

Report of:	Meeting	Date	Item No.
Marianne Hesketh, Service Director Performance and Innovation	Council	19 January 2017	10

Members' Allowances Scheme

1. Purpose of report

- 1.1 To inform Council of the outcome of the interim review of the Members' Allowances Scheme undertaken by the Independent Remuneration Panel.

2. Outcomes

- 2.1 A Scheme of Members' Allowances which appropriately reflects members' current roles, duties, responsibilities and commitments under the Council's Constitution.

3. Recommendations

- 3.1 That the implementation from 11 May 2017 of the previously agreed 1% increase in the Basic Allowance paid to all Councillors, be noted.
- 3.2 That no changes be made to any of the Special Responsibility Allowances (SRA's) prior to the next full review of the Scheme to be undertaken in the Autumn of 2017.
- 3.3 That two additional conditions for the payment of Carer's and Dependents Carers' Allowances, set out in 5.5 of this report be approved.

4. Background

- 4.1 The Council is required to appoint an Independent Remuneration Panel (IRP) to review periodically its scheme of allowances for Councillors. The current members of the Panel are Mr Ron Matthews (Chairman), Mr Michael Collins and Mr David Blight.

- 4.2** The last comprehensive review was undertaken in the autumn of 2014, with recommended changes approved at the Council meeting on 22 January 2015. No significant changes were made following an interim report last year. A full review will be undertaken by the Panel next year with recommendations being reported to Council in January 2018 which, if approved, will be implemented from May 2018.
- 4.3** The Panel has again conducted a “light-touch” interim review this year and has met collectively on just one occasion (22 November 2016), although members of the Panel have also considered and commented individually on documents sent to them by Council officers.
- 4.4** The Panel has considered:
- updated comparative information on allowances paid by a “family group” of similar authorities;
 - the impact of changes made to Wyre’s allowances in January 2015 and January 2016;
 - the actual payments made to each Wyre Councillor in 2015/16;
 - information about carers and dependent carers allowances paid by other councils in Lancashire.
- 4.5** All Councillors were invited to submit comments or suggestions for consideration. Only one response was received, relating to a particular Special Responsibility Allowance, which the Panel decided to consider when it reviews all SRA’s as part of its full review next year.

5. Key issues and proposals

Basic Allowances

- 5.1** In January 2015 the Council approved the recommendation of the IRP that the Basic Allowance be increased by 1% from 11 May 2016 and by a further 1% from 11 May 2017. The latest benchmarking information, collected in November 2016, has shown that Wyre’s Basic Allowance of £4,098 plus an IT allowance of £180 remains close to the average payment for the family group of similar authorities. The Panel considers that the planned further 1% increase from May 2017 remains appropriate and that no other changes are needed to the Basic Allowance this year.

Special Responsibility Allowances

- 5.2** The Panel has previously noted that the SRA’s paid to the Leader of the Council and members of the Cabinet in Wyre are at the higher end of the rank order for the family group of sixteen similar authorities. As stated in its report last year the Panel will consider these allowances (and all other SRA’s) in detail as part of the next fundamental review of the Scheme, which is to be undertaken in the autumn of 2017. No changes are recommended at this stage.

Carers' and Dependent Carer's Allowance

- 5.3** The Panel has been advised that information collated for a Lancashire democratic services network meeting has revealed that, although all Councils had similar provisions in their schemes for carer's and dependent carers' allowances, some councils have more prescriptive arrangements in place for approving such payments than are currently in place at Wyre. Wyre's current provisions, as set out in paragraph 7 of the Scheme, are attached as Appendix 1.
- 5.4** No Carer's or Dependent Carers allowances were paid in Wyre prior to 2015. Since then, one Councillor has received payments for 29.5 hours childcare costs incurred whilst attending 12 meetings, in accordance with the provisions of the Scheme.
- 5.5** The Panel has concluded that that the levels of payments at Wyre and the purposes for which they are paid are straightforward and reasonable and is not recommending any changes to those elements. However, the Panel considers that it would be helpful to any Members submitting future claims for these allowances and to the officers processing such claims, if the conditions attached to the eligibility for payments were set out more explicitly in the Scheme. This would also have the benefit of improving accountability and transparency. Two new conditions are therefore proposed, to reflect what is considered to be the best practice arrangements in other Council's in Lancashire, namely that :
- receipts for the care costs incurred must be provided;
 - allowances cannot be claimed for care provided by an immediate family member or a member of the Councillors household.

Financial and legal implications	
Finance	The cost of the proposed 1% increase in allowances for 2017/18 will be £3,080 and will be reflected in the draft revenue estimates due to be considered by the Cabinet at its meeting on 15 February and which are subject to approval by the Council on 2 March.
Legal	The Council has a duty under regulation 19 the Local Authorities (Members' Allowances) (England) Regulations 2003 to have regard to the recommendations of the Panel when considering any changes to the Scheme. The Council is also required, under regulation 22 of the regulations, to publicise receipt of the report and the main features of the Panel's recommendations.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
data protection	x

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List of background papers:		
name of document	date	where available for inspection
None	-	-

List of appendices

Appendix 1: Current Carer's and Dependent Carers' Allowance.

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Carer's and Dependent Carers' Allowance

Extract from Part 6.01 of the Constitution

7. Carer's and Dependants Carers Allowance

Payments will be made for expenses that are actually and necessarily incurred by Members in the conduct of approved duties as defined in Section B. Care relates to dependant relatives living with the Member or co-optee, as follows:

- (i) children aged 14 or under;
- (ii) elderly relatives requiring full-time care; and
- (iii) relatives with disabilities who require full-time care.

The current rate is shown at Appendix A.

This rate will be amended as necessary in order to reflect the national minimum wage.

Extract from Appendix A in Part 6.02

Dependants Carers Allowance

Amount per hour, calculated from time leaving home to time returning home, paid in accordance with the national minimum wage.