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**MEMBERS ALLOWANCES REVIEW**

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**Responsible Cabinet Member - Councillor Bill Dixon, Leader**

**Responsible Director - Paul Wildsmith,  
Director of Neighbourhood Services and Resources**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To consider a review of the Members' Allowances Scheme.

**Summary**

2. This report asks Members to consider a review of Members' Allowances to comply with legislation.

**Recommendation**

3. It is recommended that :-
  - (a) That a review of the Council's Members' Allowances Scheme be undertaken by the Council's Independent Remuneration Panel;
  - (b) That the Terms of Reference for the Panel, as attached at **Appendix A**, to this report be approved for the review; and
  - (c) That the Panel be also asked to review the Council's payments to the Education Appeals Panel Members

**Reasons**

4. The recommendations are supported by the following reasons :-
  - (a) To ensure that this Council reviews its Members' Allowances Scheme to meet legislative requirements;
  - (b) To ensure that Darlington Borough Council's payments to Education Appeals Panel Members are included in the Scheme.

**Paul Wildsmith**  
**Director of Neighbourhood Services and Resources**

**Background Papers**

No background papers were used in the preparation of this report.

Linda Todd : Extension 5807

S17 Crime and Disorder	This report has no implications for Crime and Disorder.
Health and Well Being	This report has no implications to address Health and Well Being for the residents of Darlington.
Carbon Emissions	There are no direct implications to Carbon Emissions which this report needs to address.
Diversity	There are no direct implications to Diversity which this report needs to address.
Wards Affected	There is no direct impact on any individual Ward
Groups Affected	There are no Groups affected.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not an Executive decision
Urgent Decision	This is not an Executive decision
One Darlington: Perfectly Placed	There are no links.
Efficiency	There are no efficiency proposals identified as part of this review.

**MAIN REPORT**

**Information and Analysis**

5. The Council's Members' Allowances Independent Panel was constituted to review the Council's Members' Allowances Scheme in 2003. Recommendations of the Panel have been made to Council in 2003 (when a full review of allowances was undertaken); in 2006 (when the allowances were revised following the appointment of an Audit Committee) and in 2008 and 2011 (four-yearly reviews).
6. Councils must establish and maintain an Independent Remuneration Panel which can make recommendations to the Council about the allowances to be paid to elected Members, including the level of basic allowance for all Members, and on whether a dependant's carers allowance, travel and subsistence allowances and co-optees allowances etc. should be paid and the levels of such allowances.

## Review

7. At the last four-yearly review, the Panel recommended that allowances be increased in line with the annual pay award for employees. The Local Authorities (Members' Allowances) (England) Regulations 2003 states, inter alia, that Councils must not rely on an index figure such as this is for longer than a period of four years before seeking a further recommendation from its Panel on an application of an index to its scheme. The current indexing came into effect on 1 April 2012 and therefore the revision is required to introduce a new scheme with effect from 1 April 2016.
8. It is therefore necessary to reconvene the Panel to review the application of the index and also take the opportunity to ask it to review the current level of allowances; make recommendations as to whether any further allowances should be payable; and whether any adjustment should be made to the allowances in the current financial climate.

## Independent Remuneration Panel

9. To meet legislative requirements, the Council's Independent Panel must comprise of a minimum of three members. Currently the Council has three serving Panel members, Declan Hall, a former Lecturer in Local Government and Politics (who is the Chair of the Panel); Rob Shotton, a retired Chair of Business Link Tees Valley; and Paul McGee, a former Director of Know How North East Limited.
10. All Panel Members have confirmed that they are available to sit on the Panel.

## Terms of Reference

11. Suggested Terms of Reference for the Panel are attached at **Appendix A** for Members consideration.

## Education Appeals Panel Members

12. It is suggested that the Panel be requested to review allowances paid to Education Appeal Panel Members and make recommendations to the Council whilst undertaking their review of Members' Allowances. Education Appeal Panel Members currently claim travelling and subsistence allowances. This suggested review has also been included in the Panel's Terms of Reference attached at Appendix A.

## Panel Meeting

13. It is anticipated that the initial meeting of the Panel will be in December 2015 and it be requested to make recommendations to the full Council on 28<sup>th</sup> January, 2016.

## **Outcome of Consultation**

14. No consultation has been undertaken on the content of this report.

## **Conclusion**

15. This report asks Members to consider a review of Members' Allowances to comply with legislation; and to include allowances to Education Appeal Panel Members in that review.

**DARLINGTON BOROUGH COUNCIL**

**MEMBERS' ALLOWANCES REVIEW**

**NOVEMBER - DECEMBER 2015**

**INDEPENDENT REMUNERATION PANEL**

**TERMS OF REFERENCE**

To make recommendations to Darlington Borough Council on the following:

1. The amount of basic allowance that should be payable to its elected Members.
2. The categories of Members who should receive a special responsibility allowance and as to the amount of such an allowance.
3. The duties for which a Travelling and Subsistence Allowance can be made and as to the amount of this allowance.
4. The scope and amount of co-optees' allowances.
5. The expenses of arranging for the care of children and dependents and the amount of these allowances and the means by which they are determined.
6. Whether annual adjustments of allowances should continue being referred to employees annual pay awards or another index, if any
7. Whether any other allowances should be payable to Members or co-opted members.
8. To make recommendations to the Council on the Mayoral Allowances.
9. To make recommendations to the Council on an Allowance to be paid to Education Appeal Panel Members.
10. The implementation date for the review of allowances.
11. To consider any other issues that are brought to the attention of the Panel