

**AGENDA ITEM:**

<b>REPORT TO:</b> Meeting of the	<b>MERSEYSIDE FIRE &amp; RESCUE AUTHORITY ANNUAL MEETING</b>
<b>DATE:</b>	<b>12<sup>TH</sup> JUNE 2012</b>
<b>REPORT NO.</b>	<b>CFO/075/12</b>
<b>REPORTING OFFICER:</b>	<b>JANET HENSHAW – CLERK TO THE AUTHORITY</b>
<b>CONTACT OFFICER:</b>	<b>HELEN PEEK – DEMOCRATIC SERVICES MANAGER – EXT-4112</b>
<b>OFFICERS CONSULTED:</b>	
<b>SUBJECT:</b>	<b>SCHEME OF MEMBERS' ALLOWANCES 2012/13</b>

<b>APPENDIX A</b>	<b>TITLE</b>	<b>MERSEYSIDE FIRE &amp; RESCUE AUTHORITY SCHEME OF MEMBERS' ALLOWANCES – AGREED JUNE 2009</b>
<b>APPENDIX B</b>	<b>TITLE</b>	<b>MEMBERS ALLOWANCE PAY RATE</b>
<b>APPENDIX C</b>	<b>TITLE</b>	<b>REVISED SCHEME OF MEMBERS' ALLOWANCE IN LINE WITH PROPOSED NEW STRUCTURE (AS PER SEPARATE REPORT ON THIS AGENDA)</b>
<b>APPENDIX D</b>	<b>TITLE</b>	<b>COMPARISON FIGURES CURRENT / NEW ALLOWANCES</b>

**ATTACHED – ELECTRONIC / HARD COPY**

**\*There is a Glossary of Terms at the end of this report for your information**

Purpose of Report

1. To request the Authority to review the current Members' Allowances Scheme, and any make recommendation for any changes it wishes to make to the Scheme.

Recommendation

2. That Members:
  - (a) Continues with its current Members' Allowances Scheme or;
  - (b) Identifies any variations to the Scheme it may wish to be implemented, in line with the structure of the Authority which is being considered as a separate report on this agenda. (for example in respect of arrangements for special responsibility payments in relation to various roles Members are appointed to).

## Introduction & Background

3. The Authority's current Scheme for Members' Allowances is attached as Appendix A. The Scheme was adopted by the Authority on 22<sup>nd</sup> November 2004 was approved to take effect on 1<sup>st</sup> April 2005 and subsequently confirmed at the Annual Meeting in 2005, 2006, 2007, 2008.
4. In 2009 the Authority agreed an amendment to the Scheme of Allowances to include a Special Responsibility Allowance (SRA), for Members appointed as Deputy Group Leaders, should their group wish to appoint a Member to the position Deputy Leader and, with the provision that such allowance would not be payable where an SRA is also payable for performing the role of Vice Chair of the Authority.
5. The rate of the Deputy Group Leader SRA is 50% of the Basic Allowance, and currently matches that allowance for the Chair of a Committee.
6. The Authority also agreed that Members entitled to Special Responsibility Allowances for the role of a 'Chair' or additional responsibilities such as a Member Sponsor would only be entitled to each type of SRA once. Therefore if a Member holds the position of Chair of more than one Committee, they will only receive the SRA for one role as opposed to two. This rule also applies to those appointed with additional responsibilities such as a Sponsor.
7. However, the Authority agreed that this would only apply to Chairs of Committees-not Panels. Consequently, the Chair of any Scrutiny Panel may receive payment for both roles.
8. The scheme provides for payment of a basic allowance to all Councillors calculated at £8,070 from 1<sup>st</sup> April 2010 (in line with Firefighters Pay Award of the previous July). There has been a pay freeze since 2010 therefore the basic rate remains unchanged and Special Responsibility Allowances in respect of specified roles, which are linked to proportions of the basic allowance, as set out in the scheme.
9. Members are aware that there is a ministerial aspiration for a pay freeze across the public sector which has been assured in grant settlements and assumed within authority budgets. No staff have received any pay increase as a result of this for two years (at present the National Employers have not made any offer for an increase for 2012/13 – a third year). Consequently this means that, under the current scheme, Members will not receive any increase on the 2011/12 allowances in 2012/13. The Authority confirmed its expectation of this in their budget decision for 2012/13.
10. Appendix C sets out proposed Members Allowance Pay Rates to reflect report CFO/069/12 and the proposed new Structure of the Authority, (considered earlier on this meeting's Agenda) for Members consideration. This, by reducing the number of Sponsors (now to be renamed as 'Scrutiny Members') and by reducing payments to Group Leaders and Deputies, would see a possible reduction in Allowance payments of approximately £21k, as detailed in Appendix D.

### Equality & Diversity Implications

11. All Members are entitled to the same Basic Allowance, and Special Responsibility Allowances are paid to Members for performing approved special responsibilities by reference to proportions of basic allowances

### Staff Implications

12. There are no Staff Implications arising directly from this report. This report relates to members Allowances only.

### Legal Implications

14. The Local Government Act 1972 and the Members Allowances (England) Regulations 2003 provide that a Scheme of Allowances is required and reviewed every year.

### Financial Implications & Value for Money

15. The budgeted cost based on the current scheme is £255k, whilst the changes proposed would reduce this by approximately £21k (Excluding employer on costs).

### Risk Management, Health & Safety, and Environmental Implications

16. None arising directly from this report.

### Contribution to Our Mission – To Achieve; Safer Stronger Communities – Safe Effective Firefighters”

17. Payment of allowances at reasonable rates will ensure that Members are able to perform their functions in leading and setting the Mission, policy and objectives for the Authority to achieve.

## **BACKGROUND PAPERS**

CFO/069/12 Structure Of The Authority.

### **\*Glossary of Terms**

CLG = Communities & Local Government  
SRA = Special Responsibility Allowance