

APPENDIX 2

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

ADMINISTRATION COMMITTEE - 16 FEBRUARY 2011

REPORT BY THE TOWN CLERK AND CHIEF EXECUTIVE

THE MEMBERS' ALLOWANCES SCHEME

This report seeks the Committee's approval to ask the Council to adopt an unchanged Members' Allowances Scheme for 2011/12.

FOR DECISION

1. BACKGROUND

- 1.1 Every year the Council is required, pursuant to the Local Authorities (Members' Allowances) (England) Regulations 2003, to adopt a Members' Allowances Scheme to run from 1 April to 31 March the following year.
- 1.2 In 2010/11 allowances were slightly reduced to bring them back in line with the Independent Remuneration Panel's (IRP) recommended bands. Amendments were also agreed to the Scheme and associated claims handling procedures to cover:
- conferences (foreign or otherwise, and the need for advance approval);
 - the type and class of travel reimbursable under the Scheme (whether or not for conferences);
 - the offering of hospitality by individual councillors; and
 - the evidence requirements for any reimbursement (e.g. receipts and details of anyone to whom hospitality/entertainment has been given).

2. CONSIDERATIONS FOR 2011/12

- 2.1 The Council's current Members Allowances Scheme is set out in Part Six of the Constitution. This year the main issues to which the Committee's attention is drawn are as follows.

Inflationary increases

- 2.2 In line with the current pay freeze for staff (and as per the existing Scheme which links Members Allowances increases to staff pay increases) no inflationary increases to the Scheme will be made in 2011/12.

Cabinet Member Special Responsibility Allowances (SRAs)

- 2.3 Though it involves no material change to the current Scheme it is proposed that while the six Cabinet Members who currently receive the lower rate Cabinet member SRA have their posts listed in the scheme, this be changed to show 'Other Cabinet members' with the relevant (unchanged) SRA payable. This will mean that changes to the titles of Cabinet portfolios will not require amendment of the Scheme.

The Independent Remuneration Panel's recommendations

- 2.4 The Council, in adopting a Scheme, is required to have regard to the recommendations of an Independent Remuneration Panel (IRP) and for these purposes has hitherto, in common with most London authorities, used the IRP convened from time-to-time by London Councils.
- 2.5 The most recent London Councils IRP report was published in 2010 (see **Appendix A**). The Committee has previously taken these recommendations into account in adopting the current Scheme.

Liberal Democrat group

- 2.6 The Committee's attention is drawn to the letter in **Appendix C** from Councillor Caruana and its direction is sought.

3. DECISIONS AND RECOMMENDATIONS

- 3.1 The Committee is invited to recommend the Council to revoke the existing Scheme as from 31 March 2011 and re-adopt the same Scheme for the year 1 April 2011 to 31 March 2012 amended as per paragraph 2.3 above (as shown in **Appendix B**) and, if required, in respect of its decision on **Appendix C**.

FOR DECISION

Derek Myers
Town Clerk and Chief Executive

Background papers used in the preparation of this report: None other than previously published documents.

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