

North Somerset Council

REPORT TO THE COUNCIL

DATE OF MEETING: 11 JULY 2023

SUBJECT OF REPORT: REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES

TOWN OR PARISH: ALL

OFFICER/MEMBER PRESENTING: ASST DIRECTOR LEGAL & GOVERNANCE

KEY DECISION: N/A

RECOMMENDATIONS

Council is asked to:

- a) Receive the attached report of the Independent Remuneration Panel and thank the members of the Panel for their work in producing the report
- b) Consider the attached report and select one of the following resolutions:
 1. Approve the Panel's recommendations and instruct officers to implement the new allowance scheme; OR
 2. Approve the Panel's recommendations, subject to specified amendments and instruct officers to implement the new allowance scheme as amended; OR
 3. Not approve the Panel's recommendations and ask the Panel to reconsider its proposed scheme (giving guidance as to the issues to be reconsidered) and instruct the officers to continue to administer the existing allowance scheme pending consideration of a further report from the Panel.

1. SUMMARY OF REPORT

The Independent Remuneration Panel has undertaken a review of the scheme for members' allowances and this report places its recommendations before Council.

2. DETAILS

The 1989 Local Government and Housing Act requires this Council, along with all other local authorities, to establish and maintain a scheme for members' allowances. The basic provisions of the Act have been supplemented by subsequent regulations.

The Local Authorities (Members' Allowances) (England) Regulations 2003 require councils to establish and maintain an independent remuneration panel. The purpose of this panel is to make recommendations to the authority about the allowances to be paid to elected members. Local authorities must have regard to such recommendations.

The Regulations provide that a members' allowances scheme can provide for the following allowances to be payable to elected members of local authorities:

- basic allowance
- special responsibility allowance
- childcare and dependent carers' allowance
- travel and subsistence allowances

The Panel has met to consider recommendations to Council and is now in a position to present its findings to Council. The chairman of the Panel, David McFarlane, has indicated that he will be available to attend the meeting virtually if advised in advance that his presence would be helpful to members.

3. THE PANEL'S REPORT

The report of the Panel is attached as Appendix A.

In considering the report, Council should be aware that the Panel's recommendations are not binding on the Council, but the Council must be seen to give due consideration to the Panel's work and should give reasons where it does not agree with a Panel's recommendation.

There are thus three broad options available to the Council in considering the recommendations:

1. Approve the Panel's recommendations and implement the new allowance scheme; OR
2. Approve the Panel's recommendations, subject to specified amendments (giving reasons for those amendments) and implement the new allowance scheme as amended; OR
3. Not approve the Panel's recommendations and ask the Panel to reconsider its proposed scheme (giving guidance as to the issues to be reconsidered) and continue to administer the existing allowance scheme pending consideration of a further report from the Panel.

4. CONSULTATION

In considering its recommendations the Panel considered evidence from other local authorities and from Council members

5. FINANCIAL IMPLICATIONS

A table listing details of the current and proposed allowances is included within the attachment and shows that there would be an increase of £74,814 should the Panel's recommendations be implemented in full.

Given that Members have a choice in terms of their recommendations, an alternative proposal has been included for illustrative purposes which shows the potential financial

values and impacts if the Panel's recommendations in respect of the Basic Allowance, was accepted but phased in and implemented over a two-year period. This potential option would result in an increase of £41,214.

The council's annual financial planning processes will have assumed inflationary uplifts in the budget for members allowances, as well as any changes linked to the national insurance employer contributions and travelling and subsistence payments.

A comparison to the budget shows that implementing the Panel's recommendations in full would cost an additional £33,600 and the alternative option of phasing the basic allowance increase over two years would be contained with the existing budget provision.

6. LEGAL POWERS AND IMPLICATIONS

Detailed in paragraph 2 above.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None arising directly from the subject matter of this report.

8. EQUALITY IMPLICATIONS

None

7. CORPORATE IMPLICATIONS

None

8. OPTIONS CONSIDERED

The options now open to the Council are set out in paragraph 3 above.

9. RISK MANAGEMENT

N/A

AUTHOR

Nicholas Brain – Asst Director Legal & Governance. Contact 01934 634929

BACKGROUND PAPERS

Existing Scheme of Members' Allowances

	Current Scheme		1) Panel Recommendation		2) Alternative Proposal		Number	Estimated Costs		
	2021/22 £	2022/23 £	2023/24 £	Change £	2023/24 £	2024/25 £		2022/23 £	1) 2023/24 £	2) 2023/24 £
Allowances paid to Members										
Basic Allowance	9,290.86	9,666.21	11,010.00	1,343.79	10,338.00	11,010.00	50	483,311	550,500	516,900
Leader of the Council	29,316.00	30,500.00	30,500.00	0.00	30,500.00	30,500.00	1	30,500	30,500	30,500
Deputy Leader of the Council	20,521.00	21,350.00	21,350.00	0.00	21,350.00	21,350.00	1	21,350	21,350	21,350
Executive Members	17,590.00	18,300.00	18,300.00	0.00	18,300.00	18,300.00	7	128,100	128,100	128,100
Chair of Scrutiny Panel	7,329.00	7,625.00	7,625.00	0.00	7,625.00	7,625.00	5	38,125	38,125	38,125
Chair of Planning & Reg Committee	7,329.00	7,625.00	7,625.00	0.00	7,625.00	7,625.00	1	7,625	7,625	7,625
Chair of Licensing Committee	0.00	0.00	7,625.00	7,625.00	7,625.00	7,625.00	1	0	7,625	7,625
Chair of Audit Committee	4,397.00	4,575.00	4,575.00	0.00	4,575.00	4,575.00	1	4,575	4,575	4,575
Chair of Council	8,795.00	9,150.00	9,150.00	0.00	9,150.00	9,150.00	1	9,150	9,150	9,150
Sub total								722,736	797,550	763,950
Leader of Other Groups	5% of Leader, plus 1% per Member		no change	0.00	no change				74,814	41,214
								£1,525 + £305 per member		