

Non-Executive Report of the: Council Wednesday, 20 March 2019	 TOWER HAMLETS
Report of: Corporate Director, Governance	Classification: Open (Unrestricted)
Members' Allowance Scheme 2019/20	

Originating Officer(s)	Beverley McKenzie
Wards affected	(All Wards);

Executive Summary

- 1.1 Part 6 of the Council's Constitution sets out the Scheme of Members' Allowances. This provides for a Mayor's Allowance to be paid to the Mayor; a Basic Allowance to all Councillors; Special Responsibility Allowances for specified member roles; Dependents' Carers' and Travel/Subsistence Allowances; and an attendance allowance for co-opted members of the Standards Advisory Committee and the Overview and Scrutiny Committee.

- 1.2 By law the Council must agree the Scheme of Members' Allowances annually, before the start of the year to which it applies. The proposed Scheme of Members Allowances for 2019/20 is attached at Appendix 'A'.

Recommendations:

The Council is recommended to:

1. Adopt the London Borough of Tower Hamlets Members' Allowances Scheme 2019 as set out at Appendix 'A' to this report.

1. REASONS FOR THE DECISIONS

- 1.1 The Council is required to agree a Scheme of Members' Allowances annually.

2. ALTERNATIVE OPTIONS

- 2.1 None

3. DETAILS OF THE REPORT

- 3.1 In accordance with Statutory Instrument (SI 1021/2003) the Council is required to agree a Scheme of Members' Allowances on an annual basis. The Scheme may include an annual index-linked adjustment of allowances, but it must be subject to a full review at least every four years, considering the recommendations of an Independent Remuneration Panel.
- 3.2 The London Councils Independent Remuneration Panel issued a report in January 2018. The Council's scheme was reviewed in May 2018 and amendments made considering the Panel's recommendations. This was agreed by Council at their meeting on 23rd May 2018.
- 3.3 The current scheme is included at Part 6 of the Council's Constitution and it is proposed that this should be re-adopted for 2019/20 as set out at Appendix 'A' to this report.
- 3.4 The basic, special responsibility and co-optee member allowances have been increased in accordance with the local government pay award, which included a 2% increase effective 1 April 2019.
- 3.5 The Dependent care allowance amount has been increased in line with the current London living wage.

4. EQUALITIES IMPLICATIONS

- 4.1 The payment of Members' Allowances helps to ensure that people from all parts of the community within the borough are able to serve as elected members. This promotes effective community leadership and accountability, to the benefit of the whole borough and all its communities.

5. OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
 - Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
- 5.2 There are no other statutory implications to be considered.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 There is a specific budget of £850k for all member allowances and costs will be contained within this budget.

7. COMMENTS OF LEGAL SERVICES

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ('the Regulations') require the Council to on or before 31st March in each year make a scheme in accordance with the Regulations. The Scheme must make provision for payment of the basic allowance specifying the amount and also make provision for the following allowances if it intends to make such payments in respect of a year-
- (a) special responsibility allowance;
 - (b) dependants' carers' allowance;
 - (c) travelling and subsistence allowance; and
 - (d) co-optees' allowance.
- 1.2 The proposed Member Allowances Scheme 2019/20 provides for Maternity, Paternity, Adoption and Sickness Pay which is established practice in a number of other London boroughs. Whilst there is nothing in the Regulations that provides that the Scheme is to include reference to such, the inclusion of Maternity, Paternity, Adoption and Sickness Pay are supported by the Council's general power of competence. Section 1 of the Localism Act 2011 gives the Council a general power of competence to do anything that individuals generally may do, subject to specified restrictions and limitations imposed by other statutes. The inclusion of Maternity pay is also consistent with the Council's obligations under the Equalities Act 2010.
- 1.3 Regulation 17 of the Regulations places a duty on the Council to publish as soon as reasonably practicable after making any amendments to the current Members' Allowance Scheme a notice in one or more newspapers circulating in its area. The Council must also ensure that copies of the Scheme are available for inspection by members of the public at the principal office of the Authority, at all reasonable hours.

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Appendix A – Members' Allowance Scheme 2019/20

Local Government Act, 1972 Section 100D (As amended)

List of "Background Papers" used in the preparation of this report

List any background documents not already in the public domain including officer contact information.

- None

Officer contact details for documents:

N/A