

COUNCIL	AGENDA ITEM No.13(c)
12 OCTOBER 2016	PUBLIC REPORT

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**REVIEW OF PETERBOROUGH CITY COUNCIL'S MEMBERS' ALLOWANCES SCHEME –
REPORT OF THE INDEPENDENT MEMBERS' ALLOWANCES PANEL**

R E C O M M E N D A T I O N S	
FROM : Independent Members' Allowances Panel	Deadline date : N/A
<p>Council is requested to:</p> <ol style="list-style-type: none"> 1. Consider the report and recommendations of the Independent Members' Allowances Panel, as set out in Appendix 1 and summarised in paragraph 3 below; 2. Decide whether to adopt the recommendations of the panel in relation to the Member Allowance Scheme for 2017/2018; 	

1. PURPOSE AND REASON FOR REPORT

- 1.1 The Council has a statutory requirement to establish and maintain an Independent Members' Allowances Panel. This Panel will broadly have the functions of providing the local authority with advice on its Members' Allowances Scheme and the nature and level of allowances to be paid.
- 1.2 The Council is requested to consider the report and recommendations of the Independent Members' Allowances Panel, following its review of the Council's current Members' Allowances Scheme. The panel's report is set out in **Appendix 1** and its recommendations are summarised in paragraph 3 below,
- 1.3 The Council must 'have regard' to the Panel's recommendations but may then determine what actions, if any, it wishes to take.

2. BACKGROUND AND CONSULTATION

- 2.1 The Panel met on a number of occasions during July 2016 in order to review the current Members' Allowances Scheme. The Panel's report, which is attached at **Appendix 1**, sets out its findings and recommendations.
- 2.2 All Members of the Council were invited to make representations to the Panel, either in writing or in person, and the recommendations arising from the review were informed from a number of sources including those representations received.
- 2.3 Allowances, in their basic form, are paid to Councillors to 'cover all expenses and time incurred by a City Councillor in carrying out his/her duties for the Council'.

3. RECOMMENDATIONS ARISING FROM THE REVIEW

- 3.1 It is for Councillors to receive the report and to determine what action should be taken. The Panel noted that the Council had not adopted the scheme in the last five years and therefore, there had been no change in Members' allowances since 2009.
- 3.2 By comparison, the cost of living as measured by the Consumer Prices Index has increased around 12.25% over this period, meaning that the basic Member Allowance is now worth £975 less than in 2009. By comparison wages have risen by 4.25% for the majority of Council staff and 11.22% across the Public Sector as a whole, which would equate to increases of up to £895.
- 3.3 The Independent Panel has made the following recommendations: These recommendations were based on similar levels to those made in 2014.

3.2.1 Basic Allowance

The panel recommend that the basic allowance is wrapped up in one single allowance. The current basic allowance is £7,165.95 plus a telephone allowances of £568.68, and a travel and subsistence allowance of £227.45. (Total £7962.08). The panel recommend the current Basic Allowance, payable to all Members, should be increased from £7962 to £10,100 per annum and this should include all expenses for normal duties including payment for telephone and travel. Payments for the installation and payment of 2nd lines and monthly broadband costs should be discontinued.

3.2.2 Special Responsibility Allowance (SRA)

Currently SRAs are paid as a percentage of the basic allowances. The panel felt it was more equitable for special responsibility allowances to be paid as a percentage of the Leader's allowance, and the Leader's allowance should remain as now, as a multiple of the basic allowance. In most cases, this results in a smaller percentage increase for SRAs.

- (a) That Members continue to be restricted to one SRA.
- (b) That the Leader's SRA remains at the current multiple of the Basic Allowance, this being three times.
- (c) That the Deputy Leader's SRA should be paid at the rate of 66.67% of the Leader's SRA to recognise the role of Deputy in addition to the post holder's Cabinet responsibility. This was a reduction from 75% of the Leader's allowance
- (d) That Cabinet Members should continue to receive an SRA which is 50% of that paid to the Leader of the Council.
- (e) That Cabinet Advisors should continue to receive an SRA which is 25% of the Leader's SRA.
- (f) That the Chairman of the Planning and Environmental Protection Committee receive an SRA which is 30% of the Leaders SRA, an increase due to the heavy workload of this position.
- (g) That the Chairmen of the Audit Committee and the Licensing Committee receive an SRA which is 25% of the Leader's SRA.
- (h) That the Chairman of the Corporate Parenting Committee should be paid at 25% of the Leader's allowance (new allowance).
- (i) That the Chairman of the Employment Committee receives an SRA which is 6.25% of the Leader's SRA.
- (j) That the SRAs payable to Chairmen of Scrutiny Commissions and Committees be paid at 25% of the Leader's allowance.

3.2.3 Leader of Opposition Groups

To be paid at 25% of the Leaders SRA, to be divided pro rata as at present and in accordance with existing conditions.

3.2.4 Other Matters

- 1) Equipment: amend the scheme to include the following:
 - (a) A mobile phone or I pad
 - (b) Google notebook
 - (c) A printer
 - (d) Appropriate training for IT usage.
- 2) Car Park permit: car park scheme remain the same and the discount scheme should be applied equally to all Councillors including the Leader of the Council.
- 3) Car mileage rate should remain the same
- 4) Subsistence and refreshments for approved duties should be paid in line with the subsistence scheme paid to staff.

3.2.5 Annual Reviews

That the scheme is reviewed by the panel every four years, unless the Council requests a review as a result of changes or developments in councillor responsibilities (e.g. Chairman of Corporate Parenting Committee). In the intervening years Annual increases should be applied in accordance with staff salaries as follows.

The basic allowance is updated annually with effect from 1st April, at the same level as the National Joint Council for Local Government Services (green book), as notified by the Local Government Association each year.

3.2.6 Co-opted Members

It is recommended that Co-opted Members are paid a small allowance of £250 a year to cover their expenses for this role.

4. **CONSULTATION**

- 4.1 All Members were invited to make written representation to the Panel and offered the opportunity to address the Panel in person. The Panel has considered all submissions in detail.

5. **IMPLICATIONS**

- 5.1 **Legal** - The legal implications are referred to within the report.
- 5.2 **Finance** - The full cost of the proposals would add £186,000 to the Council's budget requirement. **Appendix 2** demonstrates the cost of the panel's recommendations to which NI contributions must be added.

6. **BACKGROUND DOCUMENTS**

None.

7. **APPENDICES**

Appendix 1 – Report of the Independent Panel
Appendix 2 – Financial Schedule

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