

**Meeting:** Policy & Resources Committee  
Council

**Date:** 28 June 2007  
12 July 2007

**Report of:** Director of Strategy & Governance

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

**Ward affected:** All

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

1.1 To consider the recommendations of the Independent Remuneration Panel (IRP), in relation to its recent review of Members' Allowances. The IRP has been in existence for 6 years and reports annually to council on the level of allowances it feels are appropriate for both the basic allowance and special responsibility allowance that are payable to Members, as well as the rates for travel, subsistence, carer's and co-optees.

**2. Recommendations**

2.1 That Policy and Resources Committee accept the recommendations of the Independent Remuneration Panel, as set out in its report which is listed as appendix 2.

2.2 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.

2.3 That the allowance payable to each of the Members of the Independent Remuneration Panel be increased to £500 with effect from 25<sup>th</sup> May 2007, (this being the day after the Annual Council meeting and line with the effective date recommended by the Panel for increases in Members' Allowances), in recognition of their time commitment and their important role.

### **3. Background/Information**

- 3.1 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 has taken the view that in having regard to the Local Authorities (Members' Allowances) (England) Regulations 2003 and the changes to the nature of the Council in 2003, it should continue to review the Members' Allowances Scheme and make recommendations accordingly to the Council on:
- (a) the level of Basic allowance to be paid to all Councillors;
  - (b) the responsibilities for which Special Responsibility Allowances (SRA's) should be payable (only one Special Responsibility Allowance is payable per Councillor);
  - (c) the amounts of SRA payable;
  - (d) the payment of travel and subsistence allowance, and mileage and subsistence rates payable to Councillors on approved duties;
  - (e) the payment of co-optees' allowances.
- 3.2 The Panel decided that an activity record exercise should be conducted to record the time commitments to various aspects of their role by all councillors so that the information could be considered as part of the following aspects of the Panel's review:
- (i) The level of Basic Allowance
  - (ii) The levels of SRA's
  - (iii) The roles of the Chairs of CYPOSC and HOSC
  - (iv) Planning, in view of previous concerns raised by Members about the workload associated with serving on the Planning Applications Sub-Committee.
- 3.3 The Panel held interviews with Back Bench Members, those Members holding positions of additional responsibility for which an SRA was paid, the Leaders of the Council, and the Chair of HOSC. Panel members attended various meetings of OSOC, HOSC and CYPOSC to ascertain the role of and impact on Members' time. The Panel also received information on the various levels of SRA's and payments made to Chairs and Deputy Chairs by other comparable authorities and those within the Audit Family.
- 3.4 The Panel met on 9 occasions and its recommendations are contained within its report which is appended as Appendix 2 to the report.
- 3.5 The Panel also looked at the level of responsibility for the Chairs of CYPOSC and HOSC and concluded that an SRA for the positions was appropriate and that they should be included within the Members Allowances Scheme. The Panel also felt

that further review was required to ensure that an appropriate level of SRA was paid in view of the changing nature of both scrutiny functions.

- 3.6 The Panel also took account of the latest regional and national earnings information in relation to any increase in allowances and in comparison to a salary inflationary increase.

#### **4. Consultation**

- 4.1 The Panel met with the Chief Executive and the Leader of Council following the elections in May and has taken on board their views in respect of the SRA's and in conjunction with the findings of its review and consultations with Members as part of the review process.

- 4.2 The recommendations of the Independent Remuneration Panel are being reported to Policy & Resources Committee, where all party groups are represented, before being submitted to the Full Council on 12 July 2007.

## COMMITTEE REPORT APPENDIX

<b>Meeting/Date</b>	<b>Policy &amp; Resources Committee 28 June 2007 Council 12 July 2007</b>	
<b>Report of</b>	<b>Director of Strategy &amp; Governance</b>	
<b>Subject</b>	<b>Review of Members' Allowances Scheme</b>	
<b>Wards affected</b>	<b>All</b>	
<b>Financial implications</b>	<p>The proposed Members' Allowances revenue budget for 2007/08 has been set at £1m with the inclusion of provision made for national insurance and superannuation contributions based on the level of take up. The Basic Allowances will rise by a total of £12,944 to £591,084 in the full year. The proposed 27 SRA's will amount to a total of £212,575. Based on current forecasts, the proposed increase can be accommodated within the proposed budget for 2007/08.</p>	
<b>Finance Officer consulted:</b>	<i>Patrick Rice</i>	<i>Date: 06/06/07</i>
<b>Legal implications</b>	<p>The proposals in this report comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003 and associated guidance. There are no adverse Human Rights Act implications arising from this report.</p>	
<b>Lawyer consulted:</b>	Abraham Ghebre-Ghiorghis, Head of Law. Date 06/06/07	
<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.	
<b>Implications for the prevention of crime and disorder</b> There are no specific implications arising from this report.		
<b>Background papers</b>		
<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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**Appendices**

Appendix 2 Report of the Independent Remuneration Panel