

BOROUGH OF KETTERING

Committee	EXECUTIVE	Item 14	Page 1
Report Originator	Helen Edwards Head of Democratic & Legal Services	<i>Fwd Plan Ref No:</i> A17/059	
Wards Affected	All	18th April 2018	
Title	REPORT OF INDEPENDENT REVIEW PANEL – MEMBERS' ALLOWANCES: ADOPTION OF A NEW SCHEME OF MEMBERS' ALLOWANCES		

Portfolio Holder: Cllr Lesley Thurland

1. PURPOSE OF REPORT

For the Executive to consider the findings of the Independent Review Panel and to make recommendations to Council for consideration at its meeting on 25th April 2018

2. INFORMATION

- 2.1 The Council is required to conduct a regular review of its members' allowances scheme. The current scheme of members' allowances was approved in April 2012, following the receipt of recommendations from the Independent Review Panel on Members' Allowances (IRP).
- 2.2 The composition of the IRP and the briefing pack was agreed by the Council's Standards Committee at its meeting on 9th October 2017. A letter was subsequently sent to all members inviting them to make representations to the Panel, either in writing or by personal appointment on the day of the meeting. A letter was also sent to the Clerks of all Town and Parish Councils in the Borough advising them of the review and inviting them to make representations. The date of the meeting of the Panel was also published on the Council's website, advising members of the public that they may submit representations if they so wished.

The panel's members were:-

Professor Steve Leach (Emeritus Professor of Local Government at De Montfort University, Leicester) who chaired the panel.

Ms Sue Watts (Business Development Manager of Northamptonshire Age UK)

Mr Danny Cannon (Kettering Multifaith Forum and a retired local businessman)

- 2.3 The IRP met on the 16th February 2018 and a copy of its subsequent report and recommendations are attached as **Appendix A** to this report.

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2.4 The Council is required to adopt a scheme of Members' Allowances that adequately supports Councillors in fulfilling the Council's priorities and provides the best possible opportunity for any resident who is qualified to become a local councillor to stand for election and serve. The Local Authorities (Members' Allowances) (England) Regulations 2003 require councils to establish and maintain an independent remuneration panel to provide the local authority with advice on its scheme and the amounts to be paid. Local authorities must have regard to this advice.

2.5 The Independent Review Panel were asked to consider the following matters:-

a) Members Allowances

- ◆ Basic Allowances
- ◆ Special Responsibility Allowances
- ◆ Allowance for provision of IT
- ◆ Travel and Other Allowances
- ◆ Childcare and Dependent Carer's Allowances
- ◆ Mayor's and Deputy Mayor's Allowances

b) The Ward Initiatives Fund

2.6 The Research and Development Committee at its meeting on 4th April considered the report of the panel, and recommends:-

- Individual councillor Ward Initiative Fund allocations to be increased to £1000 annually, with no central pool.
- The Ward Initiative Fund not be included in the Member Allowances review going forward
- That Member Allowances be frozen at 2017/18 levels.

2.7. At the meeting, it was noted that the ward initiatives fund was usually underspent and that this may have been one of the reasons for suggesting the option of a reserve fund which any member could bid into, rather than a simple increase in the amount per member. Research and Development Committee felt that this would be overly bureaucratic and that a larger amount per member would be more likely to be spent as it could go on larger projects currently out of reach.

3. CONSULTATION AND CUSTOMER IMPACT

3.1 The Standards Advisory Committee was consulted on 9th October 2017. It considered that there was a case to exercise austerity in respect of any increases to members' allowances, bearing in mind public perception should

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members be awarded a pay rise when officers had not had the same opportunity for their salaries to be reviewed in this way. However, it was noted that senior Councillors who were also Portfolio Holders needed to spend considerably more time on Council duties than other members and this should be taken into account. In addition, it was felt that there was a need to attract more people to put themselves forward for nomination, and that members' allowances needed to be fair for all councillors, some of whom may be in a better financial position than others. Members of the Advisory Committee welcomed the current scheme where annual increases were linked to officers' salary increases.

- 3.2 The briefing pack that was used by the review panel was made available to all members and placed on the Council's website.
- 3.3 All members and senior officers were notified of the date when the review panel was to meet and invited to make oral or written representations. A number of members and two senior officers took advantage of this.
- 3.3 In accordance with the Regulations, a public notice of the Panel's recommendations will appear in the local press subsequent to this meeting.

4. **POLICY IMPLICATIONS**

The terms of reference of the IRP included consideration of barriers to becoming councillors for different sections of the community and accordingly is in line with the Council's policies in relation to equalities.

5. **USE OF RESOURCES**

Financial

- 5.1 Although the terms of reference of the Independent Review Panel excluded the Panel from considering the financial implications, the Council will need to consider and take into account the budgetary implications when making their decision about the scheme.
- 5.2 The following table compares the current allowances and budget provision with the possible cost of the scheme under the options outlined in the IRP report;

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Proposed amended Members Allowances	No. Members	Individual		Total	
		Current Allowances (31/03/2018)	Independent Review Panel	Current Allowances (31/03/2018)	Independent Review Panel
Leaders Allowance	1	13,397	13,665	13,397	13,665
Deputy Leaders Allowance	1	8,469	8,708	8,469	8,708
Executive Member (Finance)	1	8,605	8,708	8,605	8,708
Executive Members (Portfolio Holders)	4	6,470	6,600	25,879	26,400
Leader of the Opposition	1	6,699	6,833	6,699	6,833
Deputy Leader of the Opposition	1	1,468	1,497	1,468	1,497
Chair of Planning Committee	1	5,335	5,442	5,335	5,442
Chair of Licensing Committee	1	4,001	4,081	4,001	4,081
Standards Committee Members	6	666	666	3,997	3,997
Mayor's Allowance	1	7,656	7,809	7,656	7,809
Deputy Mayor's Allowance	1	1,453	1,482	1,453	1,482
Chair of Standards Committee	1	2,667	2,720	2,667	2,720
All other Chairs of Committee	3	2,667	2,720	8,002	8,161
Basic Allowance	36	5,394	5,502	194,200	198,084
Total Annual Cost				291,829	297,589
Ward Initiatives	36	625	1,000	22,500	36,000
Total Annual Cost (Inc Ward initiatives)				314,329	333,589

Table 1: Proposed Members Allowances

To summarise,

- The budget for 2018/19 for Members allowances and Ward Initiatives is £320,329, this assumes that the increase in Members Allowances will be around 2% (£6,000)
- If Members Allowances and the ward initiatives fund were both to increase in line with the IRP then the total annual cost would be £333,589. The shortfall of £13,260 would need to be funded from a reserve in 2018/19.
- If Members Allowances were to remain at the current level and the ward initiatives fund was to increase to £36,000 in accordance with the Recommendations from the Research and Development Committee the annual cost would be £327,829. The shortfall of £7,500 would need to be funded from a reserve.

Constitutional

5.3 The Council's Constitution requires that proposed changes to the Constitution (of which the Scheme of Members' Allowances is part) are adopted by Council.

6. RECOMMENDATIONS

The Executive is asked to consider the views of the Research and Development Committee and make recommendations in respect of a new Scheme of Members' Allowances for consideration by Council at its meeting on 25th April 2018

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Background Papers:

Title of Document: Independent Review Panel
Briefing Pack

Date: October 2017

Previous Reports/Minutes:

Standards
Advisory Committee

Date: 9.10.17

R & D Committee

Date: 4.4.18

Executive Committee

Date: 18.4.18

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