



Full Council

27 February 2017

Report from the Chief Legal Officer

For Action

Wards Affected:
ALL

Members' Allowance Scheme

1. Summary

- 1.1 A Members' Allowance Scheme - which sets out the allowances Members are entitled to receive for carrying out their responsibilities – has to be made for the financial year 2017/18.

2. Recommendations

- 2.1 That Full Council makes a Members' Allowance Scheme in the proposed terms set out in this report for the financial year 2017/18; and
- 2.2 That Full Council authorises the Chief Legal Officer to comply with the statutory requirements to publicise the Council's Members' Allowance Scheme.

3. Detail

Background

- 3.1 Brent Council's Members' Allowance Scheme (which is included in the Council's Constitution at Part 8 and is published on the Council's website) was reviewed in 2014 following publication of a report by the Independent Remuneration Panel for London Councils. The report titled "The Remuneration of Councillors in London 2014 – Report of the Independent Panel" was published in June 2014 and is attached to this report at Appendix 1. Last year, Full Council made further changes to the scheme.
- 3.2 It is for Full Council to make a scheme for the payment of allowances to its Members specifying the amount of entitlement by way of basic allowance

(which is mandatory) and other allowances such as special responsibility and dependants' carers' allowances (which are discretionary). Such a scheme has to be in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 and the Council is required to have regard to the recommendations made by an independent remuneration panel.

- 3.3 The most recent independent review can continue to inform the Council's decision-making in respect of its scheme for a maximum period of four years. Therefore, the recommendations in the 2014 Report remain valid for one final financial year i.e. 2017/18 (see Appendix 1). However, during the next financial year, the London Councils' Independent Remuneration Panel will carry out a fresh review of members' allowances.
- 3.4 Members are reminded that the 2014 Report advocates the setting of allowances at a level that enables people to undertake the role of councillor while not acting as an incentive to do so. It is equally important, as acknowledged, that there should not be a financial disincentive.
- 3.5 It is also worth mentioning that, in 2014, members allowances were set at a reduced, or much reduced, level than the amount recommended by the independent panel. The difficulty in increasing allowances for Members given the current financial austerity, was recognised by the independent panel.

Annual Uplift

- 3.6 The scheme states that allowances "shall be increased with effect from each April", by a percentage equal to the inflation pay award agreed as part of the Local Government Pay Settlement in the previous financial year, unless otherwise determined by the Council".
- 3.7 Last year, a 1% uplift was applied. For the period 1 April 2017 to 31 March 2018, allowances will be increased by another 1% unless otherwise decided by Full Council.
- 3.8 The actual cost of the scheme at any given time depends on the allocation of special responsibilities and any vacancies as a Member is entitled to a single special responsibility allowance only irrespective of the number of special roles that Member has been allocated.
- 3.9 In crude terms, applying a 1% uplift to the current cost of the Scheme would result in an estimated increase of £11,000.

Proposed changes

Non-voting education co-opted Members

- 3.10 The Council has appointed two non-voting education co-opted members to the Community and Wellbeing Scrutiny Committee. They represent the governing bodies of faith schools not represented by the Church of England and Roman Catholic faith school representatives who have to be co-opted onto the Committee and have voting rights.

- 3.11 Although the education voting co-opted members receive an allowance, which last year was set at £224, the non-voting members do not. It is proposed that all the education co-opted members should be entitled to an allowance and that they all be paid the same amount.
- 3.12 Assuming a 1% uplift is applied to this year's allowances, the additional cost will be £452.48.

Special Responsibility Allowance for 'Other Group Leader(s)'

- 3.13 Last year, a special responsibility allowance was created for the Leader of the Brent Conservative Group. The allowance paid to the Leader of the Principal Opposition Group/Conservative Group and the Leader of the Brent Conservative Group is £12,913 and £9,000 respectively.
- 3.14 In November of last year, there was a change in membership of the opposition groups resulting in the membership of the Brent Conservative Group being reduced to two (i.e. by a third). Consequently, the Constitutional Working Group reviewed the allowance payable to the Leader of the Brent Conservative Group and recommended that it be reduced by a third to £6,000.

Publicity

- 3.15 As soon as reasonably practicable after the making of a Scheme, copies of the Scheme have to be made available for inspection at the Civic Centre and a notice has to be published in a local newspaper. It is recommended that the Chief Legal Officer be authorised to comply with these requirements.

4. Financial Implications

- 4.1 Members' allowances are currently met out of a Member Services' budget and the increase in costs will be budgeted for.

5. Legal Implications

- 5.1 The proposed Members' Allowance Scheme complies with the relevant provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003; the Local Government and Housing Act 1989 and the Local Government Act 2000.

6.0 Diversity Implications

- 6.1 None.

Background Papers

None

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