

<b>COUNCIL</b>	AGENDA ITEM No. 14(a)
<b>4 DECEMBER 2013</b>	<b>PUBLIC REPORT</b>

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

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM : Independent Members' Allowances Panel</b>	<b>Deadline date : N/A</b>
<p>Council is requested to:</p> <ol style="list-style-type: none"> <li>1. Note the recommendations of the Independent Members' Allowances Panel, as summarised in paragraph 3 below; and</li> <li>2. Determine the action it wishes to take in response to the recommendations contained within the report.</li> </ol>	

**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 recommendations of the Independent Members' Allowances Panel, as outlined at paragraph 3 below, following its review of the Council's current Members' Allowances Scheme.
- 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 October 2013 in order to review the current Members' Allowances Scheme. The Panel's report, which is attached at Appendix A, 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 The role of the Panel is a challenging one and consideration was given to recommending any increase in the allowances, whilst also recognising the current budget pressures being faced by the Council.
- 2.4 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'. Although it should be recognised that the role of Councillor carries with it an element of public

service which does not require financial recompense, it should also be recognised that Members' Allowances Schemes should seek to remove financial disadvantage as a barrier to people standing for election, in order to ensure the inclusion of the widest possible range of the community, irrespective of personal or economic circumstances.

2.5 The continued deferment of any increase in allowances on an annual basis may not only have a negative impact on the calibre of people attracted into the role of Councillor, but may also cause significant issues for the future once the economic pressures have eased.

2.6 The rationale behind any proposed increase in allowances should however be balanced against the current budget pressures being faced by the Council and obtaining support for any such proposed increases will require careful consideration of all relevant factors.

### **3. RECOMMENDATIONS ARISING FROM THE REVIEW**

3.1 The Panel recommends:

#### **3.2 Basic Allowance**

- That the current Basic Allowance, payable to all Members, should be increased from £7165.95 to £9300.00 per annum.
- That no changes be made to the telephone allowance or travel and subsistence elements of the scheme.

#### **3.3 Special Responsibility Allowance (SRA)**

- That Members continue to be restricted to one SRA.
- That the Leader's SRA remains at the current multiple of the Basic Allowance, this being three times.
- 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.
- That Cabinet Members receive an SRA which is 50% of that paid to the Leader of the Council.
- That Cabinet Advisors receive an SRA which is 25% of the Leader's SRA.
- That the Chairmen of the Planning and Environmental Protection Committee and the Licensing Committee receive an SRA which is 30% of the Leader's SRA.
- That the Chairman of the Audit Committee receives an SRA which is 25% of the Leader's SRA.
- That the payment to the Independent Member of Audit Committee remains unchanged.
- That the Chairman of the Employment Committee receives an SRA which is 6.25% of the Leader's SRA.
- That the SRAs payable to Chairmen of Scrutiny Commissions and Committees be paid at 25% of the Leader's allowance.

#### **3.3 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.

### **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 Panel’s proposals, if accepted, would result in an additional cost of £128,107 to the Council. The effect of these recommendations are set out in Appendix B. The budget for 2014/15 has not yet been determined.

## **6. BACKGROUND DOCUMENTS**

None.

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