

PROPOSED IN-YEAR CHANGES TO THE COUNCIL'S MEMBERS' ALLOWANCES SCHEME FOR 2016/17

COUNCIL MEETING DATE

30th November 2016

CLASSIFICATION:

Open

If exempt, the reason will be listed in the main body of this report.

WARD(S) AFFECTED

All Wards

Tim Shields, Chief Executive

1. INTRODUCTION

- 1.1 The Council agreed its Members' Allowances Scheme for 2016/17 at its meeting on 20th July 2016.
- 1.2 Since then, Jules Pipe CBE resigned as Mayor of Hackney on 29th July to take up the role as Deputy Mayor of London and Philip Glanville was duly elected as Mayor of Hackney on 15th September.
- 1.3 As a directly elected Mayor, Mayor Glanville is legally permitted under the Local Government Act 2000 to appoint a Cabinet from the Council's elected membership and determine Cabinet Member portfolios. In addition to this a directly elected Mayor may also appoint other members as Advisers to support the work of the Mayor and Cabinet.
- 1.4 Mayor Glanville has decided to appoint two Mayoral Advisers. Councillor Rebecca Rennison has been appointed as Mayoral Adviser for Advice Services and Preventing Homelessness and Councillor Sem Moema as Mayoral Adviser for Private Renting and Housing Affordability. Both Councillors were appointed to Mayoral Adviser roles on 26th September 2016.
- 1.5 Whilst the directly elected Mayor has the authority to appoint Cabinet Members and Mayoral Advisers, decisions on remuneration via the Council's agreed Members' Allowances Scheme are reserved for Full Council.
- 1.6 As Mayoral Advisers are not included in the current Members' Allowances Scheme, Council Officers have approached Sir Rodney Brooke CBE DL as the Council's independent adviser on Members' Allowances to develop a report with recommendations on the proposed remuneration of Mayoral Advisers. Sir Rodney Brooke is also the Chair of London Council's Independent Remuneration Panel.
- 1.7 Sir Rodney Brooke has now finalised his report and this is appended for Council to consider.

2. RECOMMENDATIONS

Council is invited to:

- 2.1 Note the report of the Council's independent adviser on Members' Allowances.
- 2.2 Agree to include Mayoral Advisers in a revised Members' Allowances Scheme for 2016/17.

- 2.3 Agree the recommended Special Responsibility Allowance for the role of Mayoral Adviser is set at £14,963.06.

3. RELATED DECISIONS

- 3.1 The Council's Members' Allowances Scheme for 2016/17 was agreed by full Council on 20th July 2016. The related report can be found on the Council's website via the following link:

<http://mginternet.hackney.gov.uk/ieListDocuments.aspx?CId=112&MIId=3800>

- 3.2 Prior to the above, the Council's Members Allowances Scheme was also substantially reviewed in 2015. The related report from the Council meeting of 22nd July 2015 can be found on the Council's website via the following link:

<http://mginternet.hackney.gov.uk/ieListDocuments.aspx?CId=112&MIId=3227>

4. LEGAL COMMENTS

- 4.1 The legal framework for Members' allowances is established by section 18 of the Local Government and Housing Act 1989. This gave the Secretary of State the power to make regulations authorising or requiring local authorities to pay a basic allowance to each councillor and special responsibility allowances to councillors with special responsibilities.

- 4.2 The section was amended by section 99 of the Local Government Act 2000 to allow the Secretary of State to make regulations providing for the payment of pensions, allowances and gratuities to Members and the payment of carers allowances.

- 4.3 The current Regulations governing Members' Allowances are the Local Authorities (Members Allowances) (England) Regulations 2003. These provide that before a local authority makes or amends a scheme for Members' Allowances, it must have regard to the recommendations made to it by an independent remuneration panel.

- 4.4 There are three options open to a local authority. It can establish its own IRP; it can establish one jointly with other authorities or, in the case of London boroughs, it can make use of the recommendations from the IRP established by London Councils. An authority can, however, only use one IRP.

- 4.5 It is the duty of the IRP to produce a report making recommendations on the following:

(a) the responsibilities or duties in respect of which the following should be available:

- special responsibility allowance;
- travelling and subsistence allowance; and
- co-optees' allowance.

(b) the amount of such allowances and as to the amount of basic allowance;

(c) whether carers allowance should be payable to members of an authority, and as to the amount of such an allowance;

(d) whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulations;

(e) whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed;

4.6 A copy of the report must be sent to the authority in respect of which recommendations have been made. Its existence must be advertised in the local press and copies made available for inspection by the public.

4.7 The Council's obligation is to have regard to the recommendations of the IRP. It does not have a duty to follow them although it would need to have good reasons to justify departing from them.

5. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

5.1 The Members Allowance Scheme budget for 2016/17 is £1,282k. Mayor Glanville has appointed two Mayoral Advisers and both Councillors commenced their roles on 26 September 2016.

Sir Rodney Brooke has recommended to pay them a Special Responsibility Allowance for the role of £14,963.06. This would be a total of £29,926.12 for the two Mayoral Advisor roles. This additional cost will be met from existing base budget and will not result in a budget pressure for the Council.

Mr Tim Shields
Chief Executive

APPENDICES

Appendix 1: Report of the Council's Independent Adviser on Members Allowances

BACKGROUND PAPERS

No background papers have been relied upon the drafting of this report.

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