

SUBJECT:	INDEPENDENT REMUNERATION PANEL – REVIEW OF THE MEMBERS’ ALLOWANCES SCHEME
REPORT BY:	INDEPENDENT REMUNERATION PANEL
LEAD OFFICER:	GRAHAM WATTS – DEMOCRATIC AND ELECTIONS MANAGER

1. Purpose of Report

- 1.1 To advise on the recommendations of the Independent Remuneration Panel for Members’ Allowances for the financial year commencing on 1 April 2021.

2. Background

- 2.1 The Council is required to adopt a remuneration scheme for its elected members, which must also be subject to review. Before making any changes to its Members’ Allowances Scheme the Council must have regard to recommendations made by the Independent Remuneration Panel.
- 2.2 The Council’s Independent Remuneration Panel consists of three people, completely independent to the Council, who have considerable experience having undertaken a number of reviews for other local authorities in Lincolnshire.
- 2.3 The last review of the Members’ Allowances Scheme recommended an increase in members’ allowances matching any increase in staff pay on a year by year basis, which was approved by Council. This applied to the Basic Allowance and Special Responsibility Allowances.

3. Review of the Members’ Allowances Scheme

- 3.1 The Independent Remuneration Panel undertook a review of the City of Lincoln Council’s Members’ Allowances Scheme and compared the rates of the Basic Allowance and Special Responsibility Allowances with its CIPFA statistical neighbours.
- 3.2 This analysis showed that the City of Lincoln Council’s Basic Allowance and the majority of its Special Responsibility Allowances represented an average in respect of the highest and lowest rates paid by other authorities. The only clear discrepancy was that of the Special Responsibility Allowance for the Leader of the Council, which was one of the lowest when compared to the Council’s statistical neighbours.
- 3.3 The Panel invited all members of the Council to meet with it remotely, send comments via email or telephone the Chair of the Panel directly in order that the views of members on the current Members’ Allowances Scheme could assist the Panel in reaching any recommendations in respect of the Scheme.

- 3.4 The Panel would like to place on record its thanks to those members who met with the Panel, or provided comments via email or over the telephone. The Panel was, however, disappointed at the number of members who came forward to engage as part of this review.
- 3.5 Of the comments received, there were concerns regarding the disparity of some Special Responsibility Allowances which it was suggested did not necessarily reflect the responsibility, time commitment and workload associated with the respective roles. This related specifically to the rate paid for Scrutiny Committee Chairs, which were currently the same for all Scrutiny Committees, and that of the Chair of the Audit Committee.
- 3.6 The Panel was unable to reach an informed view on this aspect of the scheme as it did not feel as though it had sufficient evidence to substantiate recommending any changes to the scheme.

4. Conclusion

- 4.1 The Panel recommends that for 2021/22 the Council retains its current Members' Allowances Scheme, together with a condition that it be increased annually in line with any staff increase.
- 4.2 Based on the analysis undertaken and comments received, the Panel suggests that any future review should focus on the Special Responsibility Allowances for the Leader of the Council, Scrutiny Chairs and whether separate Special Responsibility Allowances should apply to each of the Scrutiny Committees, and the Audit Committee Chair.
- 4.3 The Panel suggests that this further review should involve its Councillors, whose experience in undertaking the role of an elected member or specific responsibilities where Special Responsibility Allowances are paid, will provide essential evidence as part of the review.

5. Organisational Impacts

5.1 Financial Implications

The Council's Medium Term Financial Strategy has assumed the same increase being applied to the Members' Allowances Scheme as staff, which has been the case on an annual basis since the previous review. This amount can be met from the available budget.

5.2 Legal Implications

- 5.2 The Council has a duty to appoint an Independent Remuneration Panel who must make recommendations to the Council in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003. Council is required to have regard to the recommendations of the Panel but is not required to follow them. However, Members should give reasons for moving away from the recommendations if they take this course of action.

6. Recommendations

- 5.1 That the Council retains its current Members' Allowances Scheme for 2021/22 and that this be increased in line with any staff increase on an annual basis.
- 5.2 That a further, comprehensive review of the Members' Allowances Scheme be undertaken in 2022/23.

Key Decision No

Do the Exempt Information Categories Apply No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

Does the report contain Appendices? No

List of Background Papers: None

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