

REPORT TO: INDEPENDANT REMUNERATION PANEL

DATE: 4<sup>th</sup> June 2015

TITLE: Special Responsibility Allowances

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## 1.0 BACKGROUND

1.1 Following the local government elections in May 2015, the Council appointed a new Leader of the Council who, in turn, appointed a new Cabinet. The number of Cabinet Members has increased from the Leader plus 6 to the Leader plus 8 and the Chair of Planning Committee is now a Cabinet member. It was noted at the Adjourned Annual Council meeting held on 21<sup>st</sup> May 2015 that

“...it be noted that there will be no additional cost of the above arrangements. The Special Responsibility Allowance for Cabinet Members will be adjusted to ensure the new arrangements are cost neutral and the Independent Remuneration Panel is requested to confirm this position..”

## 2.0 CURRENT SCHEME OF MEMBERS ALLOWANCES

2.1 The latest Scheme of Members Allowances is contained at Appendix A. Members will recall that this scheme was based on multiples of the basic allowance to give the levels of special responsibility allowance for various posts. The cost of the Scheme under the previous Cabinet arrangements was as follows:

Basic Allowance	66 x £8794.51	£580,437.66
Leader of the Council	1 x £26,383.54	£26,383.54
Cabinet Member	6 x £17,589.03	£105,534.18
Party Leaders	2 x £4,397.26	£8794.52
Chair of Planning Committee	1 x £8,794.51	£8794.52
Chair of Licensing and Regulatory Committee	1 x £8,794.51	£8794.52
Chairs of Overview & Scrutiny Committees	4 x £4,397.26	£17,589.04
Chair of Audit & Governance Committee	1 x £4,397.26	£4,397.26

TOTAL COST		£760,725.24
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### 3.0 PROPOSAL FOR CONSIDERATION

3.1 Given the Leader of the Council's requirements that an amended Scheme of Members Allowances is cost neutral, the proposal is presented to the Independent Remuneration Panel for consideration which meets the following criteria

- contains the Special Responsibility Allowances (SRA's) within the existing budget allocation; and
- allows for the additional 2 Cabinet Member positions.

3.2 Given the current Scheme provides that only one allowance can be claimed per Member, a saving can be realised by the Chair of Planning having a seat on Cabinet. Therefore the allowance for the Chair of Planning Committee will no longer be required.

3.3 The existing Scheme is formulated by using a multiplier of the Basic Allowance to create the SRA's payable for various positions as follows:

Leader of the Council	3 x Basic
Cabinet Members	2 x Basic
Party Leaders	0.5 x Basic
Chair of Planning	1 x Basic
Chair of Licensing	1 x Basic
Chair of Overview and Scrutiny	0.5 x Basic
Chair of Audit & Governance	0.5 x Basic

3.4 In order to meet the requirements set out in paragraph 3.1 above, it is proposed that the basic allowance no longer be the applied multiplier for the Leader and Cabinet posts and that a multiplier of £7,246 be used instead. This represents a reduction in the multiplier of 17.6% based on the current Basic Allowance of £8794.51.

3.5 The impact of this reduction is shown at the table below (unchanged allowances are shaded grey).

Basic Allowance	66 x £8794.51	£580,437.66
Leader of the Council	1 x £21,738	£21,738
Cabinet Member	8 x £14,492	£115,936
Party Leaders	2 x £4,397.26	£8794.52
Chair of Licensing and Regulatory Committee	1 x £8,794.51	£8794.52
Chairs of Overview & Scrutiny Committees	4 x £4,397.26	£17,589.04
Chair of Audit & Governance Committee	1 x £4,397.26	£4,397.26
TOTAL COST		£757,687

#### 4.0 PROPOSED REVISED SCHEME OF MEMBERS' ALLOWANCES

4.1 Appendix A shows the proposed revised Scheme of Members Allowances in its entirety.

#### 5.0 RECOMMENDATION

5.1 The views of the Independent Remuneration Panel are sought for submission to the Council meeting on 16<sup>th</sup> July 2015.

## **MEMBERS ALLOWANCES SCHEME 2015/16**

The following scheme is made under powers conferred by Section 174 of the Local Government Act 1972 and the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) (the Regulations).

The scheme shall be cited as the Sefton Council Members' Allowances Scheme and have effect from 17 July 2015, and for subsequent years commencing on 1 April.

Increases in Members Allowances will be linked to the average pay increase given to Sefton Council employees; and the annual adjustment in Members' Allowances will be implemented for a period of four years in accordance with the Regulations. This does not prevent the Independent Remuneration 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.

In this Scheme, "Councillor" means a Member of Sefton Council who is a Councillor.

### **1. BASIC ALLOWANCE**

The Basic Allowance is a flat rate sum paid to all Members. It recognises the time devoted and expenses incurred by Members in carrying out their duties.

Subject to paragraph 4 the amount allocated for 2015/16 is £8,794.51

### **2. Special Responsibility Allowance**

In order to recognise additional time and expenses incurred by Councillors who have significant additional responsibilities in carrying out their duties for Sefton Council, and subject to paragraph 4, the following Special Responsibility Allowances shall be paid:

Only one Special Responsibility Allowance is paid per Member and the allowances for 2015/16 are:

Leader of the Council	£21,738
Cabinet Members	£14,492
Party Leaders	£4,397.26
Committee Chairs:	
Licensing and Regulatory	£8,794.51
Overview and Scrutiny	£4,397.26
Audit and Governance	£4,397.26

### **3. PART YEAR PAYMENTS**

If in the course of a year, the scheme is amended or a Councillor becomes, or ceases to be a Councillor, then all allowances shall be adjusted on a pro-rata basis.

### **4. Renunciation**

A Councillor may, by giving notice in writing to the Head of Corporate Finance & ICT elect to forgo any part of their entitlements to an allowance under the Scheme.

### **5. Mayoral Allowances**

The allowance paid to the Mayor is linked to the Scheme of Members Allowances and the following shall be paid:

Mayor	£13,191.77
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### **6. Travel and Subsistence**

Travel and Subsistence Allowances will be paid for travel to meetings etc outside of the borough which are authorised by the Council for example: -

- meetings and annual conferences of Outside Bodies to which Sefton has made appointments or nominations.
- meetings and annual conferences of Local Authority Associations of which Sefton is a member.
- meetings, conferences and other duties which have been authorised in advance by the Council, Cabinet or by a Party Leader.

### **7. Dependents Carers Allowance**

Members who incur additional expenses in order to arrange care for dependents may claim these expenses. This rate is based on the National Minimum Wage up to a maximum of £60 per week.

### **8. Claims and Payments**

Payments shall be made in respect of Basic and Special Responsibility Allowances in monthly instalments on the 15<sup>th</sup> day of each month by bank transfer.

All claims for additional expenses must be accompanied by receipts and will therefore be paid in arrears directly into Members Bank Accounts.

### **Outside Bodies Approved by Council**

Liverpool City Region Combined Authority  
Liverpool City Region Combined Authority Merseytravel Committee  
Liverpool City Region Combined Authority Scrutiny Panel  
Merseyside Fire and Rescue Authority  
Merseyside Police and Crime Panel  
Merseyside Waste Disposal Authority

### **Outside Bodies Approved by the Cabinet**

Aintree University Hospital NHS Foundation Trust  
Ashton Memorial Fund, Formby  
British Destinations  
Clarence High School, Freshfield – Governing Body  
Committee in Common – Healthy Liverpool Programme  
Consolidated Charities of Thomas Brown and Marsh Dole  
Formby Pool Trust – Board  
Frank Hornby Trust  
Halsall Educational Foundation  
Joint Health Scrutiny Committee  
Liverpool City Region Child Poverty and Life Chances Commission  
Liverpool City Region Employment and Skills Board  
Liverpool City Region Housing and Spatial Planning Board  
Liverpool City Region Local Enterprise Partnership Board  
Liverpool John Lennon Airport Consultative Committee  
Liverpool Women's NHS Foundation Trust  
Local Government Association – General Assembly  
Local Solutions  
Mersey Forest Steering Group  
Mersey Port Health Committee  
Merseyside Community Safety Partnership  
Merseyside Pensions Fund Pensions Committee  
Merseyside Playing Fields Association  
Merseyside Strategic Flood and Coastal Risk Management Partnership  
Merseyside Third Sector Technology Centre (3TC)  
North West Reserve Forces and Cadets Association  
North Western Inshore Fisheries and Conservation Authority  
North Western Local Authorities Employers' Organisation  
PATROL Adjudication Joint Committee (Parking and Traffic Regulations Outside London)  
Peterhouse School, Southport – Governing Body  
REECH Steering Group (Renewables and Energy Efficiency in Community Housing)  
Sefton Coast Partnership Board  
Sefton Council for Voluntary Service  
Sefton Cycling Forum  
Sefton Education Business Partnership  
Sefton New Directions Limited Board  
Sefton Sports Council

Southport and Ormskirk Hospital NHS Trust  
Southport Pier Trust  
Standing Advisory Committee for Religious Education (SACRE)  
The John Goore Charity, Lydiate  
Trans Pennine Trail Members' Steering Group