

**ANNUAL REVIEW OF THE MEMBERS' ALLOWANCES SCHEME 2018/19****COUNCIL****18 JULY 2018****CLASSIFICATION:****OPEN****WARD(S) AFFECTED****ALL WARDS****TIM SHIELDS, CHIEF EXECUTIVE**

## **1. Summary**

- 1.1 Each year the Council is legally required to consider and agree a Members' Allowances Scheme.
- 1.2 The Council is part of joint arrangements provided by London Council's Independent Remuneration Panel. The Council has Sir Rodney Brooke CBE DL acting as independent adviser on Members' Allowances. (Sir Rodney Brooke is also Chair of London Councils Independent Remuneration Panel).
- 1.3 Sir Rodney Brooke in his review of allowances in 2015 took account of inflationary adjustments to the Scheme over the next 4 years if the Scheme remains unchanged.
- 1.4 The Scheme essentially remains unchanged from that approved by Members for 2017/18 save for the impact of the agreed national pay settlement for local government officers for 2018/19 which has been applied.
- 1.5 The Scheme also sets out in detail the salary sacrifice schemes open to employees that Members are also entitled to access at Paragraph 11 of Appendix 1.
- 1.6 The draft Members' Allowances Scheme for 2018/19 that relates to the report and recommendations is included at Appendix 1 for Council to consider.

## **2. Recommendations**

- 2.1 Council is recommended to agree the report and the Members' Allowances Scheme for 2018/19 attached at Appendix 1.**

## **3. Comments of the Group Director, Finance and Corporate Resources**

- 3.1 The Members' Allowance Scheme for 2018/19 as detailed in Appendix 1 has been updated to reflect the agreed national pay settlement for Local Government Officers for 2018/19. This report is seeking approval from Council to implement the updated scheme.
- 3.2 The Members' Allowance Scheme budget for 2018/19 is £1,269k which is unchanged from last year's budget. Additional budget will be given to cover any additional expenditure in Members' allowances caused by the 2% uplift.

#### **4. Comments of the Interim Director of Legal:**

- 4.1 Section 18 of the Local Government and Housing Act 1989 permits the Secretary of State, by regulations, to make a scheme providing for the payment of a basic allowance, an attendance allowance and a special responsibility allowance to members of a local authority.
- 4.2 Section 100 of the Local Government Act 2000 permits the Secretary of State, by regulations, to provide for travelling and subsistence allowances for members of local authorities, allowances for attending conferences and meetings and reimbursement of expenses. In exercise of these powers the Secretary of State has made the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 4.3 The 2003 Regulations require the Council to make a scheme before the beginning of each year for the payment of basic allowance. The scheme must also make provision for the authority's approach to special responsibility allowance, defendants' carers' allowance, travelling and subsistence allowance and co-optees' allowance. The scheme may also provide for other matters of the kind dealt with in the proposed scheme attached at appendix 1 to this report.
- 4.4 When considering the scheme, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty).

**Tim Shields**  
**Chief Executive**

#### **APPENDICES**

Appendix 1: Proposed Members' Allowances Scheme for 2018/19

#### **BACKGROUND PAPERS**

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

<b>Report Author:</b>	Bruce Devile, Head of Business Intelligence & Member Services 020 8356 3418 <a href="mailto:bruce.devile@hackney.gov.uk">bruce.devile@hackney.gov.uk</a>
<b>Legal Comments</b>	Dawn Carter-McDonald, Interim Head of Litigation and Commercial 020 8356 4817 <a href="mailto:dawn.carter-mcdonald@hackney.gov.uk">dawn.carter-mcdonald@hackney.gov.uk</a>
<b>Financial Comments</b>	Ramesh Teelock 020 8356 1448 <a href="mailto:Ramesh.teelock@hackney.gov.uk">Ramesh.teelock@hackney.gov.uk</a>