

**To the Chair and Members of the
COUNCIL**

**REPORT OF THE REMUNERATION PANEL ON A REVIEW OF ASPECTS OF
THE MEMBERS' ALLOWANCES SCHEME IN DONCASTER MBC**

EXECUTIVE SUMMARY

1. To consider the report of the Independent Remuneration Panel (IRP) on a review of aspects of the Scheme of Members' Allowances. The Chair of the Panel, Keith Marriott, will be attending the Council meeting to present the report.

RECOMMENDATIONS

2. That Council considers the recommendations of the IRP as set out below and determines whether to accept these.

That:-

- (i) an allowance of £606 per annum be paid to the independent member on the Audit Committee to take immediate effect;
- (ii) an all-inclusive attendance per hearing allowance be paid to each co-opted member on the Audit Hearings Sub-Committee at a rate of £150 per hearing;
- (iii) an all-inclusive attendance allowance of £50 be paid to each co-opted member on the Audit Hearings Sub-Committee for attendance at the Audit Committee meeting that considers the Annual Report of the Monitoring Officer report on complaint handling and ethical governance activity;
- (iv) recommendations (ii) and (iii) above take effect from 1st April 2015;
- (v) the inflationary index for determining annual increases in Member allowances be in line with the NJC pay award for Local Government employees;
- (vi) all other elements of the Members' Allowances Scheme remain unchanged; and
- (vii) further to consideration and determination of recommendations (i) – (vi) above, the Council gives authority to update the Members' Allowances Scheme within the Council Constitution accordingly.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

3. Citizens are made aware that the levels of allowances paid to Elected Members are recommended by a Panel, independent of the Council. Should the Council not support the recommendations of the Independent Panel, it is required to publically specify the reasons why.

BACKGROUND

4. Each Local Authority is required by law to have in place a Scheme for Members' Allowances.
5. As Members may be aware, before an Authority makes or amends a scheme it must have regard to the recommendations made by an Independent Remuneration Panel. The recommendations of the Panel are not binding on the Council.
6. The scheme provides for:-
 - (a) a basic allowance;
 - (b) a special responsibility allowance;
 - (c) a travelling and subsistence allowance;
 - (d) a co-optees allowance;
 - (e) a Dependent Carers Allowance;
 - (f) pensions;
 - (g) indexing of allowances;
 - (h) forgoing allowances; and
 - (i) withholding allowances.
7. Since the Full Council meeting held on 25th September, 2014, when changes to the membership of the Independent Remuneration Panel were approved, the Panel has met on two separate occasions to review some aspects of the current Scheme of Member Allowances.
8. The Independent Remuneration Panel in reaching its recommendations had regard to the schemes operating in a range of other Local Authorities and took into account evidence/information provided by Officers.
9. The report of the Panel is attached at **Appendix A**. A copy of the current Members' Allowances Scheme is set out in Part 6 of the Council's Constitution.
10. It should be noted that a staff pay award was recently agreed at a headline rate of 2.2% which runs from January 2015 to March 2016. Consequently, all Member Allowances will be increased by 2.2% with effect from January 2015.

OPTIONS CONSIDERED AND REASONS FOR RECOMMENDED OPTION

11. The Council is under a statutory obligation to consider the Panel's report, prior to determining its Scheme of Allowances. It is for the Council to decide whether or not it wishes to accept the recommendations of the Panel. Where the recommendations of the Panel are not accepted, the Council is required to give reasons for this.

IMPACT ON THE COUNCIL'S KEY PRIORITIES

12.

	Priority	Implications
	We will provide strong leadership and governance, working in partnership.	The proposals in this report comply with statutory requirements for considering revisions to the Scheme of Member Allowances.

RISKS AND ASSUMPTIONS

13. The Council must have regard to the recommendations made by the Panel when amending an existing scheme. The existing scheme must be revoked and any new scheme to take effect on the day that revocation of the previous scheme takes effect.

LEGAL IMPLICATIONS

14. Each local authority is required by the Local Government and Housing Act 1989 to have in place a Scheme of Members' Allowances.
15. In accordance with the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) the Council is required to consider the recommendations of an Independent Panel before amending its Scheme of Allowances payable to Members. Should Council not accept the recommendations of the Independent Panel, it is required to give reasons that will be included in the minutes of the meeting and the public notice advising of changes to the Scheme of Members' Allowances.

FINANCIAL IMPLICATIONS

16. The total current budget for Members' Allowances is £1,035,080. The above proposals maintain all allowances at the existing level except for paying an additional Co-optee's Allowance of £606 per year to the Independent Member on the Audit Committee, and switching from paying £303 per year to the former co-opted members of the Standards Committee to instead paying them an all-inclusive attendance per hearing allowance of £150 for attending any meetings of the Audit Committee's Hearings Sub-Committee.

It is also proposed to pay the same co-opted members on the Hearings Sub-Committee an all-inclusive attendance allowance of £50 once a year for attendance at the Audit Committee meeting that considers the Annual Report of the Monitoring Officer on complaint handling and ethical governance activity.

17. If there is one Audit Committee Hearings Sub-Committee per year, then all of the above changes would result in an additional cost of allowances of £200. If there isn't an Audit Committee Hearings Sub-Committee (there hasn't been a hearing for almost 4 years), then all of the above changes would result in a saving of allowances of £400.
18. The overall cost of Members' Allowances based on the IRP proposals will be contained within existing allowances budgets. Due to the very minor changes in allowances resulting from the recommendations, it is proposed to leave allowance budgets unchanged. However, as Member Allowances are increased in line with the NJC pay award for Local Government employees, 2.2% will be applied to the allowances budgets from January 2015. This increase in budget will be funded from the corporate pay award budget that has been set aside for this purpose.

Description	Current Budget	Proposed IRP Review Budget	Proposed IRP Review Budget With 2.2% Pay Award from Jan 2015 to Mar 2015	Proposed IRP Review Budget With 2.2% Pay Award from Apr 2015 to Mar 2016
	£	£	£	£
Basic Allowance	769,470	769,470	773,700	786,400
Responsibility Allowance	191,370	191,370	192,420	195,580
Co-opted Allowances	8,550	8,550	8,600	8,740
Mayoral Allowance	60,080	60,080	60,410	61,400
Civic Allowances	5,610	5,610	5,610	5,610
Total	1,035,080	1,035,080	1,040,740	1,057,730

19. It should be noted that the above budget amounts are the Base Budget figures that form the annual budget available each year, in line with the IRP recommendations, subject to approval. The 2014/15 Revised Budget includes an in year budget amendment that has been made to reflect the fact that the current Elected Mayor has chosen to receive a reduced Mayoral Allowance.

EQUALITY IMPLICATIONS

20. There are no specific equality implications associated with this report.

CONSULTATION

21. In carrying out its review of Members' Allowances, the Panel met with the Assistant Director of Finance and Performance and Head of Democratic Services who provided the Panel with a range of evidence and information to help inform its review.

BACKGROUND PAPERS

Report of IRP (Appendix A).

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