

# Agenda Item

**Brighton & Hove City Council**

**Meeting:** Policy & Resources Committee  
Council

**Date:** 19 November 2003  
27 November 2003

**Report of:** Director of Communications & Democratic Services

**Subject:** Review of Members' Allowances Scheme

**Ward affected:** All

## **1. Purpose of Report and Policy Context**

1.1 To consider the recommendations of the Independent Remuneration Panel on the Review of the Members' Allowance Scheme in the light of new Regulations affecting Members' Allowances which came into force on 1<sup>st</sup> May 2003.

## **2. Recommendations**

2.1 That Policy and Resources Committee accept the report of the Independent Remuneration Panel, as set out in Appendix 1 to this report, with the exception of Section 6 (Pensions for Councillors), and the related recommendation (j) in Section 9.

2.2 That the issue of pensions for Councillors be deferred until officers have calculated the financial implications and assessed the likely take-up amongst Members.

2.3 That the Chief Executive be authorised to amend the Brighton & Hove Members' Allowance Scheme to reflect the foregoing, to submit to Council for adoption, and issue the revised scheme following Council approval.

2.4 That an allowance of £200 p.a. be payable to each of the Members of the Independent Remuneration Panel with effect from 1<sup>st</sup> April 2003, in recognition of their time commitment and their important role.

## **3. Background/Information**

3.1 The Local Government Pension Scheme and Discretionary Compensation (Local Authority Members In England) Regulations 2003 and the Local Authorities (Members'

Allowances) (England) Regulations 2003 came into force in on May 1<sup>st</sup> 2003. The Council is required to revise its Members' Allowances Scheme by 31 December 2003 in order to comply with the new Regulations.

3.2 In order to revise its Members' Allowances Scheme, the Council is required to have regard to the recommendations of the Independent Remuneration Panel. The Panel have therefore been requested to review the Members' Allowances Scheme in the light of the new Regulations, and make recommendations to the Council on:

- (a) the level of Basic allowance to be paid to all Councillors;
- (b) the responsibilities for which Special Responsibility Allowances (SRAs) should be payable (only one Special Responsibility Allowance is payable per Councillor);
- (c) the amounts of SRA payable, ;
- (d) the most appropriate method for paying a travel and subsistence allowance, and mileage and subsistence rates payable to Councillors on approved duties;
- (e) which Councillors should be entitled to join the Local Government Pension Scheme;
- (f) whether payment of a co-optee's allowance is warranted.

3.3 The Panel has met throughout 2003 to undertake a detailed and comprehensive review of the matters outlined above. In order to arrive at their recommendations, the Panel has considered:

- (a) the findings of the diary sheet exercise completed by 47 Councillors, and a comparison with figures for 2002;
- (b) written submissions from 32 Councillors who submitted supplementary sheets with their diary sheets;
- (c) information obtained from discussions with a cross-section of Councillors nominated by Group Leaders;
- (d) comparative information on levels of allowances paid, and decisions taken, in other councils;
- (e) summarised role profiles for each of the main roles;
- (f) the latest regional and national earnings information;
- (g) using a formula to set levels of remuneration.

3.4 The Panel has also taken into account the unique constitution of Brighton & Hove City Council as being a unitary authority operating a hybrid structure comprising both a committee system and a scrutiny function. Note has also been taken of the impact of the reduction in the number of Councillors since the May 2003 election, and of ward boundary changes. A copy of the Panel's report is attached at Appendix 1, and the Panel's recommendations are summarised in Section 9 the report.

#### **4. Consultation**

- 4.1 The Panel has met with the Deputy Leader of the Council and the Leaders/ Convenor of all political groups. The comments made by those Councillors who submitted supplementary sheets as part of the diary sheet exercise have also been taken into consideration. The recommendations of the Independent Remuneration Panel are being reported to Policy & Resources Committee, where all party groups are represented, before being submitted to full Council on 27 November 2003.

## COMMITTEE REPORT APPENDIX



<b>Meeting/Date</b>	<b>Policy &amp; Resources Committee 19 November 2003</b>
<b>Report of</b>	Director of Communications & Democratic Services
<b>Subject</b>	<b>Review of Members' Allowances Scheme</b>
<b>Wards affected</b>	All
<p><b>Financial implications</b></p> <p>The cost of the proposed Members Allowances scheme is, in total, less than for the previous 78 Member authority, and will be contained within current Communications and Democratic Services' budgets. The full year cost of members entering the Local Government Pension Scheme will need to be determined as a result of further discussion and the assessment of potential take-up, and a decision taken in the light of that information.</p> <p>Finance Officer consulted: <i>Chris Taylor</i> <span style="float: right;">Date <i>07 November 2003</i></span></p>	
<p><b>Legal implications</b></p> <p>The proposals in this report comply with the legal requirements under the Local Government Act 2000, the Local Authorities (Members' Allowances) (England) Regulations 2003 and the Local Government Pension Scheme and Discretionary Compensation (Local Authority Members I England) Regulations 2003.</p> <p>The additional Special Responsibility Allowance referred to in paragraph 2.1 (n) cannot take effect until a further decision by the Council and will therefore not form part of the amended scheme</p> <p>Lawyer consulted: Abraham Ghebre-Ghiorghis, Head of Law. <span style="float: right;">Date 30 October 2003</span></p>	

<b>Corporate/Citywide implications</b>	<b>Risk assessment</b> Not applicable
<b>Sustainability implications</b> There are no direct sustainability issues arising from the report.	<b>Equalities implications</b> The recommendations explicitly seek to encourage a wider cross-section of the community to become councillors, and reduce the financial disincentives which deter a broader spectrum of people from serving as Councillors.
<p><b>Implications for the prevention of crime and disorder</b></p> <p>There are no specific implications arising from this report.</p>	

<p><b>Background papers</b></p> <ol style="list-style-type: none"> <li>1. Local Government Pensions Committee Circular 136 April 2003</li> <li>2. Reviewing Members' Allowances, INLOGOV, University of Birmingham March 2003</li> </ol>
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## COMMITTEE REPORT APPENDIX

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