

**COUNCIL MEETING – 28TH JULY 2016**

**AGENDA ITEM NO. 8**

**REVIEW OF MEMBERS' ALLOWANCES SCHEME**

**1. INTRODUCTION**

- 1.1 Under Regulations relating to the preparation and review of members' allowances schemes, Rushmoor's Independent Remuneration Panel reviewed Rushmoor's scheme at the end of March. The remit of the Panel was to fulfil the requirements for a fresh authority to be obtained from the Council in relation to indexation and to provide a general review of the scheme to ensure it is still fit for purpose.
- 1.2 A copy of the Remuneration Panel report is attached and set out below is a summary of the outcomes. The Council is being asked to adopt the recommendations of the Remuneration Panel in full.

**2. INDEPENDENT REMUNERATION PANEL – PROPOSALS**

**(1) Background and Context**

- 2.1 Rushmoor's Remuneration Panel has examined all parts of the current scheme and benchmarked the provisions against similar authorities regionally, locally and nationally through a range of indices. As in previous reviews, the Remuneration Panel recognised the importance of obtaining views of Members and a critical part of this review was to receive evidence from those with an interest.
- 2.2 In carrying out the review, the Remuneration Panel was also very conscious of the need to take account of the current economic climate, especially the pressures on public finances and the need for the Council to achieve financial sustainability.
- 2.3 In view of these issues, the Remuneration Panel is of the opinion that a further in depth review will be required at some point, and certainly if there are any changes to the decision making structure. This review focused on ensuring equity and addressing any current anomalies.

**(2) Main Elements of the Allowances**

- 2.4 Taking account of the evidence provided, the Remuneration Panel is proposing:
- the overall basic allowance be set at £4,953 for 2016/17 with the ICT allowance set at £358 and accounted for separately. Any

member not contactable by email will only receive 50% of the ICT allowance

- the special responsibility allowance for the Leader be set at £14,413 for 2016/17 and the allowances for the Deputy Leader and other Cabinet Members remain at existing levels
- the special responsibility allowance for the Chairmen of the Development Management and Licensing and General Purposes Committees be set at £5,160 for 2016/17 with the provision for an additional payment for attending four or more licensing sub-committees in one municipal year remaining at £413 in 2016/17
- the allowance for opposition group leaders be retained at its existing level, subject to the groups having a minimum of four Members
- the special responsibility allowance for Panel Chairmen be retained at £3,100 for 2016/17
- the Mayor to receive a special responsibility allowance of £1,441 for 2016/17
- the co-optees allowance be retained at existing levels for 2016/17 (if applicable)

### **(3) Travel and Subsistence**

2.5 The Remuneration Panel also reviewed the arrangements for the other allowances in the scheme and recommended:

- travel and subsistence allowances for approved meetings outside the Borough should relate to actual costs using the most cost effective means of transport and/or available accommodation
- mileage rates should be paid at business mileage rates (including passenger supplement rate) recommended by HMRC
- the dependant carers' allowance be paid in respect of childcare at £7.20 (capped at the National Living Wage) or, for other care, capped at the hourly wage charged by Hampshire County Council Social Services for a carer

### **(4) Indexation**

2.6 The current arrangements where members allowances are reviewed each year using indices applied nationally or through the local government system are to be retained for the four year period until the end of March 2020.

**3. FINANCIAL IMPLICATIONS**

- 3.1 If the Council accepts the recommendations set out in the Remuneration Panel's Report, there will be a small increase in the overall costs, but this can be managed within existing budgets. The Remuneration Panel is of the view that the new arrangements should be backdated to the Annual Meeting on 24th May 2016 and any annual reviews would be implemented from the Annual Meeting date.

**4. CONCLUSIONS**

- 4.1 Rushmoor's Independent Remuneration Panel has completed its four yearly review of Rushmoor's current scheme and found that it is largely fit for purpose. The existing arrangements have been found to be broadly fair and consistent, generally, with other authorities. The proposed changes reflect the views expressed to it by Members, benchmarking data and local structures/working arrangements and are considered equitable by the Remuneration Panel.

**5. RECOMMENDATIONS**

- 5.1 The Council is recommended to adopt the recommendations set out in the Rushmoor Independent Remuneration Panel's Fifth Report.

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