

<b>Report title</b>	<b>Review of certain Special Responsibility Allowances provided under the Members' Allowances Scheme</b>
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<b>Department</b>	Law and Governance
<b>Exempt?</b>	No

**Purpose of report:**

- **To recommend to Full Council**

**Synopsis of report:**

To consider amendments to certain Special Responsibility Allowances allocated under the Runnymede Members' Allowances Scheme to certain positions held by elected Members.

**Recommendations:**

- (i) **That the Runnymede Members' Allowances Scheme be amended to provide that in the event of the appointment of more than one elected member to be Leader of the Council i.e. the appointment of co-leaders, the elected members so appointed shall receive a Special Responsibility Allowance.**
- (ii) **The amount of the Special Responsibility Allowance payable to each elected members appointed as co-leaders shall be for the year 2024/25 £4,249. This sum will be uplifted in line with the formula contained in the Members' Allowance Scheme.**
- (iii) **For the year 2024/25 the sums allocated in the Runnymede Members' Allowances Scheme for the payment of a Special Responsibility Allowance for the position of Leader and Deputy Leader of the Council shall be used to fund the payment of a Special Responsibility Allowance to elected members appointed as co-leaders.**
- (iv) **The Special Responsibility Allowance payable for the post of Chair of the Corporate Management Committee shall be increased to the sum of £11,330 for the year 2024/25. This sum will be uplifted in line with the formula contained in the Members' Allowance Scheme.**
- (v) **The Special Responsibility Allowance for the post of Vice-Chair of the Corporate Management Committee shall be increased to the sum of £5,665 for the year 2024/25. This sum will be uplifted in line with the formula contained in the Members' Allowance Scheme.**
- (vi) **That the Runnymede Members Allowances Scheme be amended pursuant to the power granted by Regulation 10(6) Local Authorities (Members' Allowances) (England) Regulations 2003 to provide where an amendment**

**is to be made which affects an allowance payable for the year in which the amendment is made, the scheme will provide for the entitlement to such allowance as amended to apply with effect from the beginning of the year in which the amendment is made.**

## **1. Context and background of report**

- 1.1 Local authorities are granted powers under the Local Authorities (Members' Allowances) (England) Regulations 2003 (LAMAR 2003) to make a scheme which shall provide for the payment of allowances to each member of an authority.
- 1.2 LAMAR 2003 schemes will provide for the payment of the following:
- Basic Allowance (BA) - such an allowance shall be the same for each such member and is not dependent upon number of meetings attended.
  - Special Responsibility Allowance (SRA) – such an allowance shall be paid to such members of the authority as have such special responsibilities in relation to the authority as are specified in the scheme and are within one or more of the categories set out in the LAMAR 2003
- 1.3 The categories of activities which would attract a Special Responsibility Allowance are as follows:
- (a) acting as leader or deputy leader of a political group within the authority;
  - (b) acting as a member of an executive where the authority are operating executive arrangements;
  - (c) presiding at meetings of a committee or sub-committee of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee;
  - (d) representing the authority at meetings of, or arranged by, any other body;
  - (e) acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods;
  - (f) acting as the spokesperson of a political group on a committee or sub-committee of the authority;
  - (g) acting as a member of an adoption panel within the meaning of the Adoption Agencies Regulations 1983;
  - (h) acting as a member of any committee or sub-committee that deals with any function arising under any enactment authorising the authority to license or control the carrying on of any activity;
  - (i) carrying out such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned in paragraphs (a) to (h) (whether or not that activity is specified in the scheme).
- 1.4 Local authorities have powers to amend schemes created under the provisions of the LAMAR 2003 subject to complying with certain requirements.
- 1.5 Following the recent local elections and decisions made by Members it is necessary to consider possible amendments to the Runnymede Members' Allowance Scheme.

- 2. Report and, where applicable, options considered and recommended**
- 2.1 When an individual is elected as a local authority councillor they are not entitled to any form of remuneration. Since 1948 there has been a power to pay councillors allowances to reflect the time they devote to discharging the office to which they are elected. It should be noted that councillors do not receive a remuneration but merely an allowance. The allowance reflects merely part of the time devoted to being a councillor. In the case of Runnymede, the BA is designed to acknowledge 50% of the time an individual devotes to being a councillor, the remainder of the time devoted does not attract an allowance.
- 2.2 The current statutory provisions regulating such matters are contained in the LAMAR 2003. Those provisions provided for the payment of what is termed a BA, which in summary can be described as a flat rate allowance paid to all councillors and is not linked to attendance at meetings or time devoted to being a councillor.
- 2.3 The LAMAR 2003 also empowers local authorities to pay what are termed Dependants' carers' allowance, Travelling and subsistence allowance and Co-optees' allowance. The proposals contained in this report do not affect the BA or the other four forms of allowance mentioned above and so there shall be no further reference to them.
- 2.4 The LAMAR 2003 also allows local authorities to include in their allowance schemes what are termed SRAs. The payment of such allowances acknowledges that certain councillors will take on roles which require a greater commitment of time, are more complex or carry greater responsibility than required of the majority of councillors. For the purposes of this report the roles which are of relevance are:
- (a) acting as leader or deputy leader of a political group within the authority and
  - (b) presiding at meetings of a committee or sub-committee of the authority
- 2.5 The determination of allowances paid to councillors is a matter which falls to the Full Council to decide. The LAMAR 2003 requires each local authority to appoint what is termed an Independent Remuneration Panel (IRP) to make recommendations to it concerning the level of allowances which will be awarded. Local authorities are required to review their schemes at intervals of no longer than four years.
- 2.6 Runnymede last undertook a review of its scheme in 2021 with a new scheme being adopted with effect from April 2022 and will be reviewed during the latter part of 2024 with a new scheme coming into operation from April 2025.
- 2.7 The LAMAR 2003 provides for local authorities to make amendments to schemes during their lifecycle prior to a formal review. If a local authority proposes to amend a scheme, they should consult the IRP and have regard to any recommendations they may make on the proposed amendments.
- 2.8 When councillors are elected to local authorities, they can form what are termed political groups. Political groupings are used for the purposes of allocating seats on committees and for determining if there are a number of councillors who have a majority of seats and thereby exercise control of the local authority. Each political group is required to indicate which of its members will function as the leader of the group.
- 2.9 Runnymede adopted a model constitution issued under the provisions of the Local Government Act 2000 and that contains a provision that if there is a political group

which has a majority of members then the leader of that political group will become the Leader of the Council. The Runnymede Constitution further provides that if there is no majority political group the Council can appoint a member to be the Leader of the Council.

- 2.10 Following the local elections held in May 2024 a new political group was formed and it was the indication of that political group, which is the majority group, that it would have four co-leaders rather than one leader. There is legally nothing which prevents this approach being taken and other local authorities in the UK have had such models i.e. Worcester City Council, Aberdeen City Council and East Dunbartonshire Council.
- 2.11 At its Annual General Meeting on the 15<sup>th</sup> May 2024 the Council agreed to amend its Constitution to allow for the appointment of co-leaders. Given that the post of Leader of the Council would attract a SRA the Council had historically agreed to award a SRA to the leader and Deputy Leader of the Council. That approach was based on only one member holding each position. In light of the changes agreed at the AGM in May 2024 it is necessary to review the award of the SRA for the posts of Leader and Deputy leader of the Council. Given that the Council has now altered the number of individuals who can hold the post of Leader of the Council and not appointed any person to hold the position of Deputy Leader.
- 2.12 In view of the fact that the Council has historically accepted that a single person holding the post of the Leader of the Council and awarded a SRA to that post it is logical to accept that if more than one person is holding the position, they should also receive a SRA. In order to contain costs, it is proposed that the budget currently allocated to fund the SRAs for the posts of Leader and Deputy Leader of the Council be pooled to fund the SRA for the co-leaders. Each co-leader will receive an equal sum.
- 2.13 It should be noted that the way in which the LAMAR 2003 is structured a local authority must decide a specific amount as a SRA rather than stating that a pot of money is available to pay an SRA and it will be divided equally amongst persons who hold a post which attracts a SRA. It is therefore proposed that the SRA for the post of co-leader will be £4,249.00 based on using the figures for the budget allocated this year for funding the SRA for Leader and Deputy Leader of the Council. Those sums will be uplifted in line with the formula contained in the Members' Allowance Scheme.
- 2.14 It has been requested that a proposal also be considered to review the SRA which is currently awarded for the roles of Chairperson and Vice-Chairperson of the Corporate Management Committee. Under the current Members' Allowances Scheme those roles attract a SRA of £5,340.00 and £2,670.00, respectively. As Members will be aware the Council received a Non-Statutory Best Value Notice in December 2023 and is currently engaged in a number of work streams to address matters raised as a result of that action. Those work streams will involve consideration of important issues by the Corporate Management Committee and will engage the attention and time of the Chairperson and Vice-Chairperson as the lead members on that body.
- 2.15 It is proposed that the SRAs for those roles be increased to reflect this greater time commitment in the following manner. The SRA for Chairperson be increased by £5,990.00 to arrive at a new figure of £11,330.00 and the SRA for Vice-Chairperson be increased by £2,995.00 to arrive at a new figure of £5,665.00.
- 2.16 In line with the requirements of the LAMAR 2003 officers have consulted with the IRP on the proposals. Officers emailed all existing members of the IRP twice and received responses from two members. Officers did not receive undeliverable messages in

relation to the emails sent to the two members of the IRP who did not respond so can only assume they did not wish to engage in the process. Officers sent a copy of this report to both IRP members and offered them the opportunity to discuss the proposed amendments with officers via a MS Teams meeting. Both IRP members responded, and their responses are set out below:

**Hi Mario,**

I have read your draft report and the proposal in relation to the payments to the co leaders seems entirely reasonable from my perspective given the circumstances. I have less understanding of what is involved with the workload relating to the Chair and Vice Chair of Corporate Management, but do accept that the additional responsibility imposed by the Non-Statutory Best Value Notice may well generate more time consuming involvement for these roles so agree that the proposed increases seem reasonable. In both instances back payments seem reasonable and I'd agree to the recommendation.

**Hi Mario,**

I've read and understood the Changes to the Members Allowance Scheme and I'm happy to recommend those amendments as a member of the IRP.

I agree the amendments are a reasonable response to the changes affected by the new structure of co-leadership, the increase in workload and responsibility of the Corporate Management Committee and backdating of payment of allowances.

- 2.17 The recommendations of the IRP on the proposals are therefore to support the proposed amendments to the Members' Allowances Scheme.
- 2.18 It should be noted that whilst there is a duty in the LAMAR 2003 to have regard to recommendations from the IRP a local authority is not bound to follow the recommendations the IRP may make. There have been instances in the past when the Council has not adopted the recommendations the IRP has made in relation to the Members' Allowances Scheme.
- 2.19 The LAMAR 2003 contains a provision that a local authority may include in any allowance scheme a provision where if an amendment is to be made which affects an allowance payable for the year in which the amendment is made, the scheme may provide for the entitlement to such allowance as amended to apply with effect from the beginning of the year in which the amendment is made. Historically Runnymede has not included such a provision in its schemes but has adopted the approach that any amendment will only operate from the date it takes effect and is not backdated.
- 2.20 The changes to the ability of the Council to have co-leaders was made at the Annual General Meeting in May and no change to the Members' Allowances Scheme could be made at that time because the proposal had not been agreed prior to that meeting. The consideration of this report provides the first opportunity to consider such an alteration to the provisions of the Runnymede Members' Allowances Scheme. This alteration would be justified on the basis that the functions of co-leaders and chairing of the Corporate Management Committee have been exercised since that date.
- 2.21 Under the provisions of LAMAR 2003 the Council shall, as soon as reasonably practicable after the making of the amendment of a scheme, make arrangements for its publication by—

- (a) ensuring 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; and
- (b) publishing in one or more newspapers circulating in its area, a notice which—
  - (i) states that the authority has made or amended a scheme and specifies the period of time for which the scheme has effect;
  - (ii) describes the main features of the scheme and specifies the amounts payable in respect of each allowance mentioned in the scheme;
  - (iii) describes any responsibilities or duties specified in the scheme in relation to SRAs;
  - (iv) confirms that in amending the scheme, the Council complied with its duty to have regard to the recommendations of the IRP;
  - (v) describes the main features of that IRPs recommendations and specifies the recommended amounts of each allowance mentioned in its report for that authority;
  - (vi) states that copies of the scheme are available at the principal office of the Council for inspection by members of the public at such times as may be specified by the Council in the notice; and
  - (vii) specifies the address of the principal office of the Council at which such copies are made available.

### **3. Policy framework implications**

3.1 The vision expressed in the Council's Corporate Business Plan is 'To be a community leader, providing high quality services, enhancing the environment and advocating for our community's interests.' Councillors play a key role in delivering that vision through the decisions they make. It is accepted that being a local councillor involves a time commitment on the part of the individuals who take on that role. The legal power to award an allowance for some of the time devoted to undertaking that role acknowledges the importance of the role. The ability to award various levels of allowances depending on the roles undertaken is an acceptance of the reality that certain roles will require a greater time commitment from certain individuals. The proposals contained in this report are in line with the legal powers granted to local authorities.

### **4. Resource implications/Value for Money**

4.1 The Council's budget includes provision for the Members' Allowances Scheme.

4.2 Variations in spend against this budget can occur for a number of reasons, such as the political make-up of the Council changing after local elections, meaning that Group Leader allowances may change as the number of Members in a group may alter compared to the prior year. In addition, Members may only claim up to two SRAs so the anticipated spend can alter depending on how those SRAs are allocated across Councillors (as some SRAs will not be claimed if Councillors have more than two SRAs). Spending between years will therefore fluctuate, before any annual uplift is applied, due to these factors.

4.3 The change to the SRAs to encompass co-leaders has no effect on the total spend for the year 2024/25 and it simply reallocates the previous Leader and Deputy Leader SRA budget across 4 new Co-Leader SRAs. The proposal to increase the SRAs for the Chairperson and Vice Chairperson of Corporate Management Committee will add £8,985 to the projected spend compared to the prior year (before

annual uplift is applied). The total costs of the Scheme will increase by £12,049 compared to the prior year, before annual uplift, through a combination of the increase in SRAs for the Chairperson and Vice Chairperson of Corporate Management Committee (£8,985) with the balance being due to the factors set out in 4.2 which would have happened within the existing Scheme rules.

- 4.4 Overall, the projected cost of the proposed amended Scheme for 2024/25 falls well within the allocated budget with a total estimated cost of £402,104 after annual uplift has been applied compared to a budget of £423,059 providing an estimated saving of £20,955.

## **5. Legal implications**

- 5.1 The legal issues associated with this proposal are contained within the body of the report. In making any decision the Council is required to have regard to the public law requirements that any decision is in accordance with the legal powers available to the Council and any such decision is reasonable based on the information available to the Council when making the decision.

## **6. Equality implications**

- 6.1 The proposals contained within this report do not have any equality implications. The payments of the allowances to councillors are linked to a person being elected to a particular office. The qualifying criteria for standing for election are set out in national legislation. Once a person is elected to such an office, they are entitled to receive the allowances which have been agreed by the local authority they are members of.

## **7. Environmental/Sustainability/Biodiversity implications**

- 7.1 There are no specific Environmental/Sustainability/Biodiversity implications associated with the matters proposed in this report. Allowances are a financial sum of money paid to a person to acknowledge some of the time they devote to discharging the office of a councillor.

## **8. Risk Implications**

- 8.1 There are no specific risk implications associated with the proposals contained within this report. As indicated in the body of the report a local authority is entitled to decide if it wishes to have a member or members discharge the role of leader. Local authorities are granted the legal power to pay allowances to persons who are elected as councillors and determine the level of those allowances. There is also a power granted to local authorities to determine whether changes to schemes they adopt can be made and to agree backdating of any such changes.

## **9. Other implications**

- 9.1 Not applicable.

## **10. Timetable for Implementation**

- 10.1 Should the proposals contained in this report be approved the matter will be referred to the Full Council meeting on the 18<sup>th</sup> July 2024 for determination. Should Full Council approve the recommendation the proposals will come into effect from that date which will include the backdating of the payments to May.

**11. Conclusions**

11.1 The actions proposed in this report fall within the legal powers of the Council.

**12. Background papers**

12.1 None

**13. Appendices**

13.1 None