

AGENDA ITEM:**13.1****COMMITTEE: COUNCIL****DATE: 20TH JANUARY 2009****SUBJECT: MEMBERS' ALLOWANCES****REPORT BY: CHIEF EXECUTIVE (HEAD OF LOCAL
DEMOCRACY)****CONTACT OFFICER: JOHN HARPER 01582 546045****IMPLICATIONS:**

LEGAL	✓	COMMUNITY SAFETY
EQUALITIES	✓	ENVIRONMENT
FINANCIAL	✓	CONSULTATIONS
STAFFING		OTHER

WARDS AFFECTED: ALL

PURPOSE

1. The purpose of this report is to enable the Council to consider the Report of the Independent Panel on Members' Allowances and to approve a Scheme of Members' Allowances (the Scheme) under the Local Authorities (Members Allowances) (England) Regulations 2003 and the Local Authorities (Members Allowances) (England) (Amendment) Regulations 2003 (the Regulations).

RECOMMENDATION(S)

2. That the Council receive the report of the Independent Panel of Members' Allowances and give consideration to what, if any, elements of the proposed Scheme of Members' Allowances should be adopted under the Local Authorities (Members Allowances) (England) Regulations and the Local Authorities (Members Allowances) (England) (Amendment) Regulations 2003 with effect from 1st April, 2009.

REPORT

3. The Regulations referred to above make provision for local authorities to:-
 - (a) Prepare schemes for the payment of allowances to their Members which must include a basic allowance and may include payments for Special Responsibility Allowance, dependent carers' allowance, travelling and subsistence allowance and co-optees allowance.
 - (b) Administer and publicise any scheme of allowances.
 - (c) Establish an Independent Panel to make recommendations on allowances.
4. The Council are required to adopt a Scheme to come into force on 1st April, 2009.
5. In addition, the Regulations make provision concerning Members' entitlement to pensions in accordance with a scheme made under Section 7 of the Superannuation Act 1972 and concerning which allowances may be treated as amounts in respect of which pensions are payable and the Council has already accepted the decision of the Independent Panel not to make Members of the Council eligible for membership of the Local Government Pension Scheme.
6. The Council has an Independent Panel which, at the beginning of the current Municipal Year, comprised:-

Klazina Coleman
Peter Hunt (Chair)
Abdul Malik
Gary Needham
7. Officers will shortly begin a process to refresh and reinforce the Panel with new members in time for the revised membership to be reported to the Annual meeting of the Council in May 2009.
8. The current Scheme does not include reference to a dependent carers' allowance, travel and subsistence allowances and these issues together with a review of the current level of Basic and Special Responsibility allowances have been considered by the Independent Panel at a series of meetings arranged during October to December, 2008.

LEGAL IMPLICATIONS

9. The legal implications for the Council are as set at out in paragraphs 3 and 4 above and this has been agreed with Richard Stevens in Legal Services on 8th January 2009.

EQUALITIES IMPLICATIONS

10. The intention of the Regulations in requiring the establishment of an Independent Panel on Members' Allowances by each Local Authority included the desire to extend the opportunity to become a Councillor to as wide an audience as possible, through the development of local remuneration schemes.
11. The independent panel have consistently held this intention as one of the principles under which they have made their recommendations.
12. This has been agreed with the Head of Equalities on the 8th January 2009.

FINANCIAL IMPLICATIONS

13. The full impact of the Panel's recommendations would result in an additional cost of £105,000 in a full year, and a growth bid in that sum has been completed and provision has been made in that sum in the draft revenue budget for 2009/2010.
14. Officers have made no provision for any increase in the level of Members' Allowances in the preparation of the draft budget for 2009/2010.
15. The draft revenue estimates for 2009/2010 include a total provision of £387,420 for Members' Allowances which sum is based on the estimated expenditure under the current scheme together with an allowance for National Insurance where this is payable. These implications were agreed by the Finance and Airport Client Manager on 8th January 2009.

APPENDIX

16. Appendix A: Report of the Independent Panel on Members' Allowances – 10th December 2008.

BACKGROUND PAPERS

17. Local Authorities (Members Allowances) (England) Regulations 2003
18. Local Authorities (Members Allowances) (England) (Amendment) Regulations 2003.