

**Meeting:** COUNCIL  
**Portfolio Area:** Members' Services  
**Date:** 24 FEBRUARY 2016

**Agenda Item:** **13**

**MEMBERS' ALLOWANCES – REPORT OF INDEPENDENT REMUNERATION  
PANEL**

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**1. PURPOSE**

- 1.1 To consider the report of the Independent Panel on Members' Allowances and in the light of that report approve the Scheme of Allowances for 2016/2017.

**2. RECOMMENDATIONS**

- 2.1 That the report of the Independent Panel be noted and that findings form the basis of the formal Members' Allowances Scheme and the allowances paid the Mayor and Deputy Mayor.
- 2.2 That in the light of the report of the Independent Panel the draft formal Scheme shown at Appendix B to this report be approved for 2016/2017.
- 2.3 That allowances during 2016/17 should be increased in line with future staff pay wards covered by the terms and conditions of the National Joint Council for Local Government Services (NJC) once known and as recommended by the Panel. This indexation to apply until 2020 subject to any further Independent Panel reports.

**3. BACKGROUND**

- 3.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 before an authority makes or amends a scheme that authority shall have regard to the recommendations made to it by an independent remuneration panel.
- 3.2 The Council's Independent Remuneration Panel currently comprises –
- Stephen Hollingsworth MA FRSA, Management Consultant

- Nicholas Moss JP, Former Chair, Bedfordshire, Hertfordshire and Thames Valley Courts Board and independent adviser on North Hertfordshire District Council Standards Committee
- Bill Welch ACIS, Former Assistant Chief Executive, Stevenage Borough Council

3.3 The last full review of the Stevenage Members' Allowances Scheme by an Independent Panel was reported to Council in February 2012. This report included a recommendation that the Special Responsibility Allowances (SRAs) paid to Chairs of the then Development & Scrutiny Committees be subject to further review.

3.4 Following up on this recommendation a further review was undertaken by the Panel during July and August 2013 to consider the SRAs for the then new Chair of the Overview & Scrutiny Committee and the Chairs of the three Select Committees. The recommendations of this supplementary review were considered by Council in October 2013.

#### **4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS**

4.1 The report of the Panel is attached at Appendix A and the proposed Members' Allowance Scheme can be seen at Appendix B.

4.2 The Panel concluded that the remuneration for basic allowances and SRAs continues to be appropriate. It was also recommended that the allowances should continue to be linked to any pay awards applicable to NJC staff.

4.3 The Panel recognised that the Council is fulfilling its obligations under the regulations that an SRA should be paid to at least one Member not in a controlling group.

4.4 The Panel decided that the position or positions of Leader of the Minority Opposition Group or Groups should not at this point be awarded an SRA. However it was recognised that the Council will have a need to review its constitution in light of ongoing re-organisation across the Council in response to the Government's Austerity Programme and to enable the delivery of the Future Town and Future Council Programme objectives. Therefore in due course this may create the opportunity to formalise the position of the Leader of the Minority Opposition in the Constitution.

4.5 The Panel has made a recommendation that when Member allowances are published in future, the basic allowance and any SRA are presented as consolidated figures on the basis that this format would make it clear to the electorate the total amount that has been paid to each individual Member. However, this is not in accord with the Local Authorities (Members' Allowances) (England) Regulations 2003 that requires the allowances paid to each Member to be broken down.

- 4.6 The Panel also recommended that where a Member has agreed to take a voluntary reduction in their allowance(s) this should be made clear when the figures are published. This will be done when the final 2015/2016 figure are published on the website.
- 4.7 The report also recognises that Travelling, Subsistence and Child/Dependent Care Allowances should remain at their current level and that with effect from 1<sup>st</sup> April 2014 access to the Local Government Pension Scheme for Councillors has been withdrawn.
- 4.8 Reference is made in the report of the Independent Panel to assistance provided to the Mayor and Deputy Mayor. It should be noted that these 'allowances' are not included in the formal Members' Allowances Scheme.
- 4.9 In accordance with the regulations, on receipt of the Panel's report the Council has ensured that copies are available for inspection by members of the public at Daneshill House and has placed a public notice in a local newspaper stating that such a recommendations from the Panel have been received; describing the main features of the Panel's recommendations and the recommended amounts for each allowance; stating that copies of the report are available for inspection; and specifying the address of the principal office at which copies are made available.
- 4.10 It is for Council to consider the report of the Panel and agree a Scheme.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

- 5.1.1 Funding for the proposed Scheme has been included within the 2016/17 Budget to be considered elsewhere on the agenda for this Council meeting.

### **5.2 Legal Implications**

- 5.2.1 The provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003 have directed the convening of the Independent Panel; its consideration, report and recommendations; and the process of publicising the recommendations
- 5.2.2 In making or revising the Scheme, the Council must have regard to the Panel's report but is not strictly obliged to follow its recommendations, although it would be advisable to have good reasons for not doing so.

## **APPENDICES**

- Appendix A – Report of Independent Remuneration Panel
- Appendix B – Proposed Scheme for 2016/2017