

<b>Subject</b>	<b>Members' Allowance Scheme</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	19 <sup>th</sup> March 2020
<b>Report of</b>	Clerk		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Martin McCarthy Deputy Clerk	<b>Phone</b>	01226 772808
<b>E Mail</b>	martinmccarthy@barnsley.gov.uk		

## **1 Purpose of the Report**

- 1.1 To approve the introduction of a scheme of members' allowances for the Authority.

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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Approve the scheme of members' allowances set out at Appendix B.**
  - b. **Note the agreement of the District Councils that the cost of allowances relating to the Authority's work should in future be borne by the Authority.**
  - c. **Approve the arrangements for the allowances for the Chair and Vice Chair for 2019/20 set out in this report.**

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## **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:  
**Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

Putting in place transparent arrangements for the payment of allowances to members which result in the relevant costs being properly borne by the Authority demonstrates both good governance and compliance with the appropriate regulations and propriety.

## **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report have no implications for the Corporate Risk Register.

## **5 Background and Options**

- 5.1 Currently the allowances payable to members appointed to serve on the Pensions Authority are paid by the relevant district councils as part of their allowance schemes. While at some point in time the allowances may have been identical the current

position is that the level of allowance paid depends on which district appoints a member. This difference is particularly pronounced for office holders such as the Chair. In addition under the current arrangements the costs of allowances are borne by the individual district councils rather than by the Authority. Proper accounting practice would dictate that the cost of allowances solely concerned with the work of the Authority should be borne by the Authority and ultimately by the Pension Fund.

- 5.2 The District Councils have now agreed that with effect from the 2020/21 Financial Year the Authority should create its own scheme of allowances and meet these costs directly, mirroring the arrangements for the Fire Authority (the other remaining 1985 Act Joint Authority in the County). In order to create a valid scheme it is necessary for the Authority to commission an independent review so that members are not involved in setting their own remuneration. A review has been commissioned from Dr Declan Hall an expert in this area who has worked with each of the District Councils on their schemes and his report is at Appendix A, with the proposed scheme reflecting his proposals at Appendix B.
- 5.3 Given the difference between the current and proposed allowances for the Chair and Vice Chair and the fact that these members have been working to the requirements of the roles as outlined in Dr Hall's report it is proposed that the Authority arrange with the relevant Districts to bear the cost of the new allowances for these members for the 2019/20 Financial Year.

## 6 **Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	The cost of the proposed scheme is within the provision made in the 2020/21 budget while the element proposed to be paid in 2019/20 can be met within the overall budget.
Human Resources	None specifically
ICT	None
Legal	The setting of allowances in a transparent and independent way as set out here is consistent with the relevant regulations.
Procurement	None

**Sarah Norman**

**Clerk**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>