

EXETER CITY COUNCIL

**EXECUTIVE
5 FEBRUARY 2013**

**COUNCIL
26 FEBRUARY 2013**

MEMBERS' ALLOWANCES 2013/14

1 PURPOSE OF REPORT

- 1.1 To consider the report and recommendations of the City Council's Independent Remuneration Panel in relation to Members' Allowances for 2013/14.

2 BACKGROUND

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to provide the local authority with advice on its scheme of Members' Allowances and recommend the amounts to be paid. The 2003 Regulations permit members' allowances schemes to make provision for an annual adjustment of allowances by reference to a previously agreed index.
- 2.2 The Panel, comprising four representatives drawn from the business and voluntary sector, met on the 17 January 2013. In developing the Panel's recommendations for the 2013/14 Allowance Scheme, Councillors were invited to submit any comments on general and specific aspects of the allowances scheme for consideration by the Panel.
- 2.3 The Panel's report is attached at Appendix 1. As for previous years, in arriving at its recommendations, the Panel reflected on the principles and methodology set out in the report of the independent adviser on Members' Allowances submitted to the Council in March 2001. In 2004, this Council, on the recommendation of the Independent Remuneration Panel, agreed that the index in accordance with which the allowances should be adjusted in future years would be the annual local government staff pay award for the previous year. For information, the Basic and Special Responsibility Allowances have been frozen at 2008/09 levels.
- 2.4 No agreement had been made in respect of the annual local government staff pay award offered by the Employers' side for 2012/13, however the Panel members recommended that a 1% increase be made in the level of Councillors' allowances for 2013/14.
- 2.5 As required by the Regulations, a notice was published in a local newspaper setting out the Panel's recommendations and notifying the public that copies of the report were available for inspection at the Civic Centre and on the Council's web site.

3 RECOMMENDATIONS OF THE INDEPENDENT REMUNERATION PANEL

- 3.1 The Independent Remuneration Panel has made the following recommendations to Council in respect of Members' Allowances for 2013/14 that:-
- (1) the basic structure and principles of the current Members' Allowances scheme be retained for 2013/14;

- (2) the principle that any Member qualifying for more than one Special Responsibility Allowance is paid the higher allowance only, should be retained;
- (3) the Councillors' Basic and Special Responsibility Allowances including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances should continue to be linked and updated in line with the Local Government Employers (LGE) staff pay award for the previous year. However for 2013/14 only, the level of these allowances should attract a 1% rise;
- (4) the Travel and Subsistence allowances provisions for staff continue to apply to Exeter City Councillors, where appropriate;
- (5) the existing payment of £7.50 per month contribution toward broadband (one payment per household) be retained;
- (6) the current Dependants' Carers' Allowance scheme is maintained and that the level of allowance, currently £6.19 per hour, continues to be linked to and updated in line with the minimum wage, however the allowance should include an uplift of the standard rate of tax (increasing the hourly rate to £7.43 per hour for 2013/14); and
- (7) the Panel considered that a sum of £50 be paid to the Independent Persons affiliated to Standards Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year.)

4. FINANCIAL IMPLICATIONS

- 4.1 The budget for the scheme of allowances in 2013/14 totals £258,470 and that sum has been included in the estimates for 2013/14, subject to approval by Council on 26 February 2013. The Scheme recommended by the Panel for 2013/14 is attached at Appendix 2 to this report.

5. RECOMMENDED:-

- (1) That the Independent Remuneration Panel's recommendations as set in paragraph 3 above are considered and a recommendation made to Council regarding the Scheme.

CORPORATE MANAGER DEMOCRATIC AND CIVIC SUPPORT

23 January 2013

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

Report of the Independent Adviser on Members' Allowances, March 2001