

**SCHEME OF COUNCILLORS' ALLOWANCES 2015/16**

Report Sponsor: Stephen Gerrard (Interim Service Director [Legal and Democratic Services])

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**1. Purpose**

- 1.1 To present the report of the Independent Remuneration Panel on Councillors' Allowances, including the implications of the recent proposals of the Overview and Scrutiny Working Group.
- 1.2 To seek agreement to a Scheme of Councillors' Allowances for 2015/16.

**2. Recommendations**

- 2.1 That the report of the Independent Remuneration Panel be accepted.
- 2.2 That the report on allowances for members of Parish and Town Councils be noted.
- 2.3 That the Scheme of Councillors' Allowances, based on the recommendations of the Panel, including the changes to the Council's scrutiny structure, be adopted to take effect from 1 April 2015.

**3. Issues and Choices**

- 3.1 Under the terms of the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council is obliged to appoint an Independent Remuneration Panel to review, comment and advise on the level of allowances paid to councillors at least every three years.
- 3.2 In 2014 an Independent Remuneration Panel met and proposed a scheme which was considered by Council on 26 March 2014. The Council resolved to accept the report of the 2014 Independent Remuneration Panel and to note the report on allowances for members of Parish and Town Councils. However, the Council also resolved that the implementation of the Scheme of Councillors' Allowances, based on the recommendations of the 2014 Independent Remuneration Panel, be deferred for 12 months to allow any errors in in the Scheme to be amended and to seek advice from Her Majesty's Revenues and Customs on the tax implications of the Scheme and that in the meantime the 2013/14 Scheme of Councillors' Allowances be adopted from 1 April 2014 as the 2014/15 Scheme. Her Majesty's Revenues and Customs has since confirmed that allowances are taxable
- 3.3 Following a recommendation from the Overview and Scrutiny Working Group, Council on 14 January 2015 agreed a new scrutiny structure to be implemented from May 2015. The Review Group also suggested a change in the allocation of Special Responsibility Allowances to reflect the new structure, which did not impact on the overall total of special responsibility allowances

allocated for scrutiny of £51k. Council supported the changes to special allowances suggested by the Working Group. The recommended allowances for Overview and Scrutiny Chairs are as follows:

- Chair of the Scrutiny Management Group £7k
- Budget Scrutiny Committee Chair £4.5k
- Executive Scrutiny Committee Chair £4.5k
- Children and Young People Committee £4.5k
- Health and Adult Social Care Committee £4.5k
- Chairs of the Task and Finish Groups £4.5k (pro rata basis depending on the length of time the Group is in place).

3.4 The Independent Remuneration Panel has considered the implications of the proposals and the Chair of the Independent Remuneration Panel is happy to endorse them as an addition to the Panel's report.

3.5 The final report on the Panel, as submitted to Council in March 2014, is attached as **Annex A** to this report, reflecting the Panel's report and the changes to the scrutiny structure.

The proposed Scheme of Allowances for 2015/16 is attached as **Annex B** to this report.

The proposed Scheme of Allowances for 2015/16 for members of Parish and Town Councils is attached as **Annex C** to this report.

#### 4. Implications

4.1 Policy

None

4.2 Resources and Risk

The Allowances Scheme as drafted is within the Council's approved budget for 2015/16.

X	Capital	✓	Revenue	X	Accommodation
X	IT	✓	Medium Term Plan	X	Asset Management

4.3 Legal

The Local Authorities (Members' Allowances) (England) Regulations 2003 make it a requirement to establish and maintain an Independent Remuneration Panel and for the Council to adopt a Scheme of Allowances for the forthcoming year by 1 April each year.

Under the terms of the Local Government Act 2000, the Council is required to take account of the recommendations of an independent panel before fixing its level of Councillors' Allowances.

The current Panel has recommended that a panel is reconvened in three years' time unless there is a major change in the democratic process.

#### 4.4 Other Implications

None

<input checked="" type="checkbox"/>	Equalities / Diversity	<input type="checkbox"/>	Sustainability	<input checked="" type="checkbox"/>	Human Rights
<input type="checkbox"/>	E-Government	<input type="checkbox"/>	Stakeholders	<input type="checkbox"/>	Crime and Disorder

Background Papers: Overview and Scrutiny Working Group Report.