CHESHIRE EAST COUNCIL

Date: 13 May 2008

Report of: Governance Lead Officer (East)

Title MEMBERS' ALLOWANCES SCHEME

1.0 Purpose of Report

1.1 To advise the Shadow Council on progress made with the adoption of the Members' Allowances Scheme, for the Shadow period, and to recommend payments on an interim basis.

2.0 Decision Required

- 2.1 To receive the interim recommendations of the County Council's Independent Remuneration Panel and, if appropriate, to approve for payment from 2 May 2008:
 - a) the payment of an interim basic allowance of £4800 per annum (payable monthly)
 - b) the application of the County Council's rates for travel and subsistence allowances

3.0 Implications for Transitional Costs

3.1 The impact on transitional costs cannot be finalised until the Shadow Council has considered and, as appropriate, approved the recommendations of the Independent Panel, noting that the adopted scheme can be applied retrospectively to the beginning of the Shadow Council period.

4.0 Background and Information

- 4.1 The Cheshire (Structural Changes) Order 2008 applies the County Council's Allowances Scheme to the Shadow Councils for the duration of the Shadow period. The Order in addition confirms that the powers to amend or revoke a Scheme under the Members' Allowances Regulations also apply.
- 4.2 Both the Cheshire East and Cheshire West and Chester Joint Committees have requested the County Council's Independent Remuneration Panel to review the Scheme and make recommendations for its application and the allowances arrangements which should apply during the Shadow period.
- 4.3 The Remuneration Panel has met on three occasions and has consulted Members of the Joint Committees on the considerations to apply to the Scheme as an aid to producing their report. However in the time available, it has not been possible for the Panel to complete its work and bring forward a full set of recommendations to this first meeting of the Shadow Council.

- 4.4 The Panel does, however, wish to make recommendations on an interim basis for the payment of certain allowances, namely the basic allowance, travel and subsistence. The payment of these allowances will enable Members to be remunerated for the period immediately following the election until the Panel can produce its full Report. Accordingly, the Panel recommends the payment of an interim basic allowance of £4800 per annum (payable monthly). The Panel also recommends the adoption of the County Council's current arrangements for travel and subsistence allowances. Full details will be provided to Members, but these rates include:
 - a) car mileage (1200cc and above) 58.7p per mile
 - b) bed and breakfast £115.15 (£138.17 in London)
- 4.5 The Panel has arranged to meet again early in June, to consider in particular the provision for special responsibility allowances, the rate of basic allowance and the other more detailed aspects of the allowance scheme. The Panel's full recommendations can then be referred to the Governance and Constitution Committee for consideration, prior to final determination by the Shadow Council in July.
- 4.6 It will be open to the Shadow Council to adopt in full or in part the Independent Panel's recommendations, which may result in amendments to the County Council's scheme. Under the allowances regulations, the scheme in its final form may be applied retrospectively to the beginning of the financial year. Accordingly, it is possible for the adopted scheme to be backdated to cover the interim period (May-July), and for any necessary adjustments to be made to Members' remuneration.
- 4.7 It should be noted that the Shadow Council will need in due course to appoint an Independent Remuneration Panel to consider and advise on the Scheme of Allowances to apply from Vesting Day for 2009-10 and beyond.

For further information:-

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Background Documents:-

The Cheshire (Structural Changes) Order 2008
The Local Authorities (Members' Allowances) (England) Regulations 2003

Documents are available for inspection at: Shadow Council Support Office Town Hall Macclesfield SK10 1DX