

Meeting: COUNCIL

Portfolio Area: Members' Services

Date: 24 JANUARY 2024

**MEMBERS' ALLOWANCES SCHEME 2024/2025 – REPORT OF THE
INDEPENDENT REMUNERATION PANEL**

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1. PURPOSE

- 1.1 To receive the report of the Independent Panel on Members' Allowances and, subject to consideration, approve the Scheme of Allowances for 2024/2025.

2. RECOMMENDATIONS

- 2.1 That the report of the Independent Remuneration Panel be noted and, subject to Members' consideration, that the findings of the report form the basis of the formal Members' Allowances Scheme for 2024/25, including:
- with the exception of the proposal for the Majority Opposition and Minority Opposition Group Leaders set out below, the Basic Allowance and Special Responsibility Allowances remained unchanged from 2023/24, and
 - the Special Responsibility Allowances payable to the Majority Opposition and Minority Opposition Group Leaders be combined, and be re-distributed pro rata to the number of Members in their respective Groups.
- 2.2 That, in accordance with the recommendations of the Panel regarding payment of Dependant Carers' allowances, the hourly rates remain unchanged from 2023/24, but that the scheme be changed from a monthly maximum of 20 hours to a maximum of 360 hours over the year (with the Leader having discretion to increase this maximum allowance where demonstrably necessary).
- 2.3 That, in the light of Recommendations 2.1 and 2.2 above, the draft formal Members' Allowances Scheme, as shown at Appendix B to this report, be approved for 2024/2025.
- 2.4 That an Independent Remuneration Panel be reconvened in the Autumn of 2024 to consider the Members' Allowances Scheme for 2025/2026 onwards.

3. BACKGROUND

3.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, before an authority makes or amends a Members' Allowances 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 –

- Marian Hurlle BEd, DMS, Former CEO Stevenage Citizens Advice Bureau;
- Nicholas Moss OBE JP, Independent Person, North Hertfordshire District Council; and
- Bill Welch ACIS, Former Corporate Director, 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 2020.

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 for 2024/25 can be seen at Appendix B.

4.2 The Panel noted that the allowances currently paid to Members of Stevenage Council are higher than the amounts paid to members of most other Borough and District councils in Hertfordshire (the comparator group). As set out in Section 6 of their report, the Panel reached the conclusion that recommending further increases in the Basic and Special Responsibility Allowances for 2024/25 would cause them to continue to be out of step with the amounts paid to Members of councils in the comparator group.

4.3 The Panel felt that the allowance payable to the Leader of a minority opposition party should be determined more equitably, a measure that could be implemented without increasing the overall cost of the present scheme. Similarly, the Panel believed that reimbursement for dependants' carers' allowances warrants uprating.

4.4 The Panel recommended that that the Basic and Special Responsibility Allowances remain unchanged for the year from 1 April 2024, other than for Majority Opposition and Minority Opposition Group Leaders.

4.5 The Panel recommended that, for 2024/25, the Special Responsibility Allowances for the Majority Opposition and Minority Opposition Group Leaders be combined, and be paid pro rata to the number of Members in their respective groups (as set out in Section 7 of the Panel's report).

4.6 In terms of Dependant Carer's allowances, the Panel recommended adopting an annual allowance with a maximum of 360 hours, but recognised that there may be special circumstances where even this may be insufficient. To accommodate that contingency, the Panel recommended that the Leader

should have discretion to increase the maximum allowance where demonstrably necessary.

4.7 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 the 11 January 2024 edition of the Comet newspaper. The public notice states that recommendations from the Panel have been received; describes the main features of the Panel's recommendations and the recommended amounts for each allowance; and states that copies of the report are available for inspection at the Council's offices.

4.8 It is for Council to consider the report of the Panel and agree a Scheme.

5. IMPLICATIONS

5.1 Financial Implications

5.1.1 Subject to approval of the recommendations in this report, the funding for the proposed Scheme will be included in the Executive February 2024 Council Tax and General Fund Budget report for 2024/25.

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.

5.2.3 The 2003 Regulations stipulate that a Panel can make recommendations for one year or index-link annual increases to Members' Allowances for a maximum of four years. However, as the Stevenage Panel's recommendations only relate to 2024/25, the Panel will need to be reconvened in the Autumn of 2024 to consider a Scheme for 2025/2026 onwards.

APPENDICES

- Appendix A – Report of Independent Remuneration Panel: December 2023
- Appendix B – Proposed Members' Allowances Scheme for 2024/2025

BACKGROUND DOCUMENTS

- Local Authorities (Members' Allowances) (England) Regulations 2003
- Comparative Benchmarking Information – Members' Allowances paid by other Hertfordshire Borough/District Councils