

COUNCIL – 10 DECEMBER 2019

PART I - DELEGATED

4. MEMBER ALLOWANCES 2020/21 (CED)

1 Summary

1.1 The report asks Council to agree the recommendations from the Independent Remuneration Panel (the Panel) which met on 13 November 2019 to consider the Member Allowances and Special Responsibility Allowances (SRA) for 2020/21.

1.2 The report also asks Council to agree to the recommendations of the Panel to:

- increase the Chairman's and Vice-Chairman's Allowance for 2020/21 and future years in line with the basic Allowance for Members
- increase the allowances for the current Chairman and Vice-Chairman in line with the current basic allowance for Members and this be backdated to May 2019.

2 Member Allowances and Special Responsibility Allowances 2020/21

2.1 The current Member allowance scheme budget for 2019/20 is £251,799 and the proposed Member allowance scheme budget for 2020/21 is £261,315. A breakdown of the budgets is provided in Appendix 1.

2.2 Each year the Panel review the Members Allowances and make recommendations to Council which Council can decide to accept or not. If Council decide not to accept the recommendations it must give reasons for reaching that decision.

As part of its review of the Members Allowances and SRA the Panel received a covering report which brought together the following information:

- Previous history on the decisions made by Council on Members allowances since 2010.
- The role of a Councillor (source: Local Government Association [LGA])
- The Council's current Members' Allowances Scheme
- Suggested draft Job Descriptions for Councillors, Leader and Lead Members
- A chart outlining the Council's meeting structure
- Calendar of meetings 2020/21 and 2021/22
- Research on levels of Members' Allowances, SRA's in Hertfordshire and other Councils which have a Committee Governance arrangement in place
- Details of the Leader, Deputy Leader, Lead Members, Chairman, Vice-Chairman and Other Group Leaders and Deputy Group Leaders' roles
- Changes to the Group Leader allowance in 2015.
- Economic Climate within the District and Hertfordshire
- Government Funding
- Pay awards for Staff
- Service Reviews/Efficiency Savings
- Level of Council Tax
- Business Rates

- 2.3 As part of the Panel review process, the Group Leaders were contacted to see if they wished to make representation. Two of the Group Leaders met the Panel to make oral representations and one Group Leader provided a written submission.

3 Options and Reasons for Recommendation

- 3.1 To accord with the Local Authority (Members' Allowances) (England) Regulations 2003 details on the recommendations from the Panel on the Members' Allowances have been published in the local newspaper. The Council decision on Member Allowances will be published after the Council meeting.

- 3.2 Having considered all the information provided the Panel is recommending to Council that the Members' Allowance and SRA for 2020/21 be as follows. The rationale for these recommendations is also included.

1) Increase the basic allowance paid to each Councillor by 3% to £5,111 – *the 3% increase aligns with the pay award to staff, increase in Council Tax and overall pay awards in the economy at present.*

2) That the allowances paid for SRA be increased as follows:

Group Leader, Main Opposition Leader and Other Opposition Leader

Leader of the Council - £10,222 (2 x basic Member Allowance)

Main Opposition Leader - £3,833 (0.75% of basic Member Allowance)

Other Opposition Leader - £1,533 (0.3% of basic Member Allowance)

The Panel recommend that the allowance be standardised to a multiple of the Member Allowance for consistency using the above ratios.

Lead Members (x7) - £5,111 (1 x basic rate) – *the Panel did not feel a review of this allowance was required but that it should be increased in proportion to the basic Member Allowance*

Chair of Planning Committee - £5,111 (1 x basic rate) - *the Panel did not feel a review of this allowance was required but that it should be increased in proportion to the basic Member Allowance*

Chair of Licensing Committee/Regulatory Services Committee - £2,555 (half of basic rate) - *the Panel did not feel a review of this allowance was required but that it should be increased in proportion to the basic Member Allowance*

Chair of Audit Committee - £2,555 (half of basic rate) – *the Panel did not feel a review of this allowance was required but that it should be increased in proportion to the basic Member Allowance*

3) That there be no changes made to the Dependants' Carers' allowance of £12.50 per hour for 2020/21 - *the level that could be claimed per hour was in line with other Councils in the area.*

4) That no changes be made to the Travel allowance of 52.2p per mile for 2020/21 *the level that Members can claim per mile for travel was considered to be in line with HMRC levels.*

5) That work be undertaken on developing job descriptions for Councillors, the Leader and Lead Members.

4 Chairman's Allowance, Vice-Chairman's Allowance and Travel allowance outside the District

4.1 The Panel was asked to review the allowance paid to the Chairman and Vice-Chairman of the Council and their ability to claim for travel outside the District when attending Civic events. This is outside the specific statutory remit but Members had asked for their guidance.

4.2 The Panel noted that the allowances were last reviewed by the Executive Committee in November 2003 and the travel allowances in October 2004.

4.3 As part of this review, Officers undertook research into allowances and travel allowances at other Council's in Hertfordshire and Councils which have a Committee governance.

4.4 Details on both the roles and the events that the past two Chairman, Vice-Chairman and the current Chairman/Vice-Chairman had attended over the last 3 years (both within the District and Outside the District) was provided as background information to the Panel.

4.5 As part of the review process, the current Chairman was contacted to see if she wished to make representation to the Panel. The invitation was accepted and the Chairman attended the meeting and made representation.

5 Options and Reasons for Recommendation

5.1 Having considered all the information provided to the Panel, heard the representations made and considered the written representation the Panel is recommending the following changes to the Chairman and Vice-Chairman allowance and the claiming of travel outside the District:

1) That the Chairman's allowance of £3,500 be increased to £5,111 per year from 1 April 2020 (1 x the basic Member allowance) and that the Vice-Chairman's allowance be increased to half the basic Member allowance to £2,555 and that the allowance should remain in line with the basic Member allowance in future years.

2) That an increase in allowance for the Chairman and Vice-Chairman should be back-dated to May 2019 and be in line with the 2019/20 basic Member allowance.

3) That claiming travel to events by the Chairman and Vice-Chairman outside the District should be allowed at a rate of 52.2 per mile in line with the Travel allowance paid to Councillors. It is suggested that a protocol for the type of events that can be claimed be drafted for agreement by the Chief Executive.

4) that the ability to claim travel to events outside the District be backdated to May 2019 and the budget be increased by £1,500 this year and subsequent years.

6 Policy/Budget Implications

6.1 The recommendations from the Panel are not within the Council's agreed budget. If the recommendations are agreed the following budget changes would be required:

- The Member Allowance and Special Responsibility budget to be increased by £9,516 for the year 2020/21 and subsequent years.
- The Chairman and Vice-Chairman budget to be increased by £3,416 from 1 April 2020 and subsequent years.
- For 2019/20 to increase the Chairman and Vice-Chairman budget by £3,043 so that the increase in the allowance recommended can be backdated to May 2019 aligned to the current Member Allowance scheme. The current Chairman would receive an additional £1,362 and the Vice-Chairman £1,681. This would mean the Chairman receives the same allowance as a Lead Member of £4,862 (2019/20) and the Vice-Chairman receives half of that allowance (£2,431) (excluding the £100 IT consumable Allowance).
- For 2019/20 that the Member travel be increased by £1,500 to enable the Chairman and Vice-Chairman to claim back travel to events outside the District from May 2019.

6.2 All budget implications are shown in Appendix 1.

7 Recommendations

7.1 That the recommendations as outlined in Paragraph 3.2 of the report Points 1 to 5 be agreed.

7.2 That the recommendations as outlined in Paragraph 5.1 of the report Points 1 to 4 be agreed.

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Background Papers: 2020/21 Independent Remuneration Papers

Appendices:

Appendix 1 – Member allowance scheme budget breakdown of the budgets 2019/20 and 2020/21 is provided in Appendix 1.