

Report of	Meeting	Date
Independent Remuneration Panel	Council	18 May 2021

## Review of Members' Allowances Scheme 2021

### Purpose of report

1. To consider the recommendations of the Independent Remuneration Panel to the Council in relation to Members' Allowances.

### Recommendation(s)

2. That the attached Member Allowances Scheme be approved in its current format with effect from 19 May 2021.
3. That alternative reward systems be considered, similar to those offered to staff (perhaps with the Member Support Working Group)
4. The role descriptions within the Constitution be reviewed and updated with the Member Support Working Group
5. The Member Allowances Scheme be reviewed again in 12 months to monitor any changes, including the provision of a mileage rate for electric vehicles.

### Executive summary of report

6. The current Members' allowance Scheme was agreed in 2015 and the Local Authorities (Members Allowances) (England) Regulations 2003 state that schemes should be reviewed as a minimum every four years.
7. There is an additional need for the review following the electoral review of Chorley to rectify voter equality across the borough. As the Council has reduced from 47 to 42 members this also needed be factored into the review.
8. Councillors are not required to agree with Independent Remuneration Panel recommendations, just take them into account.

Confidential report Please bold as appropriate	Yes	No

### Corporate priorities

9. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	✓

## **Background**

10. Allowances can only be paid to Members of local authorities in accordance with the Local Government and Housing Act 1989, as amended by the Local Government Act 2000 and supplemented by the Local Authorities (Members Allowances) (England) Regulations 2003.
11. These statutory provisions require local authorities to make a formal Scheme of Allowances for their Members and to establish and maintain an Independent Remuneration Panel to make recommendations to Councils about their Schemes. The Council is required to have regard to recommendations that have been made by its Independent Remuneration Panel.
12. The Regulations state that each Authority must make a Scheme which includes a Basic Allowance and Special Responsibility Allowances (SRA) for special responsibilities. The current Scheme includes a schedule of allowances which Chorley Council pays to its Elected Members.
13. A scheme may also provide for:
  - Dependants' carers' allowance
  - Travelling and subsistence allowance
  - Co-optees' allowance
  - Pensions

## **Independent Remuneration Panel**

14. The current Independent Remuneration Panel is made up of two members of the public – Dennis Benson (Chair) and Allan Jones. The third member of the Panel resigned during the review which spanned the Covid-19 pandemic.
15. The Panel met in December 2019, January 2020, February and April 2021 to review the Members' Allowance Scheme.

## **Information considered**

16. We received a report on the Members' Allowance Scheme that set out the requirements and provisions of the scheme. Appended to this report we considered:
  - the current Scheme
  - the relevant Regulations
  - the last report of the Panel to the Council in 2015
  - the latest annual notice of allowances that had been made payable to Members
  - the final recommendations from the Local Government Boundary Commission for England (LGBCE) on new warding arrangements for the borough of Chorley following the conclusion of the electoral review and supporting information.

## **Electoral review**

17. We noted that one of the considerations of the electoral review is to improve the electoral equality. The view of the council is that with 42 members
  - The council can take decisions effectively
  - Manage the business and responsibility of the council successfully
  - Provide effective community leadership and representation
18. The council operates a 'strong leader' model with the Executive Leader appointing his Executive Cabinet.
19. Some Committees are subject to political balance rules, and others are not. Officers do not anticipate that the workload of committees will change following the Boundary Review. Some members spend more time than others on the business of the Council, and some are more focussed on ward / case work rather than committee work.
20. There is an established tradition of member development and training. The role of a Councillor has changed dramatically, with the use of technology and residents being able to self-serve via the website. The impact of the localism agenda has also changed the role of Councillors in working with partners to deliver services.

## **Comparative information**

21. We considered the spreadsheet setting out the allowances paid by other local authorities in Lancashire, including Lancashire County Council, Blackburn with Darwen, Bolton and

Wigan. This included the Basic, Special Responsibility Allowances and other Allowances paid under Members Allowances Schemes.

22. Each authority organises itself differently and we noted the range of roles and variances in payments. We noted that the payment for the Independent Person(s) on Governance Committee was to compensate for travel allowances. The allowances payable by the authority were in line with their neighbouring Councils.

### Survey of members

23. We considered the results of a survey that Members of the Council had undertaken to give their views on the current scheme and levels of allowances. 24 out of the 47 members completed the survey which consisted of seven questions.
24. We noted that the views of members were generally balanced.

### Feedback from the Executive Leader

25. We spoke with the Executive Leader who gave his view that the current scheme is fit for purpose generally. The survey had generated some interesting comments, but the responses were balanced and not unexpected. There can be a misconception of how being a councillor impacts on the individual and their work / family life.
26. It is important that councillors who work and / or have caring responsibilities do not lose out due their duties as a councillor. The council benefit from having a councillors of different ages and professions. Councillors are legally allowed time off to fulfil duties and some who work are able to request flexible working arrangements.
27. Some members spend more time than others on the business of the Council, and some are more focused on ward / case work rather than committee work.
28. It was suggested that alternative reward systems be considered, similar to those offered to staff.
29. The Executive Leader expressed his view that the current basic allowance is at the right level, but suggested that the scheme be reviewed after 12 months.

### Feedback from the Leader of the Opposition

30. The Leader of the Opposition expressed his view that the current basic allowance is at the right level and does not need to be changed following the boundary review.
31. He noted that currently some wards have only one or two members and this will change to all wards having three members following the boundary review. He suggested that the scheme be reviewed after 12 months and that a survey of member be undertaken as part of the review.
32. The Leader of the Opposition commented that some candidates in the forthcoming election were surprised to learn that an allowance was payable if elected.

### Review by Legal

33. Legal Services have reviewed the Scheme and made some minor amendments, removing references to the previous Regulations and ensuring the language is consistent.

### Implications of report

34. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

**Risk**

35. The council needs to take account of the recommendations made by the Independent Remuneration Panel when determining the Members Allowances Scheme.

**Comments of the Statutory Finance Officer**

36. The reduction from 47 to 42 councillors will provide a slight saving to the council however any review in the future to increase allowances will require the council to adjust the budget for member allowances. As such it is not proposed to adjust the budget until a potential review is undertaken.

**Comments of the Monitoring Officer**

37. The legal requirements are correctly stated in the body of the paper.

Dennis Benson

Chair of the Independent Remuneration Panel

<b>Background Papers</b>		
<b>Document</b>	<b>Date</b>	<b>File</b>
The Local Authorities (Members' Allowances) (England) Regulations 2003	2003	<a href="https://www.legislation.gov.uk/uk/si/2003/1021/contents/made">https://www.legislation.gov.uk/uk/si/2003/1021/contents/made</a>
Current Members' Allowances Scheme		<a href="https://democracy.chorley.gov.uk/documents/s109851/Appendix%20Appendix%209%20Members%20Allowances%20Scheme.pdf">https://democracy.chorley.gov.uk/documents/s109851/Appendix%20Appendix%209%20Members%20Allowances%20Scheme.pdf</a>

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>
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