



## Shadow Authority

### Bournemouth, Christchurch and Poole Shadow Authority

Report Subject	<b>Members Allowances Scheme 2019-20</b>
Meeting date	21 February 2019
Report Author	Tanya Coulter – Interim Monitoring Officer BCP Shadow Authority
Consultees	Members were invited to submit their comments via a questionnaire sent to all Members, and in addition a selection of Members and Officers were interviewed in order for the Panel to gather evidence and information.
Status	Public
Classification	For Decision
Executive summary	<p>The Interim Monitoring Officer was authorised by the Shadow Executive Committee to appoint an Independent Remuneration Panel to undertake a review and propose a Scheme of Allowances for Councillors for the BCP Council.</p> <p>An Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2003 to undertake research, obtain evidence and determine a Scheme of Allowances for the BCP Council.</p> <p>The Report of the Independent Remuneration Panel is attached at Appendix A. The Panel's Report sets out the legal framework and methodology used, and proposes a Scheme of Allowances for the BCP Council.</p>

	<p>The Shadow Authority is required to adopt a Scheme of Allowances payable to Members from the 6 May 2019. In addition the Independent Remuneration Panel were requested to consider the payment of allowances from 1 April 2019 until the 6 May 2019 (following the local elections) as the members allowances schemes of each of the preceding sovereign authorities will cease from 1 April 2019 and unless the Panel make such recommendations which are adopted by the Shadow Authority there will be no allowances payable during this period.</p> <p>The Report sets out the recommendations of the Independent Remuneration Panel. The Shadow Authority has to consider whether to accept the recommendations or adopt an alternative Scheme. It is not recommended that an alternative Scheme be adopted unless there is a clear rationale based upon the findings of the Independent Remuneration Panel.</p>
<b>Recommendation</b>	<b>That the Shadow Authority considers the attached Report and adopts a Scheme of Members Allowances for BCP Council.</b>
Reason for Recommendations	To ensure that BCP Council has a Scheme of Members Allowances as required by the relevant legislation.

### **Background detail**

1. Following the parliamentary approval of the Bournemouth, Dorset and Poole (Structural Changes) Order 2018, the new BCP Council will come into effect on 1 April 2019 and the current Bournemouth, Christchurch and Poole Borough Councils will cease to exist.
2. Elections for the 76 seats on BCP Council will be held on 2 May 2019.
3. For the period 1 April – 6 May 2019 (the date on which the 76 newly elected councillors take office) (the Interim Period), the 120 current members of the three sovereign councils referred to in Paragraph 1 above will continue as members of BCP Council. As the current Councils will no longer exist, their respective schemes of members' allowances will cease, and allowances will no longer be payable, pursuant to the Regulations.
4. The Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations) require a relevant authority to make a scheme providing for the

payment of a basic allowance (BA) to each member of that authority. The BA must be the same for each member of the authority.

5. The mechanism with which Councils consider allowances is by way of appointment of an Independent Remuneration Panel. This Panel considers the level of Member Allowances to be operated by a Council under the Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2003.
6. Currently all three sovereign predecessor councils operate members' allowances schemes entitling all members to receive a basic allowance in recognition of the community representative role that they undertake. In addition within the existing schemes recognition is also give to those members who have special responsibilities attached to the roles they perform within the Council. For example, the role of the Leader and Chairmen of Committees.
7. An Independent Remuneration Panel was appointed for the purposes of establishing and recommending a Scheme of Allowances for the new BCP Authority.
8. In addition to making recommendations on a Scheme of Allowances for the new cohort of councillors to be elected in May, the Panel has also been asked to consider what approach should be taken to the provision of allowances during the Interim Period.

### **Consultation and Engagement**

9. A questionnaire was sent to all Members of the three sovereign councils, inviting comments in respect of the scheme of Members allowances.
10. In addition, the Independent Remuneration Panel interviewed eight Members from the sovereign councils and two Officers.
11. Full details of the consultation undertaken is contained in the Report attached at Appendix A.

### **Recommendations of the Independent Remuneration Panel**

12. The Panel's recommendations are detailed in the attached report at Appendix A.
13. The recommendations can be summarised as follows:

For the Interim Period: -

- (a) *the rate of the basic allowance to be paid to members of the BCP Council shall be set at £360;*
- (b) *a travel allowance for members' use of own vehicles be paid to members in line with the HMRC Mileage Allowance Payments (MAP) for undertaking official business during the Interim Period;*
- (c) *a dependent carers' allowance be paid to members as set out in paragraph Error! Reference source not found..*
- (d) *no SRAs be paid.*

Allowances to come into effect on **6 May 2019**: -

- (a) *no members be entitled to a pension;*
- (b) *the basic allowance be set at £12,500 per annum;*
- (c) *that the basic allowance be adjusted by an amount equivalent to any officers' pay award for the 2020-21 period during which time the Panel anticipate carrying out a further review as recommended in paragraph Error! Reference source not found. of the appended report;*
- (d) *that the following special responsibility allowances be paid in recognition of the additional workload and levels of responsibility and accountability placed upon members appointed to these roles:*
  - i. **Leader - £30,000;**
  - ii. **Cabinet Members (including Deputy Leader) - £20,000;**
  - iii. **Chairman of the Council - £10,000;**
  - iv. **Vice-Chairman of the Council - £5,000;**
  - v. **Chairman of Audit and Governance Committee - £10,000;**
  - vi. **Chairman of Planning Committee - £10,000;**
  - vii. **Chairmen of the Overview and Scrutiny Committees - £10,000;**
  - viii. **Chairman of Licensing Committee - £5,000;**
  - ix. **Chairman of Appeals Committee - £3,000;**
  - x. **Chairman of Standards Committee - £3,000;**
  - xi. **Minority Group Leaders - £3,000 ;**

**(Note: minority parties must have a membership of no**

**fewer than 5 for their Leader to receive an SRA)**

- (e) no SRAs be paid to vice-chairmen of committees (with the exception of the vice-chairman of Council)**
- (f) members may not receive more than one SRA (and may elect which SRA to receive); and**
- (g) that the SRAs be adjusted by an amount equivalent to any officers' pay award for the 2020-21 period during which time the panel anticipate carrying out a further review as described in paragraph 17.3 of the appended report.**
- (e) travel allowances be paid to members in line with MAP for undertaking official business;**
- (f) travel allowances be paid to members travelling to the BCP Council offices for meetings and official business;**
- (g) subsistence allowances be paid to members as set out within paragraph 13.3 of the appended report;**
- (h) dependent carer's allowance be paid to recompense the actual cost expended as set out in paragraph 14.2 of the appended report; and**
- (i) an allowance of £1000 per annum be paid to co-optees and independent members as set out in paragraph 15.1 of the appended report.**

### **Summary of Finance and Resourcing Implications**

14. The Budget and MTFP being proposed assumes savings of £500,000 pa being achieved due to an overall reduction in the total spend on members' allowances as a result of Local Government Reorganisation.
15. The total cost of the basic allowance proposed for the Interim Period by the Independent Remuneration Panel amount to £43,200.00.
16. The total full year cost of the Basic Allowance for 2019/20 is £950,000.00, however the allowance will not come into effect until 6 May 2019 and there will therefore be a reduction in full year costs. The costs associated with the Special Responsibility Allowance will be dependent on the numbers and roles assigned within the governance structure of the BCP Council.

### **Summary of Legal Implications**

17. The Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2003 govern the establishment of the Scheme necessary to determine the operation of allowances Members.

18. The process undertaken, and the proposed Scheme accords with the requirements of the legislation.

### **Summary of Human Resources Implications**

19. There are no specific Human Resources implications arising from the Report.

### **Summary of Environmental Impact**

20. There are no specific issues arising in respect of this Report.

### **Summary of Equalities and Diversity Impact**

21. There are no equalities implications associated with this report.

### **Background Papers**

None

### **Appendices**

Appendix A – Report of the Independent Remuneration Panel