
Report to: Cabinet
Council

Date of Meeting: 25 April 2013
14 May 2013

Subject: Scheme of Members Allowances

Report of: Director of Corporate Commissioning **Wards Affected:** All

Is this a Key Decision? No **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

To fulfil the requirements of the Local Authorities (Members' Allowances) (England) 2003 (as amended) that the Scheme of Allowances be reviewed each year and to recommend that the existing scheme be continued into the next Municipal Year.

Recommendation(s)

That the Cabinet be requested to submit the following recommendations to the Council for consideration on 14 May 2013:

- (1) That the existing Scheme of Allowances be implemented for the 2013/14 Municipal Year;
- (2) That the Scheme of Allowances be adjusted annually in accordance with the average of any pay increase awarded to Sefton Council employees.
- (3) That the publicity required as set out in Section 4 of the report be undertaken; and
- (4) That the Council's Constitution be amended to insert the revised Scheme.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

Reasons for the Recommendation:

To fulfil the requirements of The Local Authorities (Members’ Allowances) (England) 2003 (as amended) which require the Council to establish a scheme of Members’ Allowances in accordance with these regulations, to agree and publicise its Members’ Allowance Scheme and have an independent review at least every 4 years.

What will it cost and how will it be financed?

(A) Revenue Costs

The proposals contained within the report would be cost neutral until such time as any pay award is made to Sefton Council employees.

(B) Capital Costs

Nil

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal The Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) require authorities to make a scheme for the payment of allowances for members and before it makes or amends a scheme, to have regard to the recommendations of an independent remuneration panel.		
Human Resources		
Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

There is no impact on service delivery.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD 2213) and Head of Corporate Legal Services (LD 0041) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

There are no other options available for consideration.

Implementation Date for the Decision

Immediately following the Council meeting.

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Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require the Independent Remuneration Panel to review the Scheme of Members' Allowances on an annual basis unless the Scheme is linked to an index.
- 1.2 In preparation for the review, the Panel has received presentations on the budget of the Council and has sought the views of all Members of the Council. Minutes of the Panel meetings are available on the Council's website. The Scheme of Allowances is published as part of the Council's Constitution and is available on the Council's website.

2. Recommendations of the Panel

- 2.1 Cabinet will be aware that the Panel previously recommended a 'banded' scheme to the Council and this was subsequently amended by the Council to reduce the costs of Members' Allowances.
- 2.2 In response to comments submitted by Members the Panel resolved "...with regard to the comments made on the relationship between the Special Responsibility Allowances paid to the Chairs of the Planning and Licensing and Regulatory Committees and the Overview and Scrutiny and Audit and Governance Committees the Council is reminded that the Panel offered the current scheme to the Council with the intention that the Council should have the flexibility to appoint Councillors to such of the Bands as the Council considers appropriate for their duties".

3.0 Annual Adjustment of Allowances

- 3.1 In accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended), Part 3 s10 (4) and (5), the Panel does not have to review the Scheme of Allowances each year if the Scheme is index linked to provide for any annual adjustment.
- 3.2 The Panel considered the position across Merseyside in relation to this matter and resolved that

(1) having taken into account Sefton's current economic circumstances and acknowledging the fact that Council staff have not received a pay increase for three years, the Council be recommended to link increases in Members Allowances to the average pay increase given to Sefton Council employees;

(2) the annual adjustment in Members' Allowances be implemented for a period of four years in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) Part 3 Sections (4) and (5).

3.3 This does not prevent the Panel from reviewing the Scheme at any time, but allows for the Scheme to continue without a full review subject to the annual adjustment being applied.

4.0 Publicity for the Panel's recommendations

4.1 As soon as practicable after receiving the Panel's recommendations, the Council is required to ensure that copies of that report are available for inspection by members of the public. The minutes of the Panel are available on the Council's website for inspection. In addition the Council is required to publish in one or more newspapers circulating in its area, a notice which—

- (i) states that it has received recommendations from an independent remuneration panel in respect of its scheme;
- (ii) describes the main features of that panel's recommendations and specifies the recommended amounts of each allowance mentioned in the report in respect of that authority;
- (iii) states that copies of the panel's report are available at the principal office of the authority for inspection by members of the public at such times as may be specified by the authority in the notice; and
- (iv) specifies the address of the principal office of the authority at which such copies are made available.

4.2 Once the Council has considered the recommendations, a further notice must be published which must include any differences between the adopted Scheme and the recommendations of the Independent Remuneration Panel.