

Report to Council



Date of Meeting	13 th October 2021
Portfolio	Councillor Wardle - Cabinet Member for Finance and Corporate
Report Author	Peter Thompson
Public/Private Document	public

Review of Members' Allowances

Executive Summary

1. This report presents the findings of an Independent Remuneration Panel who, earlier in 2021, examined the Council's Scheme of Members' Allowances. The Council is required to carry out periodic reviews of its allowances scheme. The last full review of allowances was carried out in 2016

Recommendation

2. That Council considers and makes a determination on each of the recommendations of the Independent Remuneration Panel which are detailed on pages 1 – 3 of the Appendix to this report.

Reason for Recommendation

3. The Council is required to determine a Scheme for Members' Allowances following consideration of a report of an Independent Remuneration Panel convened in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003.

Key Points for Consideration

- 4.1 The Council is required by the Local Authorities (Members' Allowances) (England) Regulations 2003 to undertake periodic reviews of its Scheme of Members' Allowances. The Regulations state that "*An authority shall make a scheme in accordance with these Regulations which shall provide for the payment of an allowance in respect of each year to each member of an authority*". The review must be undertaken by an Independent Remuneration Panel that is required to make recommendations to the Council on a basic allowance, the allocation of special responsibility allowances and the application of other allowances specified in the Regulations.
- 4.2 The Independent Remuneration Panel must comprise a minimum of three members, none of whom is also a member of the Council or of a committee or sub-committee of the Council; or is disqualified from being a member of the Council by virtue of s80 of the Local Government Act 1972 and s79 and 83(11) of the Local Government Act 2000.
- 4.3 In July 2013, the Council resolved that the Chief Executive review the form of and approach to the Council's Independent Remuneration Panel and the review of Members' allowances. This review was undertaken and Panel membership and terms of reference determined in accordance with the legal framework.
- 4.4 In considering membership of the Panel, representation from across a range of sectors was considered desirable, along with some prior experience of having undertaken similar reviews elsewhere. The Panel identified to undertake the review and confirmed by Council on 3rd March 2021 comprised Dr Declan Hall (Chair), Mr. Anthony Rollins and Mrs J. Nagy.
- 4.5 On 3rd March 2021, Council agreed the Panel's terms of reference as follows

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"In accordance with the 2003 Members' Allowances Regulations the Panel shall make recommendations to be considered at the Council meeting on 13th October 2021 on:-

1. The amount of basic allowance that should be payable to its elected members and the expenses that it is deemed to include;
2. The responsibilities or duties which should lead to the payment of a special responsibility allowance (SRA) and as to the amount of such an allowance;
3. The duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance;
4. The co-optees to be paid a co-optees' allowance and the amount;
5. Whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined;

6. The implementation date for the recommendations, including whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended;
7. Whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run;
8. Any matters that are brought to the attention of the Panel in its consultation with Members and briefings from Officers.

Furthermore, in accordance with the Greater Manchester Combined Authority Order 2011 Schedule 1 - Constitution the Panel shall consider:

9. Whether a SRA should be paid to Rochdale member[s] appointed by it to the GMCA in respect of duties and responsibilities undertaken as a member of the GMCA, and if so to specify the amount of any such allowance.

In arriving at their recommendations the Panel shall also take into account:

- I. The views of Members both written and oral;
- II. Allowances paid in comparable councils, namely the other GM metropolitan councils;
- III. The Statutory Guidance on Regulation for Local Authority Allowances 2006.”

Alternatives considered

- 4.6 There is no alternative to the undertaking of a review of Members allowances as this is a statutory requirement.

Costs and Budget Summary

5. If the Council does accept all the recommendations from the IRP there will be an increase in the cost of Members' Allowances of £22k per annum. However, there is a possibility these costs could be mitigated from reduced mobile phone costs for Members as a result of potential savings from a new phone contract that will be going out for procurement soon. If there is a net increased budget requirement this will be addressed in the setting of the 2022/23 budget.

Risk and Policy Implications

6. There are no risk issues arising from this report.

Consultation

7. The members and officers who were consulted on the preparation of the IRP's report are detailed at pages 42 and 43 of the Appendix to this report

Background Papers	Place of Inspection
8. There are no background papers associated with this report	Not applicable
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