



Council

26 January 2015

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Subject: Review of Members' Allowances for 2015/16

Report by:

Director of Resources

Contact Officer:

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Purpose / Summary:

To inform Members of Recommendations made by the Independent Remuneration Panel (IRP) with regard to the Scheme of Members' Allowances for 2015/16.

RECOMMENDATION:

That Members approve the recommendations of the Remuneration Panel regarding the Member Allowance Scheme 2015/16, as follows:

- i) a 1.5% increase in Basic Allowance be accepted, and**
- ii) one payment per category for Special Responsibility Allowances, resulting in the SRA for dual Vice Chairs being shared.**

IMPLICATIONS

Legal: None related to this report.

Financial : FIN/113/15 Acceptance of the panel's recommendations would result in a 1.5% increase in the overall costs of the allowance scheme. The cash value of this increase would be an ongoing £3,536 and will increase the base budget 2015/16 onwards, unless savings can be identified.

Staffing : None related to this report.

Equality and Diversity including Human Rights :

*NB: A full impact assessment **HAS TO BE** attached if the report relates to any new or revised policy or revision to service delivery/introduction of new services.*

Risk Assessment : N/A

Climate Related Risks and Opportunities : N/A

Title and Location of any Background Papers used in the preparation of this report:

None

Call in and Urgency:

Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?

Yes

No

Key Decision:

Yes

No

1. Background

- 1.1 West Lindsey District Council's Independent Remuneration Panel (IRP), has carried out a review of the Council's Scheme of Members' Allowances.
- 1.2 To inform the review, the Panel has considered a number of factors, including a presentation from an invited Remuneration Panel specialist. The evidence reviewed by the Panel indicates that the current Scheme of Allowances is robust and there is general agreement that, the Scheme is transparent, simple to administer and easily understood.
- 1.3 The Panel also received details of the Council's budget situation from the Group Accountant (Services).
- 1.4 In order to gauge views, all Members were provided with the opportunity to comment either by email or through the Group Leaders who were invited to meet with the Remuneration Panel.
- 1.5 The Panel met on 24 September 2014, to receive the comments and emails submitted by Members. Minute 41 from the Governance and Audit Committee of 25 September 2014, was also taken into account by the Panel at their meeting on 4 November 2014, before arriving at their final recommendations in this Report.
- 1.6 Members will recall that a decision was taken by Council last year for a 1% increase to Basic and Special Responsibility Allowances for 2014/15.

2. Considerations

- 2.1 Training
Various options to pay Members an incentive for attendance at training events have been thoroughly explored and legal advice sought. The Panel are, however, unable to recommend a totally fair and consistent way to implement and put this suggestion into practice.

Following Elections in May 2015, a robust induction process will be delivered to new and re-elected Members. Details of this will be publicised prior to the Election, setting out the training expectations.

- 2.2 Travel
The current mileage rate was discussed, recognising that most Members have a car for personal use and not exclusively for the purpose of their Council duties. The current payment of £0.45, being the HMRC rate which is tax free, is recompense for mileage and not for the cost of running a car, anything above that would be classed as remuneration.

However, should exceptional circumstances exist, the Panel did recognise that they may have to consider alternative options regarding transport.

2.3 Basic Allowance

Taking into consideration the current pay negotiations and offer made to staff, as well as the comments received from the Governance and Audit Committee and feedback from Members an increase in basic allowance was debated.

Whilst mindful of the need for caution in increasing allowances, the Panel are well aware of the dangers of remuneration failing to adequately compensate for the role. Also following Elections in May 2015, the Panel recognised an increase in responsibility as the number of Members will decrease from 37 to 36.

The Panel therefore considered that a 1.5% increase in Basic Allowance would be an acceptable recommendation bearing in mind that monies would be released from the reduced number of Members.

2.4 Special Responsibility Allowances

The Panel discussed the situation of Committees with two Vice Chairs and the appropriate SRA payment.

Agreement was reached that the recommendation regarding SRA's would be one payment per category, resulting in the SRA for dual Vice Chairs being shared. The savings from this could then go towards increasing SRA's by 1.5%.

2.5 Member Champions

A request from the Leader of the Council for the Panel to consider remunerating a Member Champion was discussed. However, as Champion roles are not formal appointments with specific remits the Panel could not award a remuneration.

2.6 Broadband

This allowance was not in the remit of the Remuneration Panel and would be addressed by the Head of Service.

2.7 The Panel would like to record its thanks to those Members, invited speakers and Officers who made themselves available to talk to the Panel.

3 Panel Recommendation II

3.1. Basic Allowance

The Panel were firmly of the view that a 1.5% increase in Basic Allowance, in line with the increase in salary for West Lindsey District Council Employees was totally justifiable. The Panel therefore recommends a 1.5% increase to Basic Allowance and Special Responsibility Allowances.

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| Basic allowance | 5,228 |
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3.2 SRA – Special Responsibility Allowances

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| i) Leader of the Council | 11,747 |
| ii) Deputy Leader/s | 3,737 |
| iii) Leader of the Opposition | 3,737 |
| iv) Deputy Leader of the Opposition | 769 |
| v) Minority Group Leaders Per Group Member | 85 |
| vi) Chair & Vice Chair of Council (this amount to be apportioned at year end to whoever takes the chair) | 2,669 |
| vii) The Chairs of Policy & Resources & Prosperous Communities Committees | 2,669 |
| viii) The Chair of Planning Committee | 2,669 |
| ix) The Chairs of Governance & Audit & Challenge & Improvement Committees | 2,669 |
| x) The Chair of Licensing & Regulatory Committee | 2,669 |
| xi) Chair of Chief Officer Employment | 2,669 |
| xii) Vice Chairs of Committees | 1,282 |
| xiii) Chair Taxi & General Sub Committee | 1,282 |
| xiv) No change to the allowances for Co-optees, Dependent Carers or travel allowances. The Panel noted and commented that travel allowances are currently in line with the tax efficient rate authorised by the Inland Revenue. | |
| xv) Subsistence – No change (Receipts must be provided for subsistence claimed and attached to the claim form). | |

- a. Absence of more than four hours but no more than eight hours – only the cost of one meal can be reimbursed up to a maximum of £15.
 - b. Absence of more than eight hours but no more than 12 hours – only the cost of two meals can be reimbursed up to a maximum of £25.
 - c. Absence of more than 12 hours but no more than 16 hours – only the cost of three meals can be reimbursed up to a maximum of £33.
 - d. Absence of more than 16 hours but not including an overnight stay – only the cost of four meals can be reimbursed up to a maximum of £40.
 - e. Overnight – No Change – £83
 - f. Overnight (London or LGA) – No Change – £208
- xvi) No change to the mileage rate, which is in accordance with the tax efficient rate authorised by the Inland Revenue, of £0.45 per mile with first passenger supplement of £0.031; and additional passenger £0.021. Motorcycle allowance of £0.25 per mile, and bicycle allowance of £0.21 per mile.

However, should exceptional circumstances exist, the Panel did recognise that they may have to consider alternative options regarding transport.