would be in place should they be elected.

- 3.2 Notwithstanding the decision to undertake a full review of the Allowances Scheme, the Panel noted from the evidence given by Members that the role of a councillor had changed and the time commitment was an important factor. The Panel also noted that support to councillors in terms of child-care and dependent care remained a concern and felt that this should be given due consideration as part of their forthcoming review.

- 3.3 The Panel were keen to be able to hear from other Members and to look at the impact of the committee system on their roles. The Panel also wanted to gain a greater understanding of the various roles that attributed a Special Responsibility Allowance as well as how the role of a councillor had changed and whether the basic and dependent care allowances were appropriate for that role.

- 3.4 The Panel felt that it was clear from the evidence received that there was a justification for an increase the Basic Allowance to reflect the increased level of time commitment

and role of a councillor in Brighton and Hove. The Panel were also mindful of the fact that the cost of living in the city was high and more closely aligned to that of London.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 In order to revise its Members' Allowances Scheme, the Council is required to have regard to the recommendations of the Independent Remuneration Panel.
- 4.2 The Panel took the view that in line with the Local Authorities (Members' Allowances) (England) Regulations 2003/05, it would undertake a comprehensive review of the Members' Allowances Scheme and make recommendations to the Council on :
- (a) The level of Basic Allowance to be paid to all councillors;
 - (b) The responsibilities for which Special Responsibility Allowances (SRA's) should be payable (only one Special Responsibility Allowance is payable per councillor);
 - (c) The levels of SRA payable;
 - (d) The payment of Travel & Subsistence Allowances and appropriate mileage and subsistence rates payable to councillors undertaking approved council duties;
 - (e) The payment of a Co-optee's Allowance;
 - (f) The payment of Childcare & Dependant Carer's Allowances, the level of such payments, any upper limits and capping that should apply;
 - (g) The inclusion of a maternity, paternity and adoption policy within the Scheme.
- 4.3 The Panel took account of the latest regional and national earnings information in relation to any increase in allowances and made comparisons with the council's own salary inflation rate, public sector pay awards and comparable authorities.
- 4.4 The Panel also took on board the views of the Leaders Group and best practice across other authorities in seeking to propose a scheme that could be approved for the incoming authority and be the basis for the life of that authority. Such a scheme to then be updated by an annual review and reported to the council. This would avoid some of the uncertainty and enable any candidates standing for elections for the first time, as well as continuing councillors, clarity in terms of what to expect so far as allowances are concerned.
- 4.5 The Council is required to consider the IRP's recommendations, but is not bound to adopt them and can, provided it acts reasonably, take decisions on allowances which are not in accord with such recommendations.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Panel has met with the Group Leaders and other Members, including SRA post holders and other Members; before putting forward its recommendations to the Leaders Group for comment.

6. CONCLUSION

- 6.1 The Panel have recommended a new Members Allowances Scheme to be effective from the 2019 municipal year, which includes an increase to the Basic Allowance; a revised level of SRA's and changes to the child /dependent care allowances.
- 6.2 The Panel believe that there is a justification for equity in recommending the new scheme, and mindful that it should form the basis of a scheme to run for the duration of the new authority from 2019 - 2023.
- 6.3 The Basic Allowance is paid in recognition of the decision to become a councillor and to help support a councillor to fulfil their role. Having heard from councillors of the changes to their roles, the Panel were of the opinion that an increase in the Basic Allowance was justified as this would be attributed across all elected councillors in 2019.

7. FINANCIAL & OTHER IMPLICATIONS:

- 7.1 The budget for Basic and Special Responsibility Allowances for 2019/20 is £0.935m. The proposed changes to the Members' Allowances Scheme, as outlined in the report and the accompanying IRP report, is expected to save approximately £0.020m per annum when compared to the existing scheme. This supports a proposed saving from the service from 2019/20.

Finance Officer Consulted: Peter Francis

Date: 02/10/2018

Legal Implications:

- 7.2 The proposals in this report comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2005 and associated guidance.
- 7.3 There are no adverse Human Rights Act implications arising from this report.

Lawyer Consulted:

Abraham Ghebre-Ghiorghis

Date: 02/10/18

Equalities Implications:

- 7.4 The proposed increase to the Basic Allowance provides an equal benefit to all councillors.
- 7.5 The recommendations explicitly seek to encourage a wider cross-section of the community to become councillors, and reduce the financial disincentives, which deter a broader spectrum of people from serving as councillors.

Sustainability Implications:

- 7.6 There are no sustainability implications arising directly from the report.

Any Other Significant Implications:

- 7.7 There are no other significant implications associated with the report.

SUPPORTING DOCUMENTATION

Appendices:

1. Report of the Independent Remuneration Panel 2018

Documents in Members' Rooms

1. None

Background Documents

1. Independent Remuneration Panel's Annual Report 2014
2. Members' Allowances Scheme 2015/19

