



COUNCIL

25TH SEPTEMBER 2018

AGENDA ITEM (11)

REVIEW OF MEMBERS' ALLOWANCES

Accountable Members	Council
Accountable Officer	Nigel Adams Head of Paid Service 01285 623202 nigel.adams@cotswold.gov.uk
Purpose of Report	To consider the recommendations of the Independent Remuneration Panel following its review of Members' Allowances.
Recommendations	That the Council considers the recommendations of the Independent Remuneration Panel.
Reasons for Recommendations	The Independent Remuneration Panel reports to the Council on a scheme for Members' Allowances. In undertaking its work, the Panel is not fettered by any financial constraints or otherwise imposed by the Council, and is not advised either prior to, during or after its deliberations of the financial provision made by the Council in respect of Members' Allowances.
Wards Affected	N/A
Key Decision	No
Recommendation to Council	N/A
Financial Implications	<p>The financial implications of the Panel's recommendations are as follows:-</p> <p>A. <u>2018/19</u></p> <p>(i) the additional cost of the proposed increase in the Basic Allowance would be £17,000;</p> <p>(ii) if the Panel's recommended increase in the Basic Allowance was adopted, and the two changes to SRA multipliers, this would also give rise to an increase in the overall cost of Special Responsibility Allowances (SRAs) of £12,500;</p> <p>(iii) it is difficult to establish the additional mileage costs that might be claimed in respect of attendance at parish/town council meetings.</p>

	<p>It is expected that these additional costs could be met from the existing budget.</p> <p>B. <u>2019/20 - based on a Basic Allowance of £5,000 per Member per annum</u></p> <p>(i) the additional cost of the proposed increase in the Basic Allowance would be £34,000;</p> <p>(ii) if the Panel's recommended increase in the Basic Allowance was adopted, and the two changes to SRA multipliers, this would also give rise to an increase in the overall cost of Special Responsibility Allowances (SRAs) of £21,000;</p> <p>(iii) it is difficult to establish the additional mileage costs that might be claimed in respect of attendance at parish/town council meetings.</p> <p>An increase may need to be built into next year's base budget to cater for these additional costs.</p>
Legal and Human Rights Implications	The Local Government Act 2000, and subsequent Regulations, requires Councils to establish and maintain an Independent Remuneration Panel which will broadly have the functions of providing an authority with advice on its allowances scheme, the amounts to be paid and to whom. The Council must have regard to the Panel's recommendations when determining its Allowances Scheme.
Environmental and Sustainability Implications	None
Human Resource Implications	None
Key Risks	None
Equalities Impact Assessment	<p>Remuneration of Members should be set at a level such that no individual or sector of the community is discouraged from serving as a councillor.</p> <p>In addition, allowances schemes should be designed to reflect the respective responsibilities and/or workloads of members.</p>
Related Decisions	Various - Approval of Schemes of Allowances
Background Documents	<p>(i) Comparator data from other authorities.</p> <p>(ii) Full Panel report.</p>
Appendices	<p>Appendix 'A' - Summary Scheme of Allowances as recommended by the Independent Remuneration Panel (including details of current allowances)</p> <p>Appendix 'B' - Current List of Approved Duties</p>

**Performance Management
Follow Up**

- (i) Implement Council decision(s).
- (ii) Advertise/publicise new Scheme.

Background Information

1. General

1.1 In accordance with the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003, an Independent Remuneration Panel has reviewed the Council's current Member Allowances Scheme.

1.2 The members of the Panel were:-

- Mrs Jane Winstanley, M.B.E. - retired, independent Chair - who has served on the Panel since its original inception;
- Mr Michael Paget-Wilkes - the independent person who assists the Monitoring Officer in the consideration of Code of Conduct complaints relating to district/parish/town councillors;
- Mr Simon Harper - Head of Democratic Services, Gloucestershire County Council - who has also served on the Panel since its original inception.

1.3 To assist with the review, all Councillors were consulted via questionnaire. A total of 22 replies were received from Members, and the Panel received copies of all returns. In addition, ten interviews were planned, across a cross-section of Members (e.g. party, role) - many more Members had offered to be interviewed. Nine interviews were carried out; and the other planned interviewee (who had been unable to attend due to unforeseen circumstances) provided a further written submission. The Panel would like to thank Members for their involvement in the review, in particular those who attended an interview.

1.4 The following information was also provided to assist the Panel's deliberations:-

- existing allowances scheme;
- comparator data from South West councils, including Gloucestershire authorities;
- comparator data from CIPFA Nearest Neighbour Family Members.

1.5 The Panel reviewed the various elements of the Council's existing scheme and its methodology in the light of the questionnaire responses, the interview and additional written submissions, and the comparator data.

1.6 The Panel was generally content with the structure of, and methodology used for, the scheme. However, whereas previous schemes had been underpinned by the notion of a voluntary principle - to reflect that councillors served out of a sense of public duty - the Panel felt that it was now well recognised and accepted that serving councillors should be appropriately recompensed for that service and not have their allowances reduced by a form of 'public service discount' (albeit that the roles should not be compared to salaried positions). When viewed alongside the fact that allowances had not been increased since 2018, the Panel did not consider that the voluntary principle should continue to be applied.

1.7 The Panel's recommendations are set out in Appendix 'A', alongside the current scheme.

1.8 The Panel Chair, Jane Winstanley, hopes to be present at the Council Meeting.

2. The Basic Allowance

2.1 The Panel's major concern was the fact that the level of Basic Allowance has fallen well behind the average, having remained unchanged for what is now its eleventh year.

2.2 It was noted that the Basic Allowance had initially been set at £3,600 per Member per annum (in 2002/03); had remained at that level for three years; modest increases had been applied for 2006/07 (£200), 2007/08 (£100) and 2008/09 (£100); and that since that time, i.e. since April 2008, the Basic Allowance had remained unchanged at £4,000 per Member per annum.

2.4 Against this background, the Panel believes that an increase is now critical - CDC rates have fallen well behind the average; and it is considered that any continued freeze will only exacerbate the position and make future increases more difficult. The Panel is also mindful of the significant reduction in councillor numbers in 2015 (44 to 34) which led to each councillor representing a higher number of electors and, in many cases, and enlarged geographical area comprising more parishes.

2.5 It is acknowledged that, on some occasions, Councillors felt unable to award themselves any increases when staff were the subject of a pay freeze. However, staff have benefitted from pay increases from 2016, and a further award has been agreed for 2019/20. Furthermore, since April 2008, the average RPI figure has increased in the region of 3.2% per annum; and CPI has increased by around 2.3% per annum.

2.6 The Panel's recommendations provide for an increase for the current councillors, to be backdated for the current year; and a further increase for the first year of the new Council term (2019/20).

2.7 The Panel felt that remuneration of Members should be set at a level such that no individual or sector of the community is discouraged from serving as a councillor; and to enable the Council to attract a wide range of people as potential members.

2.8 Subject to the recommended increases being applied, the Panel considers that an annual increase should then be applied, in line with an agreed index/measure (e.g. CPI or staff pay award). This would apply to the remaining three years of the Council term; with the Panel then conducting a comprehensive review in the final year of the term, with changes to be effective from the first year of the following term. Notwithstanding this, the Panel would conduct a light-touch annual 'sense-check' of the allowances; and, if there is a significant change in structure, will bring forward its comprehensive review.

3. Special Responsibility Allowances

3.1 Special Responsibility Allowances (SRAs) are paid to those councillors with significant responsibilities. They are calculated by using the basic allowance as the multiple to make up the SRA payments.

3.2 The Panel believes that the range of SRAs applied, and the multipliers currently used, remain largely valid.

3.3 The current multipliers are as follows:-

<i>Role</i>	<i>Multiplier</i>
Chairman of Council	1
Vice-Chairman of Council	0.5
Leader of the Council	3
Deputy Leader of the Council	2
Other Cabinet Member	1.5
Chairman of Planning and Licensing Committee	1.5
Vice-Chairman of Planning and Licensing Committee	0.5
Chairman of Audit Committee	0.5
Chairman of Overview and Scrutiny Committee	0.5
Leader(s) of registered minority political groups	0.5

3.4 The only changes recommended by the Panel are as follows:-

- to increase the multiplier for the Chairman of the Overview and Scrutiny Committee to 1 - to reflect the changing role of that committee and the hope that it would continue with a more pro-active approach;
- to increase the multiplier for the minority group leader(s) to 1; with the division of such sum (in the event of there being more than one minority group) being proportionate to the number of members in each minority group - to reflect the fact that shadow appointments are not made.

4. Other Allowances

4.1 The Panel were content with the current arrangements in respect of mileage; fares/parking; child care; dependent care; and co-optees.

4.2 The Panel believes that the process relating to the **subsistence allowance** is complicated given the number of claims made; and that some rates are out-of-date. Accordingly, and having regards to schemes applied elsewhere, the Panel has sought to simplify things, with the reimbursement of reasonable subsistence costs (on presentation of receipts) for approved duties where no food is provided. In addition, there would be no reimbursement for meetings at council offices; conference costs would be covered as for other claims; and no alcoholic drinks could be claimed for.

4.3 Insofar as the **ICT Allowance** was concerned, the Panel noted that there was a difference of opinion amongst Members over a financial payment (which then enabled Member choice in ICT procurement) and direct provision by the Council. The Panel felt that it should review the situation following the outcome of the review of Members' ICT (on the understanding that should a payment continue to be made, the current sum was inadequate).

4.4 At a recent meeting of the Members' ICT Working Group, there was agreement that an allowance-based payment remained the most appropriate way forward (especially for dual or triple-hatted members). The Panel will therefore revisit this aspect and make a further recommendation to the December Council Meeting.

5. Approved Duties

5.1 The Panel felt, particularly with the operation of Cabinet governance, that the representational role of the councillor was paramount - particularly as a two-way communications channel.

5.2 In this regard, the Panel was of the view that regular attendance at local council meetings should be encouraged (acknowledging that it is not a legal requirement); and that mileage should be claimable for such attendance (unless the District Councillor was also a member of the local council concerned).

5.3 This was the only change recommended to the current list of approved duties (copy attached at **Appendix 'B'**).

(END)

COTSWOLD DISTRICT COUNCIL
REVIEW OF MEMBERS' ALLOWANCES

Item	Current Allowance	Panel Recommendations
<p><u>A. Basic Allowance</u></p> <p>This is a general allowance paid to all Councillors. All Councillors receive the same amount per annum. This allowance is paid automatically to each Councillor on a monthly basis.</p>	<p>£4,000 per annum per Councillor</p>	<p>2018/19</p> <p>£4,500 per annum per councillor (backdated to 1/4/18)</p> <p>2019/20</p> <p>Minimum of £5,000 per annum per councillor (the Panel believe that an increase to £5,500 could be justified)</p> <p>2020/21, 2021/22, 2022/23</p> <p>To be increased annually in line with an agreed measure - CPI or staff pay awards</p>
<p><u>B. Special Responsibility Allowances</u></p> <p>These are special allowances paid to Councillors who hold positions with significant responsibilities over and above the general duties of an elected Member. Any such allowance is paid automatically to the relevant Councillor on a monthly basis.</p>		

The affected positions and sums payable are as follows:-

- Chairman of the Council
- Vice-Chairman of the Council
- Leader of the Council
- Deputy Leader of the Council
- Cabinet Member (x 4)
- (excluding Leader and Deputy)
- Chairman of the Planning and Licensing Committee

- Vice-Chairman of the Planning and Licensing Committee
- Chairman of the Audit Committee
- Chairman of the Overview and Scrutiny Committee
- Leaders of registered minority political groups

Position	Sum	Multiplier
Chairman of Council	£4,000 per annum	1
Vice-Chairman of Council	£2,000 per annum	0.5
Leader of the Council	£12,000 per annum	3
Deputy Leader of the Council	£8,000 per annum	2
Other Cabinet Member	£6,000 per annum	1.5
Chairman of Plg & Lic Cttee	£6,000 per annum	1.5
Vice-Chairman of Plg & Lic Cttee	£2,000 per annum	0.5
Chairman of Audit Cttee	£2,000 per annum	0.5
Chairman of O&S Cttee	£2,000 per annum	0.5
Leaders of registered minority political groups	£2,000 per annum divided equally between the respective group leaders	0.5

No change except:-

- (i) increase the multiplier for Chairman of O&S Cttee to 1;
- (ii) increase the multiplier for the minority group leader(s) to 1; with the division of such sum (in the event of there being more than one minority group) being proportionate to the number of members in each minority group.

<p><u>C. Mileage Allowance</u></p> <p>This is an allowance paid in respect of mileage incurred by a Councillor in travelling to and from official Meetings and other approved duties.</p> <p>The rates are as follows:-</p> <p style="padding-left: 40px;">Motor Cycle</p> <p style="padding-left: 40px;">Motor Car</p> <p>The rates specified above may be increased in respect of the carriage of passengers, not exceeding four, to whom a mileage allowance would otherwise be payable, by</p> <p style="padding-left: 40px;">Bicycle</p>	<p>36.4p per mile</p> <p>45p per mile</p> <p>20p per mile for the first passenger; and 10p per mile for the second and subsequent passengers</p> <p>45p per mile</p>	<p>No change.</p>
<p><u>D. Fares/Parking</u></p> <p>A Councillor is able to seek reimbursement of actual expenditure incurred on other fares or parking fees in respect of attendance at official Meetings and other approved duties.</p> <p>VAT receipts must be produced.</p>	<p>Actual expenditure incurred</p>	<p>No change.</p>
<p><u>E. Subsistence Allowance</u></p> <p>A Councillor is able to seek reimbursement of actual expenditure incurred in respect of meals/subsistence when attending official</p>		<p>Simplify - reimburse reasonable subsistence costs (on presentation of receipts) for approved duties where no food is provided.</p>

<p>Meetings or other approved duties (when a meal etc. is not provided). Receipts must be produced.</p> <p>Any reimbursed amount must not exceed maxima rates, which currently are as follows:-</p> <p>Breakfast allowance (absence from home for more than 4 hours, before 11.00 a.m.)</p> <p>Lunch allowance (absence from home for more than 4 hours, including the period between 12.00 p.m. and 2.00 p.m.)</p> <p>Evening meal allowance (absence from home for more than 4 hours, ending after 6.00 p.m.)</p> <p>In the case of an absence overnight from a Councillor's usual place of residence (where accommodation is not provided), actual expenditure incurred shall be reimbursed, upon production of receipts, up to a maximum of</p> <p>For such an absence overnight in London, or for the purpose of attending an annual conference (including or not including an annual meeting) of the Local Government Association or such other association of bodies as the Secretary of State may for the time being approve for the purpose, the maximum figure against which actual expenditure incurred can be reimbursed, upon production of receipts, shall be increased by a supplementary figure of</p>	<p>£6.00</p> <p>£8.00</p> <p>£15.00</p> <p>£85.00</p> <p>£100.00</p>	<p>No reimbursement for meetings at council offices.</p> <p>Conference costs to be covered in the same way.</p> <p>No alcoholic drinks can be claimed for.</p>
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F. Child Care Allowance

A Councillor is able to seek reimbursement of actual expenditure incurred on caring costs whilst attending official Meetings or other approved duties, up to a maximum sum per hour. The allowance is paid not only in respect of the duration of attendance at a particular Meeting by a Councillor but also in respect of "door to door" travel time to and from approved duties.

The allowance is payable to any Councillor with a child or children under the age of 14 years who is/are, at the time, part of the claimant's household living with him/her and who would normally be looked after by him/her. The carer must not be someone who also ordinarily lives with the claimant as part of the household.

The claimant must produce a receipt/return certified by the carer to validate any claim. Individual claims exceeding £100 may be invoiced direct to the Council's Head of Democratic Services, for payment direct by the Council. The Head of Democratic Services shall have the delegated authority to ensure that care costs are reasonable based upon local rates. (N.B. A separate claim form is available in the respect).

Actual expenditure incurred.

No change.

<p><u>G. Dependant Care Allowance</u></p> <p>A Councillor is able to seek reimbursement of actual expenditure incurred on caring costs whilst attending official Meetings or other approved duties, up to a maximum sum per hour. The allowance is paid not only in respect of the duration of attendance at a particular Meeting by a Councillor but also in respect of "door to door" travel time to and from approved duties.</p> <p>The allowance is payable to any Councillor with a dependant relative or relatives who would normally be looked after by him/her. The carer must not be someone who ordinarily lives with the claimant as part of the household.</p> <p>The claimant must produce a receipt/return certified by the carer to validate any claim. Individual claims exceeding £100 may be invoiced direct to the Council's Head of Democratic Services, for payment direct by the Council. The Head of Democratic Services shall have the delegated authority to ensure that care costs are reasonable based upon local rates. (N.B. A separate claim form is available in the respect).</p>	<p>Actual expenditure incurred.</p>	<p>No change.</p>
<p><u>H. ICT Allowance</u></p> <p>An allowance to support the direct provision of ICT equipment/broadband connectivity and support.</p>	<p>£300 per annum</p>	<p>No change pending outcome of review of Members' ICT.</p>

<p><u>I. Co-optee's Allowance</u></p> <p>A co-optees' allowance is not payable, but if any non-Councillor representative of any Council Committee is required to attend a formal tribunal/hearing, (s)he be eligible to claim a daily allowance of</p> <p>In the event that such representative is required to Chair such tribunal/hearing the daily rate to be increased to</p> <p>Co-opted Members are entitled to the same travelling and subsistence rates as elected Members.</p>	<p>£50.00</p> <p>£100.00</p>	<p>No change.</p>
<p><u>J. Approved Duties</u></p> <p>A list of qualifying approved duties for the payment of travel and/or subsistence allowances.</p>	<p>Current List attached.</p>	<p>No change except to include, as an approved duty for the payment of mileage, attendance at formally-convened Parish/Town Council Meetings, Parish Meetings and/or Parish Gatherings.</p> <p>N.B. Mileage cannot be claimed where the District Councillor also serves on the town/parish council concerned.</p>

(END)

Approved Duties 2018/19

The following are deemed to be qualifying approved duties for the purposes of payment of travel and/or subsistence allowances -

- (i) Attendance at meetings of the Council, Cabinet, Committees, Sub-Committees, Panels, Boards and Working Parties formally constituted by the Council, whether as a member of that body or as an observer.
- (ii) Attendance at meetings of the Local Government Association at National, Regional or County level, but not when held immediately before or after the Annual Conference;
- (iii) Attendance at Provincial Council meetings;
- (iv) Attendance at meetings of Outside Bodies to which a Member has been appointed to serve as the Council's representative (except where such allowances are payable by the Outside Body);
- (v) Attendance at a seminar or Away Day for Members;
- (vi) Attendance at approved Conferences;
- (vii) Attendance of Chairmen and Vice-Chairmen of Council, Cabinet and Committees, together with the relevant Ward Councillor(s), at any formal meeting organised by the District Council for the purpose of parish liaison/engagement (N.B. this does not include attendance at Parish/Town Council Meetings, Parish Meetings or Parish Gatherings);
- (viii) Attendance at Interview Panels and formal meetings to shortlist candidates for interviews;
- (ix) The giving of official evidence on behalf of the Council at judicial proceedings and planning inquiries;
- (x) Attendance of Chairman and Vice-Chairman of Planning (Regulatory) Committee and appropriate Ward Councillor(s) at Local Planning Inquiries and Informal Hearings, either as formal witnesses or observers;
- (xi) A visit to a Government Department (previously authorised by the Council, Cabinet or a Committee);
- (xii) Attendance at meetings of Leaders/Chairmen of District Councils in the County (including as a substitute member);
- (xiii) Deputising for the Chairman of the Council by any Councillor in the absence of both the Chairman and Vice-Chairman of the Council;
- (xiv) Attendance at the Council Offices by Chairmen and Vice-Chairmen (Council, Cabinet and Committees) for discussion with Chief Officers or their nominated representatives on the agenda for a meeting;
- (xv) Attendance at the Council Offices by Cabinet Members, in their capacity as Portfolio Holders, for decision-making purposes and/or discussions with Chief Officers or their nominated representatives;
- (xvi) Attendance by Members of an Overview and Scrutiny Committee at decision-making meetings, in order to perform their overview and scrutiny role.

(END)