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<b>PART A:</b>	<b>MATTERS DEALT WITH UNDER DELEGATED POWERS</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>25 JULY 2019</b>
<b>REPORT OF THE:</b>	<b>DEMOCRATIC SERVICES MANAGER SIMON COPLEY</b>
<b>TITLE OF REPORT:</b>	<b>MEMBER ALLOWANCES SCHEME</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This report updates Members on matters relating to the Member Allowances Scheme.

### **2.0 RECOMMENDATION(S)**

2.1 It is recommended that Members note the contents of the report and the action proposed to be taken.

### **3.0 REASON FOR RECOMMENDATION(S)**

3.1 To ensure openness and transparency.

### **4.0 SIGNIFICANT RISKS**

4.1 The actions outlined in this report seek to minimise any risks around the index used for the annual adjustment of allowances being fully compliant with all legal requirements.

### **5.0 POLICY CONTEXT AND CONSULTATION**

5.1 Regulation 20 of The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) requires the District Council to establish an Independent Remuneration Panel to make recommendations to the Council about allowances payable to Members of Ryedale District Council. A Panel was last established in March 2013, with a term of office until March 2018. There is not currently an appointed Panel.

## **REPORT**

### **6.0 REPORT DETAILS**

- 6.1 On 3 July 2014 when Full Council agreed the current Member Allowances arrangements part of the decision, based on the Panel's recommendations, was as follows:

*The basic allowance of £3,551.64 be increased annually for the next four years effective 15 May 2014 and then each 1 April by reference to the annual percentage award to officers under the National Joint Council for Local Government Services for spinal column 34;*

*That all allowances should include an annual increase in line with the indexation provisions of the scheme of Members Allowances for 2014/15;*

- 6.2 Regulation 10(5) of The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) states, "Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme."
- 6.3 As the index has been applied for more than a period of four years (covering the initial four years 2014-15, 2015-16, 2016-17, 2017-18, and then 2018-19 and into 2019-20), the Council is not complying with the requirement in Regulation 10(5).
- 6.4 To regularise this matter going forwards, an Independent Remuneration Panel needs to be appointed to consider the current Member Allowances Scheme and make recommendations in respect of it. An advertisement has therefore be placed with a view to bringing recommendations to Full Council in September 2019 for the appointment of members to the Panel.
- 6.5 A meeting of the Panel will then be convened to review the use of an index for the annual adjustment of allowances and make a recommendation. Recommendations from the Panel must then be published, before they can be brought to Full Council, in order to be able to implement a revised Scheme from 1 April 2020.
- 6.6 Regulation 10(1) states "Before the beginning of each year, an authority shall make the scheme required by regulation 4(1)(a) for the payment of basic allowance for that year." Custom and practice has been for approval of the relevant budgets in February each year to be taken as approval of this scheme. However for clarity and transparency it is proposed to include an explicit recommendation relating to this matter in future.

## **7.0 IMPLICATIONS**

- 7.1 The following implications have been identified:
- a) Financial  
No financial implications as funding has been set aside for the cost as part of the budget approved in February 2019.
  - b) Legal  
The risk of legal challenge is low.
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental and Climate Change, Crime & Disorder)

None.

**Simon Copley**  
**Democratic Services Manager**

**Author:** Simon Copley, Democratic Services Manager  
**Telephone No:** 01653 600666 ext: 43277  
**E-Mail Address:** [simon.copley@ryedale.gov.uk](mailto:simon.copley@ryedale.gov.uk)

**Background Papers:**

Reports and minutes from Full Council in March 2013 and June 2014.

**Background Papers are available for inspection at:**

[www.ryedale.gov.uk](http://www.ryedale.gov.uk)