


<b>Agenda Item No:</b>	11	
<b>Committee:</b>	Council	
<b>Date:</b>	11 December 2023	
<b>Report Title:</b>	REVIEW OF MEMBERS' ALLOWANCES SCHEME	

## 1 Purpose / Summary

### 2 Key Issues

- 2.1 The Council is statutorily required to review its Members' Allowances Scheme at least every 4 years.
- 2.2 The last statutory review of the Member Allowance Scheme took place in 2019. At that time the Independent Remuneration Panel recommended that an interim review take place prior to the next statutory review and this was completed in 2021. Statutory reviews must take place every 4 years.
- 2.3 The previous IRP recommended that the Members' Allowances Scheme be subject to review as soon as practicably possible in the new term of office to ensure that the incoming Elected Representatives were able to proactively participate in the review of allowances.
- 2.4 During the July 2023 Council meeting Members agreed to undertake the statutory review of members allowances, agreed the Terms of Reference for the review in addition to the associated timescales.
- 2.5 The scope of the review was agreed as follows:
  - To review the existing entitlements set out in the current Member Allowance Scheme and to make recommendations:
  - as to the amount of Basic Allowance that should be payable to all elected members of the District Council;
  - about the roles and responsibilities for which a Special Responsibility Allowance should be payable and the amount of each such allowance;
  - regarding the approved duties for which travelling and subsistence allowances can be paid and the amount of these allowances;
  - as to the amount of the co-optees' allowance;
  - regarding allowances in respect of the expenses incurred in arranging for the care of children and dependents, the amount of this allowance and the means for determination;
  - as to whether any allowance should be backdated to the beginning of the new term of office for Members, in the event of a new/amended scheme being adopted;

- as to whether any other issue covered by the 2003 Regulations including whether annual adjustments should be made to allowance levels by means of an index and, if so, for how long such a measure should last, up to a maximum period of 4 years;
  - regarding the remuneration of the Independent Person and Deputy Independent Person.
- 2.6 As set out within The Local Authorities (Members' Allowances) (England) Regulations 2003, all Members' Allowances Schemes must include a Basic Allowance that is paid equally to all Members of the Council and may make provision for the payment of Special Responsibility Allowances to members who hold positions of significant additional responsibilities over and above the generally accepted duties of a Councillor.
- 2.7 The Local Government Act 1972 stipulates the provision of the payment of travel and subsistence allowances. Expenses for the Chairman and Vice-Chairman of the Council also fall under this Act.
- 2.8 Before the Council can make or amend its Members' Allowances Scheme, it must have regard to the recommendations of the IRP.
- 2.9 When revoking a Members' Allowances Scheme, the new scheme may only come into effect from the following financial year e.g. 1st April 2024 unless the IRP recommends that allowances are backdated.
- 2.10 The IRP has undertaken a review of the current scheme and has made recommendations which are contained within the report.
- 2.11 The proposed Members' Allowances Scheme is contained at Appendix 1.

### **3 Recommendations**

- 3.1 That the Council has regard for the recommendations of the IRP in formulating a Members' Allowances Scheme, to come into effect from 1st April 2023 and authorises the Monitoring Officer to make such typographical amendments as are necessary to produce clean text copies of the Constitution.
- 3.2 The recommendations include:
- 3.3 Members acknowledge receipt on behalf of the Authority of the Independent Remuneration Panel's report.
- 3.4 **Basic Allowance**
- 3.5 The recommended basic allowance is calculated using the following robust formula, namely that on average elected district Councillors spend 15 hours a week fulfilling their district council role, the average wage in Fenland is currently £13.60 per hour however it is also recognised that a proportion of the work elected Councillors perform should not attract a payment as it is for the benefit of the local community and therefore a public service discount is applied. In this instance the proposed public service discount used is 50%. The formula is therefore as follows hours per week to fulfil the role (15) x

weeks in the year (52) x average earnings (£13.60) x public service discount (50%). This equates to a Basic Allowance of £5,304.

**3.6 Special Responsibility Allowances (SRA):**

- 3.7 All SRA's to be based proportionately on the proposed basic allowance as outlined in further detail below
- 3.8 The Leader of the Council to receive an SRA that is 3.5X the basic allowance, £18,564
- 3.9 Cabinet Members to receive an SRA that is 1.75X the basic allowance £9,282
- 3.10 The Chairman of the Overview and Scrutiny Panel to receive an SRA that is 1.4X the basic allowance, £7,426.
- 3.11 The Chairman of the Planning Committee to receive an SRA that is 1.4X the basic allowance, £7,426.
- 3.12 The SRA for Members of the Planning Committee and Substitute members of the planning committee to remain unchanged at £523 and £105 respectively
- 3.13 The Chairman of the Council to receive an SRA that is 0.84 X the basic allowance, £4,455.
- 3.14 The Chairman of the Licensing Committee to receive an SRA that is 0.65 X the basic allowance, £3,448.
- 3.15 The Chairman of the Conduct Committee to receive an SRA that is 0.35 X the basic allowance, £1,856
- 3.16 The Chairman of the Audit and Risk Management Committee to receive an SRA that is 0.35 X the basic allowance, £1,856.
- 3.17 The Chairman of the Employment Committee to receive an SRA that is 0.35 X the basic allowance, £1,856.
- 3.18 The Leader of the Main Opposition Group to receive an SRA that is 1.2 X the basic allowance £6,365.
- 3.19 The Leader of Other Opposition Groups to receive an SRA that is 0.4 X the basic allowance, £2,122. In order to qualify for this allowance, other opposition groups must consist of a minimum of three Members.
- 3.20 SRA payments to be limited to 1 per Member with the exception of the new SRA payments associated with the Combined Authority.
- 3.21 New SRA's are to be introduced in respect of the Cambridgeshire and Peterborough Combined Authority as follows:
- 3.22 The CPCA Board Member to receive an SRA that is 33% of the Leaders SRA, £6,126.
- 3.23 The Substitute Board Member and all other appointed CPCA Committee Members (excluding other substitute Committee members) to receive an SRA that is 20% of The CPCA Board Members SRA, £1,225.
- 3.24 No further changes are proposed and therefore the following allowances will all remain the same as the current published scheme
- 3.25 Co-optees' Allowance:**

- 3.26 Remain the same as the current scheme
- 3.27 **Travelling and Subsistence:**
- 3.28 Travel and subsistence to be payable in respect of Planning Committee site inspection visits subject to site inspection visit rules.
- 3.29 Travel and subsistence payments should not be made in respect of representing constituents at any FDC Committee meeting.
- 3.30 Travel and subsistence should not be paid in respect of District Councillors choosing to observe FDC Committee meetings.
- 3.31 The amount of travel payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs' rates.
- 3.32 Travel undertaken to establish if a planning application, otherwise recommended for refusal, should be deferred to Planning Committee should not be financially recompensed.
- 3.33 **Dependents' Carers' Allowance:**
- 3.34 Rates to remain the same as the current scheme.
- 3.35 The General Conditions to remain the same in accordance with the existing scheme.
- 3.36 **Parental leave:**
- 3.37 The approach outlined in the report is adopted as a basis of a policy to support parental leave for councillors.
- 3.38 **Backdating Allowances:**
- 3.39 An annual increase to member allowances of 3.19% for the period 22/23 back dated to 01/04/22.
- 3.40 The Council's new Members' Allowances Scheme to be effective from 1st April 2023.
- 3.41 **Annual Adjustment of Allowances:**
- 3.42 The basic allowance, each of the SRAs and the Independent Persons and Deputy Independent Persons Allowance be increased annually in line with the percentage increase in staff salaries where all staff are awarded a universal percentage increase. In instances where staff are awarded a lump sum payment or variation of lump sum and percentage increase then members allowances will be linked to what the lump sum increase represented in terms of median percentage increase to all locally determined pay points above the maximum of the pay spine but graded below deputy chief officer. The recommendation is for the above-mentioned annual increase to take place from April 2023 for a period of up to four years. For 2023/24 this equates to an increase of 3.88%.
- 3.43 **Independent Person and Deputy Independent Person:**
- 3.44 The Independent Person for the Conduct Committee to receive an SRA that is 0.20 X the basic allowance, £1,061.
- 3.45 The Deputy Independent Person for the Conduct Committee to receive an SRA that is 0.10 X the basic allowance, £530.

3.46 **Pensions:**

3.47 Councillors are not eligible to enter the Local Government Pension Scheme.

3.48 **Equipment and Associated Consumables:**

3.49 To remain the same as the current scheme

3.50 **Future Reviews:**

3.51 The Panel recommend that Members may wish to consider an interim review in two years' time, the scope of which is to focus primarily on the recently formed Executive Advisory Committees to consider if the responsibilities associated with the committees warrants the allocation of a specific SRA or otherwise. The next statutory review of Members Allowances which must be no later than December 2027 following the 'all out' local elections.

Wards Affected	All
Forward Plan Reference	
Report Originator(s)	Amanda Orchard, Marketing Consultant, Magistrate - Chairman of the IRP Panel Gerard Dempsey, Business Consultant, Magistrate and former CEO of national business chains Nicky Blanning, Senior Manager for Cambridge University with previous experience IRP's
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Background Papers	The Local Authorities (Member Allowances) (England) Regulations 2003 Fenland District Council's Members' Allowances Scheme Scope of Members' Allowances Review Council Report, July 2023

## **1 INTRODUCTION**

- 1.1 The Independent Remuneration Panel (IRP) comprised of three members:
- Amanda Orchard – Marketing Consultant, Magistrate - Chairman of the IRP Panel.
  - Gerard Dempsey - Business Consultant, Magistrate and former CEO of national business chains
  - Nicky Blanning – Senior Manager, Cambridge University with extensive previous experience of IRP's.
- 1.2 In undertaking the review, The Panel had regard for the Terms of Reference agreed by Council in July 2023, the scope for which covered all aspect of the Member Allowances scheme given that on this occasion the review is a full statutory review. The Panel received a copy of the current allowances scheme, approved by Council in May 2021 and The Panel was requested to undertake a review with reference to the scope.

## **2 METHODOLOGY**

- 2.1 The Panel are extremely experienced undertaking reviews for a number of neighbouring Local Authorities and therefore they received a briefing on Members' Allowances Reviews including Legal requirements for schemes, different methodologies, benchmarking, the basic allowance, special responsibility allowances, travel and subsistence, dependents' carers' allowances, pensions, co-optees allowance, considerations regarding the Combined Authority and requirements for publicity.
- 2.2 The Panel members:
- Received a copy of previous report from 2019 and 2021;
  - Studied a summary of members' allowances data obtained from other Cambridgeshire District Councils, Cambridge City Council plus other CIPFA nearest neighbours for the purposes of benchmarking;
  - Received the results of the survey of Members' views in relation to the current Members' Allowances Scheme;
  - Received a schedule of the current Special Responsibility Allowances;
  - Received a document detailing the remit and frequency of each of the Council's Committees and list of outside bodies including meeting of the Cambridgeshire and Peterborough Combined Authority
  - Undertook interviews and questionnaires with a total of 16 Members from a cross-section of the Council's membership as well as the provision of an open invitation to all Members. Interviews spanned:
    - Group Leaders
    - Cabinet Members
    - Committee Chairmen
    - Committee Members

- Members of CPCA Committees and the CPCA Board
- Opposition Members
- All Members

### **3 TERMS OF REFERENCE**

3.1 The Panel has regard for the terms of reference approved by Council in July 2023 which included:

3.1.1 To review the existing entitlements set out in the current Member Allowance Scheme and to make recommendations:

- as to the amount of Basic Allowance that should be payable to all elected members of the District Council;
- about the roles and responsibilities for which a Special Responsibility Allowance should be payable and the amount of each such allowance;
- regarding the approved duties for which travelling and subsistence allowances can be paid and the amount of these allowances;
- as to the amount of the co-optees' allowance;
- regarding allowances in respect of the expenses incurred in arranging for the care of children and dependents, the amount of this allowance and the means for determination;
- as to whether any allowance should be backdated to the beginning of the new term of office for Members, in the event of a new/amended scheme being adopted;
- as to whether any other issue covered by the 2003 Regulations including whether annual adjustments should be made to allowance levels by means of an index and, if so, for how long such a measure should last, up to a maximum period of 4 years;
- regarding the remuneration of the Independent Person and Deputy Independent Person.

3.1.2 To report any recommendations to Council as soon as is reasonably practicable following member engagement and completion of the review, no later than December 2023;

3.1.3 To compare and contrast schemes in existence at other Councils.

### **4 BASIC ALLOWANCE**

4.1 The 2003 Regulations state that an authority must pay a Basic Allowance to all of its members and that the amount must be the same for each member.

- 4.2 The results of the interviews with elected members and survey responses evaluated, suggest that on average District Councillors spend 15 hours a week fulfilling their district council role (with no special responsibilities), the average wage in Fenland is currently £13.60 per hour (the Fenland average wage were provided by NOMIS Official Labour Market Statistics), however it is also recognised that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated.
- 4.3 Part of a councillor's time should be given voluntarily and therefore a public service discount should be applied. The principle of public service had been recognised in previous IRP reviews and was quantified in 2021. In most cases the amount of public service discount is between 30 – 50%, with the average being 35% discount (figures provided by South East Employers). In this instance the IRP proposed that a public service discount of 50% be used in line with the current scheme.
- 4.4 The Panel are keen to ensure that their recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such. The formula for calculating the basic Allowance is therefore as follows, hours per week to fulfil the role (15) x weeks in the year (52) x average earnings (£13.60) x public service discount (50%). **The panel are proposing that the basic allowance should continue to be calculated utilising the following, best practice methodology: The average number of hours per week spent fulfilling the role of District Councillor X the number of weeks of the year X the average local hourly earnings X the public service discount. 15 X 52 X £13.60 X 50%. This equates to a Basic Allowance of £5,304 pa which is a £260 pa increase on the 21/22 current scheme or 5.2%.** The Panel recognise that on initial consideration a 5.2% increase appears generous however they are cognisant of the fact that Members did not receive any annual increase during 22/23 due to the nature of the staff award, which was a lump sum and there was no provision within the existing scheme for any scenario other than aligning Member allowance annual increases with staff annual increases. Had an annual increase been agreed, and the Panel are recommending a 3.19% increase for 22/23, then the suggested increase for this review would have been a modest 1.90% increase and this would be the same for all the SRA's outlined in section 5 below. Further details in respect of this issue are contained in Section 10.

## **5 SPECIAL RESPONSIBILITIES ALLOWANCES**

- 5.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 5.2 The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if



the majority of councillors receive an SRA, the local electorate may rightly question the justification for this.

- 5.3 The Panel considered all positions currently in receipt of Special Responsibility Allowances. The Panel recommends that all SRA's are linked proportionately to the Basic Allowance as this will ensure transparency and the consistent application of a robust approach.
- 5.4 **The Leader of the Council to receive an SRA that is 3.5 X the basic allowance. This equates to a Leader's allowance of £18,564 pa, an increase from the current scheme of £910 pa or 5.2%.**
- 5.5 The Panel considered the role of Deputy Leader of the Council which is not currently paid an SRA. No evidence came forward to support the introduction of a SRA in respect of this role and therefore **The Panel Recommend that no new SRA should be introduced in respect of the Deputy Leader.**
- 5.6 The Panel did give consideration to the introduction of a two-tier system in respect of Cabinet SRA's. This consideration arose during the consultation exercise, as there was some suggestion that particular Cabinet Portfolio's attributed greater workloads and responsibilities, however there were significant variations on members views on this and therefore **The Panel concluded that the introduction of a two-tier SRA system for Cabinet Members was not appropriate at this time.**
- 5.7 **Cabinet Members to receive an SRA that is 1.75 X the basic allowance. This equates to a Cabinet SRA of £9,282 pa, an increase from the current scheme of £455 pa or 5.2%**
- 5.8 The Panel considered the role of the Chairman of Overview and Scrutiny Panel. It was clear following interviews with Members that this position is of considerable importance. This role is also now required to observe Investment Board meetings in addition to those of the Local Authority Trading Company, Fenland Future Ltd (which have resulted from the recent Commercial Investment Strategy) in order to be able to feedback to the wider Overview and Scrutiny Panel, which justified the larger allowances this position attracted. **The Chairman of the Overview and Scrutiny Panel to receive an SRA that is 1.4 X the basic allowance. This equates to an Overview and Scrutiny Panel Chairman's allowance of £7,426 pa, an increase from the current scheme of £365 pa or 5.2%**
- 5.9 The Panel considered the role of Planning Committee members, without exception feedback from all members confirmed that the Planning Committee meet more frequently compared to any other committees and option to attend site visits, attend mandatory training, as stipulated in the constitution, in addition to reading significant volumes of reports in order to make informed decisions which directly impact on local residents, place additional responsibilities on committee members which are not comparable with other committees. Members also reflected that the time commitment associated with being a member of the planning committee could potentially be a barrier for some elected members. **The Chairman of the Planning Committee to receive an SRA that is 1.4X the basic allowance. This equates to a Planning Committee Chairman's allowance of £7,426 pa, an increase from the current scheme of £365 pa or 5.2%. The SRA for Members of**

**the Planning Committee and Substitute members of the planning committee to remain unchanged at £523 and £105 respectively.**

- 5.10 **The Chairman of the Licensing Committee to receive an SRA that is 0.65 X the basic allowance. This equates to a Licensing Committees Chairman's allowance of £3,448 pa, an increase of £170 pa or 5.2%.**
- 5.11 **The Chairman of the Conduct Committee to receive an SRA that is 0.35 X the basic allowance. This equates to a Conduct Committee Chairman's allowance of £1,856 pa, an increase of £91 pa or 5.2%.**
- 5.12 **The Chairman of the Audit and Risk Management Committee to receive an SRA that is 0.35 X the basic allowance. This equates to an Audit and Risk Management Committee Chairman's allowance of £1,856 pa, an increase of £91 pa or 5.2%.**
- 5.13 **The Panel considered the fact that the Vice Chairman of the Audit and Risk Management Committee is no longer responsible for Chairmanship of the Audit and Risk Management sub-committee, as this committee has disbanded, and the Employment Committee has recently replaced it. As such The Panel recommend that the SRA for the Vice Chairman of the Audit and Risk Management Committee be withdrawn and that the SRA should instead be paid to the Chairman of the Employment Committee.**
- 5.14 **The Chairman of the Employment Committee to receive an SRA that is 0.35% of the Basic Allowance. This equates to an Employment Committee Chairman's allowance of £1,856 pa. This is a new allowance which replaces the Vice Chairman of the Audit and Risk Management Committee.**
- 5.15 **On the basis of the evidence provided during the consultation exercise The Panel agreed that no Vice Chairman roles should receive an SRA.**
- 5.16 **The Chairman of the Council to receive an SRA that is 0.84 X Basic Allowance. This equates to a Chairman of the Council allowance of £4,455 pa, an increase of £218 pa or 5.2%**
- 5.17 **The Leader of the Main Opposition Group to receive an SRA that is 1.2 X the basic allowance. This equates to a Main Opposition Group Leader allowance of £6,365 pa, an increase of £313 pa or 5.2%**
- 5.18 **The Leader of Other Opposition Groups to receive an SRA that is 0.4 X the basic allowance. This equates to an Other Opposition Group Leader's allowance of £2,122 pa an increase of £104 pa or 5.2%. In order to qualify for this allowance, other opposition groups must consist of a minimum of three Members.**
- 5.19 **The Panel recognised that a three new Executive Advisory Committees have recently been constituted including.**
- **The Culture, Arts and Heritage Executive Advisory Committee**
  - **The Rural and Farming Executive Advisory Committee and**
  - **Project Review Executive Committee**
- 5.20 **The Panel were informed that there is great ambition for the Executive Advisory Committees however given that the Committees are in their infancy**

they felt it was too early to establish the level of responsibility associated with the Committee Chairman roles. As such **The Panel recommend that no new SRA should be introduced at this time in respect of the new Executive Advisory Committees but recognised that more information will be available during subsequent reviews, which may influence future considerations in respect of these roles.**

- 5.21 **The Panel recommend that there is to be no more than 1 SRA payment with the exception of the defined Combined Authority roles which will attract a new SRA. The Combined Authority roles sit outside of the 1 SRA payment rule.**
- 5.22 The panel considered the roles that members undertake on the Cambridgeshire and Peterborough Combined Authority (CPCA) both in respect of constituted committees in addition to the requirements associated with CPCA Board membership. Other constituent Councils of the CPCA have either already agreed to make SRA payments to members fulfilling roles on the CPCA or have been asked to consider making payments as part of their respective Independent Remuneration Panel deliberations. From the extensive feedback and evidence received in relation to this matter the panel recognises the significant responsibilities, extent of decision making and associated time commitment these roles carry above that expected of a District Councillor. The panel also acknowledge the importance and associated potential benefits of having Fenland representatives contributing to the role of the CPCA. The IRP asked all elected members about the potential for a further SRA in respect of the commitments and responsibilities associated with the CPCA. The majority of members who were either interviewed or took part in the survey felt that an additional SRA could be justified because the roles have evolved significantly resulting in the demands and responsibilities associated with these roles being considerably greater than initially anticipated when the CPCA was first implemented. As a result the IRP agreed it is appropriate to move in a direction that is fair to the Members fulfilling these roles whilst recognising that the initial intention was that these roles would not result in any additional costs to the authority.
- 5.23 **The IRP recommend that a series of new SRA's should be introduced linked to the roles undertaken in respect of the CPCA. These roles are limited to the following:**
- **The CPCA Board Member**
  - **CPCA Substitute Board Member**
  - **CPCA Committee Members**
- 5.24 **The Panel recommend that the CPCA Board Members' SRA should be 33% of The Leaders SRA. This would equate to an SRA of £6,126 for the CPCA Board Member**
- 5.25 **The Panel recommend that the Substitute Board Member and all other appointed CPCA Committee Members (excluding other substitute Committee members) should receive a new SRA. The SRA should be 20% of The CPCA Board Members' SRA. This would result in a new SRA of £1,225 for these roles.**

5.26 The Panel also considered the impact of the Commercial Investment Strategy and the associated commitments and requirements of the three Cabinet Members, including the District Council Leader, who make up the Investment Board (a sub-committee of the Cabinet). All Senior Members of the Investment Board (IB) recognise that the IB is a relatively new Committee and that whilst the IB is responsible for overseeing the investment opportunities for both the District Council and the recently created Local Authority Trading Company, (LATCo) Fenland Future Ltd, all Members who took part in the interviews with the IRP or the associated survey stated that a further SRA in respect of the role of the Investment Board was not justifiable. This is primarily because Members of Cabinet are already in receipt of an SRA. **Therefore, the panel recommends that no further SRA should be introduced in respect of the Commercial Investment Strategy including the Investment Board.**

5.27 List of Special Responsibility Allowances:

Special Responsibility Allowance	Current Allowance	Allowance including proposed 22/23 annual increase	New allowance 23/24 baseline	Proportion of basic allowance	% Change
Leader of the Council	£17,654	£18,217	£18,654	3.5 x Basic Allowance	↑5.15%
Cabinet	£8,827	£9,109	£9,282	1.75 x Basic Allowance	↑5.15%
Chairman of Overview & Scrutiny	£7,061	£7,287	£7,426	1.4 x Basic Allowance	↑5.16%
Chairman of Planning Committee	£7,061	£7,287	£7,426	1.4 x Basic Allowance	↑5.16%
Members of Planning Committee	£523	£523	£523	NA	No Change
Substitute Members of Planning Committee	£105	£105	£105	NA	No Change
Chairman of Licensing Committee	£3,278	£3,383	£3,448	0.65 x Basic Allowance	↑5.17%

<b>Chairman of Conduct Committee</b>	<b>£1,765</b>	<b>£1,822</b>	<b>£1,856</b>	<b>0.35 x Basic Allowance</b>	<b>↑5.18%</b>
<b>Chairman of Audit and Risk Management Committee</b>	<b>£1,765</b>	<b>£1,822</b>	<b>£1,856</b>	<b>0.35 x Basic Allowance</b>	<b>↑5.18%</b>
<b>Vice-Chairman of Audit and Risk Management Committee</b>	<b>£1,756</b>	<b>£1,822</b>	<b>Withdrawn</b>		
<b>Chairman of Employment Committee</b>			<b>£1,856 New Allowance to replace Vice-Chairman of ARMC</b>	<b>0.35 x Basic Allowance</b>	
<b>Chairman of Council</b>	<b>£4,237</b>	<b>£4,372</b>	<b>£4,455</b>	<b>0.84 x Basic Allowance</b>	<b>↑5.15%</b>
<b>Leader of Main Opposition Group</b>	<b>£6,052</b>	<b>£6,246</b>	<b>£6,365</b>	<b>1.2 x Basic Allowance</b>	<b>↑5.17%</b>
<b>Leader of other Opposition Groups</b>	<b>£2,018</b>	<b>£2,082</b>	<b>£2,122</b>	<b>0.4 x Basic Allowance</b>	<b>↑5.13%</b>
<b>CPCA Board Member</b>			<b>£6,126 New Allowance</b>	<b>33% of Leaders SRA</b>	
<b>CPCA Substitute Board Member</b>			<b>£1,225 New Allowance</b>	<b>20% of Leaders SRA</b>	
<b>CPCA Committee Members</b>			<b>£1,225 New Allowance</b>	<b>20% of Leaders SRA</b>	

## **6 CO-OPTEE'S ALLOWANCE**

**6.1 No changes are recommended in respect of the Co-optees allowance.**

## 7 TRAVELLING AND SUBSISTENCE

- 7.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the approved duties specified in section 6 of the current Members Allowances Scheme. The Panel were made aware that the current approved duties list is very prescriptive. As a result of recent changes in the approach to site inspections, for which proper notice is no longer given, this prevents any Member of the Planning Committee attending site inspections, prior to the associated planning application being considered by the Planning Committee, being able to claim mileage for the visits undertaken.
- 7.2 In principle the Panel agreed that site visits are an activity for which mileage should be payable and therefore should be an approved duty. The panel recognise that Officers should set the criteria in respect of the detail of what a qualifying mileage scheme should include. **The Panel recommend that Officers should determine the detail of the approved duties in respect of site inspections but in principle are agreeable that travel undertaken for this purpose should be contained within the approved duties for which travel and subsistence is payable.**
- 7.3 The Panel were also made aware that the Chairman of the Planning Committee is consulted on all Planning Applications which Officers are recommending for refusal, the Chairman considers if the applications should be submitted to Committee for consideration. The Chairman prefers to visit these sites in person before making a recommendation to refer to Committee or otherwise. Given that these visits do not fall within the current remit of the approved duties the panel were asked to consider this matter further and make a recommendation regarding whether or not these duties should attract travelling and subsistence allowances.
- 7.4 The Panel considered whether travel and subsistence should be payable for mileage undertaken by the Chairman of the Planning Committee in order to determine whether or not an application, otherwise recommended for refusal by an Officer, should be called into the Planning Committee for consideration. **The Panel recommend that the decision by the Chairman of Planning Committee, to defer or otherwise, the application to the Planning Committee, should be a purely paper-based decision alone and therefore should not be recognised as an official duty. As a result, any travel undertaken in this regard should not be financially recompensed.**
- 7.5 **The Panel recommend that travelling and subsistence payments should not be made in respect of representing constituents at any FDC Committee meeting as the Panel consider that the basic allowance scheme sufficiently recompenses for these activities.**
- 7.6 **The panel recommend that travel and subsistence should not be paid in respect of District Councillors choosing to observe FDC Committee meetings, as the meetings are all accessible via live web streaming.**

**7.7 The Panel recommend that the amount of travel payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs' rates.**

## **8 DEPENDENTS' CARERS' ALLOWANCE**

**8.1 No changes are recommended in respect of the Dependents' Carers Allowance**

## **9 PARENTAL LEAVE**

9.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. The Panel are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure.

9.2 The Panel is aware that the Local Government Association has developed a model policy that has been adopted by a growing number of councils across the East of England region.

9.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:

- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence
- Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
- Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972
- If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided

**9.4 The Panel Recommend that the approach outlined is adopted as a basis of a policy to support parental leave for councillors.**

## 10 BACKDATING ALLOWANCES

- 10.1 The Allowances Regulations allow local authorities to apply amendments to allowances payments to be backdated to the beginning of the financial year. **It is the view of The Panel that the Council's new Members' Allowances Scheme should be effective from 1st April 2023.**

## 11 ANNUAL ADJUSTMENT OF ALLOWANCES

- 11.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the basic allowance, the special responsibility allowances and Independent Persons allowance to be adjusted annually in line with staff salaries. The principle of aligning the annual adjustment of Member allowances with staff salaries was sound when staff salaries were adjusted by an agreed percentage increase. In 22/23 this however was not the case as the national staff award was a fixed increase of £1925 for all staff, regardless of grade.
- 11.2 The previously agreed IRP report did not allow for annual adjustments outside the alignment to staff increases. As a result, had the fixed increase of £1925 been applied to Member allowances then this would have represented an increase of 38.16%, which members deemed inappropriate. Therefore members agreed not to award any annual increase during 22/23 and instead await the statutory IRP review of allowance scheduled for later in 2023 to make a recommendation in respect of this issue and what the increase should be in regarding the financial year 22/23.
- 11.3 The Panel acknowledged that it is important that member allowances do not fall behind that of comparator councils and therefore The Panel agreed that consideration should be given to recommending an increase in respect of all member allowances for 22/23 and their associated backdating. The Panel identified that the fixed salary increase of £1925 represented a percentage increase of 7.136% to the median staff salary point. Members of The Panel felt this would be a disproportionate increase and therefore considered what the £1,925 increase represented in terms of median percentage increase to all locally determined pay points above the maximum of the pay spine but graded below deputy chief officer. The £1925 pay award represented a median increase of 3.19% across these pay scales. **The Panel recommend that an annual increase to member allowances of 3.19% for the period 22/23 would be proportionate and that this increase should be back dated to 01/04/22.**
- 11.4 The Panel then considered the annual adjustment of allowances for 2023 onwards. For the period 2023/24 staff salaries have again not universally increased by a fixed percentage increase. On this occasion All NJC Spinal Column Points 2 - 40 (Bands 2 - 9 inclusive) have been awarded a flat increase of £1,925, however all locally determined pay points above the NJC pay spine but graded below chief officer (i.e. Hay grades) will be increased by 3.88 per cent. Given the challenges this approach poses in relation to aligning member allowance annual increases to staff salaries **The Panel recommend that the basic allowance, each of the SRAs and the Independent Persons**



**Allowance be increased annually in line with the percentage increase in staff salaries where all staff are awarded a universal percentage increase. In instances where staff are awarded a lump sum payment or variation of lump sum and percentage increase then members allowances will be linked to the what the lump sum increase represented in terms of median percentage increase to all locally determined pay points above the maximum of the pay spine but graded below deputy chief officer. The recommendation is for the above-mentioned annual increase to take place from April 2023 for a period of up to four years. After this period, the Scheme shall be reviewed again by an independent remuneration panel.**

- 11.5 **As a result, the annual increase for 2023/24 in respect of the basic allowance, each of the SRAs and the Independent Person and Deputy Independent Persons Allowance should be 3.88% and this increase should be back dated to April 2023.**

## **12 INDEPENDENT PERSON AND DEPUTY INDEPENDENT PERSON**

- 12.1 The Panel considered the fact that the allowances in respect of the Independent Person and Deputy Independent Person should continue to be linked proportionately to the Basic Allowance for consistency and transparency. **As such the IRP recommend that the Independent Person for the Conduct Committee to receive an SRA that is 0.20 X the basic allowance. This equates to an Independent Person allowance of £1,061 pa, an increase of £52 pa or 5.2%.**
- 12.2 **The Deputy Independent Person for the Conduct Committee to receive an SRA that is 0.10 X the basic allowance. This equates to a Deputy Independent allowance of £530 pa an increase of £25 pa or 5.2%.**

## **13 PENSIONS**

- 13.1 Councillors are not eligible to enter the Local Government Pension Scheme.

## **14 MEMBERS' ICT/EQUIPMENT & CONSUMABLES**

- 14.1 **No changes are recommended in respect of Members' ICT/ Equipment and Consumables as the panel deemed the current arrangement to be acceptable.**
- 14.2 **Revocation of current Scheme of Allowances / Implementation of new Scheme.**
- 14.3 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation. The Panel therefore recommend that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2023-24

financial year, at which time the current scheme of allowances will be revoked.

## **15 FUTURE REVIEWS OF THE SCHEME**

- 15.1 The next review of Members' allowances will be a statutory review and therefore the timescales for which are prescribed and required to take place no later than December 2027.

## **16 FINANCIAL IMPLICATIONS**

- 16.1 The provision of Members' Allowances (Basic Allowance and Special Responsibility Allowances) currently costs the Council **£352,957** per annum. The recommendations within this report, if adopted, will result in Members' Allowances costs of **£384,549 in 2023/24, an increase of £31,592 or 8.95%**. These figures include the increase for 2022/23 and the new allowances for the CPCA.