

CHESHIRE EAST COUNCIL

Constitution Committee

Date of Meeting:	26 th November 2012
Report of:	Democratic and Registration Services Manager
Subject/Title:	Scheme of Members' Allowances: Report of the Independent Remuneration Panel

1.0 Report Summary

- 1.1 This report gives details of the outcome of the Independent Remuneration Panel's 2012 review of Cheshire East Council's Scheme of Members' Allowances.

2.0 Recommendation

- 2.1 That the Constitution Committee consider the Independent Remuneration Panel's findings, which are set out in the report, and make recommendations thereon to Council for consideration, which should include the effective date of any changes.

3.0 Reasons for Recommendations

- 3.1 Before any changes can be made to the Scheme of Members' Allowances, Council must consider a report from its Independent Remuneration Panel.
- 3.2 In making its recommendations, the Independent Remuneration Panel wishes to ensure that the level of recompense for elected Members remains adequate and fair whilst being mindful of the financial constraints facing local government.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 Any agreement to amend the Allowances currently payable to elected Members will require alteration(s) to be made to Cheshire East Council's Scheme of Members' Allowances.

7.0 Financial Implications

- 7.1 Having considered the options available to it, the Independent Remuneration Panel has recommended that no increase be applied to the level of basic and special responsibility allowances set out in the Scheme of Members' Allowances for 2012/2013 and 2013/14.
- 7.2 The costs of the existing Members' Allowances Scheme are not in excess of the allocated budget. Forecasts for 2012/13 indicate that the budget is anticipated to be under spent. Therefore the recommendations in respect of the number of special responsibility allowances within the Scheme can be met from within the existing Allowances budget.

8.0 Legal Implications

- 8.1 The Council is empowered to pay a range of Allowances to its Members in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 in respect of their roles and responsibilities but must, in accordance with the same Regulations, appoint an Independent Remuneration Panel to offer advice and make recommendations on the Members' Allowances Scheme to Council. This report contains the advice of the Panel.

9.0 Risk Management

- 9.1 Consideration of the report enables the Council to comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003.

10.0 Background

- 10.1 In accordance with its role and responsibilities, the Independent Remuneration Panel ('the Panel') has conducted a review of the current Scheme of Members' Allowances as adopted by Cheshire East Council on 18th May 2011 and amended by Council on 15 December 2011 (Appendix 1).
- 10.2 To inform its review, the Panel was provided with background documentation including comparator data pertaining to Members' Allowances Schemes operated by authorities of a comparable size to Cheshire East Council, or located within the North West region. The Panel also met with members from different political groups together with those holding different responsibilities within the Council. A copy of the Panel's Report is enclosed at Appendix 2.

- 10.3 Having completed the review, the Panel believes that every member of Cheshire East Council should be expected to provide leadership and take on additional responsibility from time to time during the course of their term of office and that the basic allowance recognises this commitment. The Panel also believes that, in certain situations, the level of additional responsibility is significant which might lead to further recognition in the form of a Special Responsibility Allowance (SRA).
- 10.4 In these austere times, elected Members need to demonstrate that a significant responsibility exists in order to justify the payment of an SRA. Examples include constitutional responsibility, legislative responsibility, decision making powers, accountability to the public and delivery of projects within a defined period. As such, Advisory Groups without decision making powers or constitutional responsibilities would not normally attract an SRA unless it can be shown that an SRA might be awarded as a result of the significance of the role.
- 10.5 Notwithstanding this, the Panel considered that the current Scheme remained broadly fit for purpose but that a more in-depth review of all allowances based on the criteria established above would be conducted in 2013, seeking to ensure that the Scheme remains sustainable and provides value for money. The Panel expects the Council to demonstrate that Councillors are being efficient and effective and that the level of allowances is justified. Having regard to these austere times the Panel recognises that the level of allowances in future years may decline.
- 10.6 Members are invited to consider the recommendations contained in the Panel's Report.

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writer:

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