

**EAST LINDSEY DISTRICT COUNCIL
COUNCIL**

Report of: Councillor Craig Leyland
Executive Member for Corporate Affairs

Report to:	Council
Date:	4 March 2020
Subject:	Report of the Independent Remuneration Panel and the East Lindsey Members' Allowances Scheme

Decision Proposal:	To consider a report and recommendations from the East Lindsey Independent Remuneration Panel and to approve the East Lindsey District Council Members' Allowances Scheme (1 April 2020 to 31 March 2024).
Relevant Executive Member:	Councillor Craig Leyland, Leader of the Council and Portfolio Holder for Corporate Affairs
Report author:	John Medler, Corporate Support Service Manager, john.medler@e-lindsey.gov.uk Date: 19 February 2020
Reviewed by:	John Armstrong, Assistant Director, john.armstrong@e-lindsey.gov.uk Date: 25.02.20
Signed off by:	Rob Barlow, Chief Executive rob.barlow@e-lindsey.gov.uk Date: 25.02.20
Approved for publication:	Councillor Craig Leyland Date: 25.02.20
Does the report identify information that is exempt from publication?	No

SUMMARY

A report and recommendations from the East Lindsey Independent Remuneration Panel are attached at Appendix 1 to this report. The Council must have regard to the Panel's recommendations when setting its Members' Allowances Scheme.

RECOMMENDATIONS

1. That the Council considers whether to accept the following features into its Members' Allowance Scheme (1 April 2020 – 31 March 2024) as recommended by the Independent Remuneration Panel:
 - I. That the Basic Allowance be increased by £50 per annum.
 - II. That the Special Responsibility Allowances for the Chairman and Vice Chairman of the Planning Committee be adjusted to reflect those paid to Chairmen and Vice Chairmen of the Council, Overview Committee and Audit and Governance Committee.
 - III. That the Basic Allowance and Special Responsibility Allowances continue to be index linked to the Local Government Pay Award as agreed by the National Joint Committee for Local Government Services.
 - IV. That the Dependants' Carers' Allowance continues to be paid up to and index linked to the National Living Wage.
 - V. That mileage rates continue to be index linked to the HMRC approved mileage rates and that subsistence rates continue to be index linked to the ELDC officer subsistence rates.
 - VI. That the criteria for mileage claims be clarified within the Scheme to reflect that the maximum claim be from the Member's home address to the place of the approved duty and that mileage ordinarily incurred (e.g. commuting mileage) be deducted from any claims.
2. That the Council approves its Members' Allowances Scheme (1 April 2020 – 31 March 2024) whilst having regard to the recommendations made to it by the Independent Remuneration Panel.

REASON

The Council is required to approve its Members' Allowances Scheme and in doing so must have regard to the recommendations made to it by the Independent Remuneration Panel.

1. BACKGROUND TO REPORT

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require that before making or amending a Members' Allowances Scheme, an authority shall have regard to the recommendations of an Independent Remuneration Panel (The Panel) set up specifically to advise on the matter.
- 1.2 East Lindsey District Council's Members' Allowances Scheme (the Scheme) was last reviewed by the Panel in 2016 with a 4 year scheme (1 April 2016 to 31 March 2020) subsequently agreed by the Council. The Scheme made provision for annual adjustments with reference to relevant indexes,

however index linking may only be applied for a 4 year period before the Council must seek a further recommendation from the Panel on its continued application.

- 1.3 The Panel has undertaken a review of the East Lindsey Members' Allowances Scheme and its reports and recommendations are attached as Appendix 1. It is now for the Council to consider these recommendations when setting its Scheme.

2. OTHER OPTIONS CONSIDERED

The recommendations of the Panel are non-binding and thus the Council could choose to approve all, some or none one of the Panel's recommendations when making its Members' Allowances Scheme. The Council may also choose to make alternative amendments to its Scheme as long as these have regard to the report and recommendations of the Panel.

3. RESOURCE IMPLICATIONS

Financial implications are considered in section 9 of this report.

4. RISK AND MITIGATION

The Panel's recommendations are based on an objective and independent review of evidence relating to the Members' Allowance Scheme and relevant legislation. The Panel has considered the remuneration schemes of other councils in order to reduce the risk of recommendations being out of kilter with comparable authorities.

5. ISSUES AND MATTERS TO TAKE INTO ACCOUNT ARISING FROM KEY CORPORATE CONSIDERATIONS (EQUALITY, SAFEGUARDING, DEPRIVATION, HEALTH & SAFETY etc.)

None

6. COUNCILLOR COMMENTS

The Panel undertook a councillor consultation exercise to inform its review. Details of the responses received are contained in the Panel's report.

7. CARBON REDUCTION IMPACT/IMPLICATIONS

None from this report alone

8. CRIME AND DISORDER IMPLICATIONS

None from this report alone

9. FINANCIAL CONSIDERATIONS/IMPLICATIONS

	£ Year 0	£ Year 1	£ Year 2	£ Year 3	£ Year 4
	2019/20	2020/21	2021/22	2022/23	2023/24
Revenue Cost					
Basic	261,395	269,428	277,621	285,979	294,503
Special Responsibility	81,894	84,437	86,126	87,849	89,606
Group Leaders	8,157	8,321	8,487	8,657	8,830
Total Revenue Cost	351,446	362,186	372,234	382,484	392,939
Annual Increase		10,740	10,049	10,250	10,455
Increase after 4 years					41,493
Individual Basic Allowance	4,753	4,899	5,048	5,200	5,355

In line with the recommendations of the Panel the above estimates are based on the following:

- A £50 annual increase in the basic allowance
- An assumed inflationary increase of 2% per annum applied to all basic and special responsibility allowances from 2020/21 onwards – this value may change dependent upon the Local Government Pay Award as agreed by the National Joint Committee for Local Government Services.
- The overall costs are based on the same number of members and types of allowances as paid in 2019/20.

The 2020/21 revenue budget includes provision of £358,400 for the above allowances. If the recommendations are approved the cost implications for 2020/21 will need to be covered from savings elsewhere in the Council's revenue budgets.

10. LEGAL CONSIDERATIONS/IMPLICATIONS

The Local Authorities (Members' Allowance) (England) Regulations 2003 set out the legislative framework relating to the review and approval of the Council's Members' Allowances Scheme. The Panel has undertaken its review in line with this legislation and it is for the Council to approve its Scheme with regard to the Panel's report and recommendations.

11. APPENDICES

Appendix 1 – Report from the East Lindsey Independent Remuneration Panel

12. BACKGROUND PAPERS

Local Authorities (Members' Allowance) (England) Regulations 2003

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014

East Lindsey District Council Members' Allowances Scheme 2016 - 2020