

Meeting: Council

Date: 31 January 2019

Wards Affected: All wards

Report Title: Members Allowances Scheme – Recommendations from the Independent Remuneration Panel

Is the decision a key decision? No

When does the decision need to be implemented? 5 May 2019

Executive Lead Contact Details: Elected Mayor Oliver, Executive Lead for Assets, Finance, Governance and Corporate Services, Economic Regeneration and Transformation, 01803 207001 and mayor@torbay.gov.uk

Supporting Officer Contact Details: Amanda Coote, Governance Team Leader, 01803 207026 and Amanda.coote@torbay.gov.uk

1. Proposal and Introduction

- 1.1 To ensure that Members receive allowances which reflect the level and time commitment required to fulfil their roles and that the scheme complies with relevant legislation and guidance. The proposals also includes a Special Responsibility Allowance (SRA) for the position of Leader of the Council and Deputy Leader following the change in Governance arrangements which come into effect after the local election in May 2019.

2. Reason for Proposal and associated financial commitments

- 2.1 To ensure the Members' Allowances Scheme is up to date. The proposed allowances reflect the 2% pay increase which will come into effect from 1 April 2019.
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3. Recommendation(s) / Proposed Decision

- 3.1 that the Council considers and endorse the recommendations of the Independent Remuneration Panel which are set out in paragraphs (a) to (w) of Appendix 1;
- 3.2 that, in light of the decision made in respect of 2.1 above, the Governance Support Manager is requested to bring the Members' Allowances Scheme up to date;
- 3.3 that the Monitoring Officer be requested to update the Council's Constitution from May 2019 to reflect the number of Scrutiny Leads recommended by the Panel; and

3.4 that the Independent Remuneration Panel be appointed to undertake a further review once the Leader and Cabinet system has been in operation for a period of three months.

Appendices

Appendix 1: A Review of Members' Allowances for Torbay Council – The Eighth Report by the Torbay Independent Remuneration Panel.

Appendix 2: The SRA's from the current Members' Allowances Scheme and proposed SRA's.

Supporting Information

Current Members' Allowances Scheme;

Torbay Council's Officer Structure Chart;

Torbay Council Expenses Policy (this is the officers expenses policy);

Benchmarking data for other Authorities;

Feedback from the South West Independent Remuneration Panel Chairs meeting;

Update from the Director of Corporate Services on the new governance arrangements effective from May 2019;

Update on from the Section 151 Officer on the budget setting process for local authorities;

Minutes from the meeting of Council held on 5 December 2018.

Section 1: Background Information

1. What is the proposal / issue?

With effect from May 2019 the Council will have a new system of Governance with the removal of a directly elected Mayor and Executive and the introduction of a Leader a Cabinet model.

The Independent Remuneration Panel last undertook a review of the Members' Allowances Scheme in 2015 following the local elections. It is recommended that Panel's should meet at least once every four years to review members' allowances schemes to ensure that they are fit for purpose and continue to reflect the needs of the Authority.

2. What is the current situation?

Following the referendum in 2016, in May 2019 the Council will move to a Leader and Cabinet model.

In respect of allowances under the current scheme, the elected Mayor receives the same basic allowance as councillors (£8,668 from 1 April 2019), plus a special responsibility allowance which on 1 April 2019 will be £57,784. Under the Mayoral system the elected Mayor is required to appoint a councillor as Deputy Mayor and the special responsibility allowance for this role as at 1 April the SRA will be £21,467.

From May 2019 the Leader of the Council is elected by the Council from the 36 councillors. The Leader would be paid the same basic allowance as all the other councillors, plus a special responsibility allowance for being the Leader.

The Independent Remuneration Panel reviewed the SRA's of other authorities and also had regard to the SRA for the Leader and Deputy Leader positions in place in Torbay before the elected Mayor system of Governance in 2005.

The proposals contained in this report will commit the Council financially for 4 years after the local elections.

The Independent Remuneration Panel met on 4 and 8 January 2019 to review the Members' Allowances Scheme. The Panel resolved to:

- (a) review the level of basic allowance payable to all members;
- (b) review the responsibilities and duties that should lead to the payment of a Special Responsibility Allowance and the level of any such allowance;
- (c) review the level of allowance payable to co-opted members;

	<ul style="list-style-type: none"> (d) review the duties for which travelling and subsistence allowances should be payable, the level of any such allowances and the method for payment; (e) review the provision of car park arrangements available to members; (f) review the provision of ICT equipment available to members; (g) review the level of allowance payable for childcare and dependent care; and (h) review the method adopted for the updating of allowances on an annual basis. <p>The Panel's report was published on the Council's website on 18 January 2019. The Council is now required to consider the report of the Independent Remuneration Panel.</p> <p>Members can decide to accept all of the recommendations of the Panel or approve particular ones. Members should note the references made by the Panel as to the significant number of matters that are currently unclear in respect of how the leader and cabinet model will work in practice and therefore there is a recommendation that the Panel undertake a review after the system has been operation for a period of three months.</p> <p>The Panel's report set outs their methodology to their report and the reasoning behind their recommendations.</p>
<p>3.</p>	<p>What options have been considered?</p> <p>The Independent Remuneration Panel reviewed the Basic Allowance and SRA's at other authorities.</p>
<p>4.</p>	<p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan?</p> <p>The Local Authorities (Members' Allowances) (England) Regulations 2003 requires local authorities to make a scheme of allowances and calculation of basic allowance and SRA which supports all aspects of the Corporate Plan through the good governance of the Council.</p>
<p>5.</p>	<p>How does this proposal contribute towards the Council's responsibilities as corporate parents?</p> <p>There is no direct contribution towards the Council's responsibilities as corporate parents. All councillors, regardless of any areas of special responsibility, are required to make sure that the Council is meeting its duties towards children in care and care leavers.</p>

6.	<p>How does this proposal tackle deprivation?</p> <p>There is no direct contribution towards tackling deprivation.</p>
7.	<p>How does this proposal tackle inequalities?</p> <p>The proposed scheme ensures that there is a fair and consistent rate of allowances in respect of the basic allowance and additional responsibility members undertake.</p>
8.	<p>How does the proposal impact on people with learning disabilities?</p> <p>The proposed scheme ensures that the Scheme is fair and consistent for all members.</p>
9.	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The proposal will have an effect for all members after the local election in May 2019.</p>
10.	<p>How will you propose to consult?</p> <p>The Mayor and Group Leaders were informed of the recommendations of the Independent Remuneration Panel.</p>

Section 2: Implications and Impact Assessment

11.	<p>What are the financial and legal implications?</p> <p>Legal: None</p> <p>Finance: The recommendations of the Independent Remuneration Panel place a financial commitment on the Council for 4 years. The Panel has recommended a Scheme which makes a saving compared to the current scheme. Council has the discretion to adopt or amend the recommendations of the Independent Remuneration Panel.</p>
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<p>12.</p>	<p>What are the risks?</p> <p>There is a requirement to review the Members' Allowance Scheme in advance of the local election in May 2019, in particular to ensure it reflects a SRA for the Leader and Deputy Leader. This review has been completed. Therefore there are no risks unless members fail to determine the matter.</p>
<p>13.</p>	<p>Public Services Value (Social Value) Act 2012</p> <p>The proposal does not require the procurement of services or the provision of services together with the purchase or hire of goods or the carrying out of works. Therefore the above Act does not apply.</p>
<p>14.</p>	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>The Independent Remuneration Panel were provided with benchmarking information of other local authority's allowances' Schemes. The Panel also heard evidence from members on the current Scheme and suggested variations to a future scheme.</p>