

Report of the Independent Remuneration Panel: 2019 Review of Members' Allowances

January 2019

Wynn Bartlett
Stewart Dove
John Smith

Supported by Tanya Davies

Recommendations

Basic Allowance

1. That the Basic Allowance remains at the current level of £5,827.26.
2. That the Members' Scheme of Allowances makes provision for an annual adjustment of allowances indexed to the local government staff pay award and that the index be applied for the maximum of four years, after which time its application will be reviewed.

Special Responsibility Allowances

1. That the multiplier for the Special Responsibility Allowance for the Chair of the Overview and Scrutiny Committee be increased from 0.5 to 0.6.
2. That the multiplier for the Special Responsibility Allowance for the Chair of the General Purposes Committee be decreased from 0.3 to 0.1.

3. That no changes be made to the multipliers for the following Special Responsibility Allowances:

▪ Leader of the Council	3.5
▪ Deputy Leader of the Council	2.25
▪ Cabinet Member	1.75
▪ Chair of Planning Committee	0.8
▪ Chair Audit and Governance Committee	0.5
▪ Chair of Licensing and Enforcement Committee	0.5
▪ Vice Chair of Planning Committee	0.2
▪ Minority Group Leader	1
▪ Minority Group Deputy Leader	0.25
▪ Mayor	0.6
▪ Sheriff	0.2

Dependents' Carers Allowance

1. That the Members' Scheme of Allowances makes provision for dependents' carers allowances payable at the following rates:
 - Registered childcare – reimbursement of the actual amount paid up a maximum hourly rate equivalent to the current UK Living Wage per child.
 - Non-registered childcare - reimbursement of the actual amount paid up a maximum hourly rate of £10.00 irrespective of the number of children being cared for.
 - Care for children with severe disabilities and dependent adult relatives - reimbursement of the actual amount paid up a maximum hourly rate of £10.00 per dependent.
2. That the Dependants' Care Expenses Claim Form be amended to reflect the recommended changes.

Parental Leave

1. That the Council adopts a Parental Leave Policy for Councillors that takes into account any recommendations or policy approved by the Local Government Association.
2. That Section 5 of the Scheme of Allowances be amended to reflect that Councillors will not be invited to pay back allowances if they are absent on parental leave or health grounds.

Introduction

Membership

The Gloucester City Council (GCC) Independent Remuneration Panel (IRP) has been established pursuant to the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003. The current IRP was appointed by the Council on 28 September 2017; however, shortly before the review commenced, one member of the IRP stepped down for personal reasons and as such a further recruitment process will take place after this review. The membership of the IRP for this review was:

Mrs Wynn Bartlett
Mr Stewart Dove
Mr John Smith

Terms of Reference

Pursuant to the 2003 Regulations, the terms of reference for the Panel are to make recommendations on the following:

- (a) as to the responsibilities or duties in respect of which the following should be available -
 - (i) special responsibility allowance;
 - (ii) travelling and subsistence allowance; and
 - (iii) co-optees' allowance;
- (b) as to the amount of such allowances and as to the amount of basic allowance;
- (c) as to whether dependants' carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;
- (d) as to whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulation 10(6);
- (e) as to whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed;

Recent history of Members' allowances

The last detailed review of Members' allowances took place in 2015. The review resulted in a complete overhaul of the Council's scheme to bring the format into line with other local authorities, providing sufficient detail and clarity around the various elements of the scheme. The review also resulted in an increase to the Basic Allowance (BA) through the establishment of a formula, along with a number of changes to Special Responsibility Allowances (SRAs).

Since the detailed review, a minor review has taken place each year and, with the exception of a new SRA for the Chair of the newly established General Purposes Committee, allowances have only been adjusted in line with the local government pay award, which is the agreed index for the scheme.

The Review

Scope of review

The scope of the review was to consider all aspects of the scheme and specifically:

- *To consider whether the impact of any changes to the role of Members over the last four years and any changes anticipated during the next four years justify a change to the level of Basic Allowance.*
- *To review the appropriateness of linking allowances to the Local Government staff pay award.*
- *To consider the duties, responsibilities and accountabilities of each role that currently attracts a Special Responsibility Allowance (SRA) and determine whether each role justifies the payment of an SRA and, where an SRA is justified, whether the current multiplier used to set the level of allowance correctly reflects the significance of the role.*
- *To consider the duties, responsibilities and accountabilities of any roles that do not currently attract a Special Responsibility Allowance (SRA) and determine whether any of those roles justifies the payment of an SRA and, where an SRA is justified, to set the multiplier so that the level of allowance correctly reflects the significance of the role.*
- *To provide a clear documented scheme to ensure the appropriate payment of Travel and Subsistence Allowances, without creating unnecessary barriers to claiming.*
- *To provide a clear documented scheme to ensure the appropriate payment of claims for Dependents' Carers Allowances, without creating unnecessary barriers to claiming.*
- *To provide a Scheme that is clear and easy for Members and members of the public to understand, and is simple to administer and monitor.*

Support to the Panel

The Panel was assisted by Tanya Davies, Policy and Governance Manager.

Basic Allowance

The recognised guidance states that the BA is intended to compensate Councillors for the time commitment required and to cover any incidental costs; it is not intended to be a salary.

The BA set during the last detailed review in 2015 was established by the following formula:

(average hours per week taken from the survey of councillors) minus (33% voluntary public service discount) multiplied by (weeks per year) multiplied by (gross median hourly pay for all full time employees for their area, taken from the Annual Survey of Hours and Earnings (ASHE), published by the Office of National Statistics in 2014)

Basic Allowance = (15 – 33%) x 52 x 10.77 = £5,600.40.

The BA has been increased in subsequent years each time there has been a local government pay award, giving the current rate of £5,827.26.

Data

The Panel reviewed the methodology used by a number of other local authorities and compared data with district councils in Gloucestershire and throughout the South West region, as well as Gloucester City Council's 'Nearest Neighbours' as identified by the Chartered Institute of Public Finance and Accountancy for benchmarking purposes.

Taking the comparative data at face value, Gloucester City remains at the higher end of the BA payable within the County, the region and among the Nearest Neighbours. Although the current figure is not significantly higher than the average in the County, it is approximately 27% higher than the average of the Nearest Neighbours and 20% higher than the average in the region.

Despite the implementation of the recommendations of the Local Government Boundary Commission following the electoral boundary review in 2016, population data shows that, when considering the number of Councillors per resident taken across the City as a whole, Gloucester City Councillors still have the highest number of residents per Councillor in the County and among the Nearest Neighbours; and within the region only Exeter has a higher number.

DISTRICT COUNCILS IN GLOUCESTERSHIRE

Name	Basic Allowance	Estimated Population (mid-2017)	No of Councillors	Residents per Councillor
Tewkesbury	£7,200.00	90,332	38	2377
Gloucester	£5,827.26	129,083	39	3310
Cheltenham	£5,427.00	117,128	40	2928
Stroud	£5,265.00	118,130	51	2316
Forest of Dean	£4,750.00	85,957	48	1791
Cotswold	£4,000.00	87,509	34	2574
AVERAGE	£5,411.54	104,690	42	2549

DISTRICT COUNCILS IN THE SOUTH WEST

Name	Basic Allowance	Estimated Population (mid-2017)	No of Councillors	Residents per Councillor
Tewkesbury	£7,200.00	90,332	38	2377
South Somerset	£6,489.84	167,216	60	2787
Gloucester	£5,827.26	129,083	39	3310
Teignbridge	£5,486.00	131,437	46	2857
Cheltenham	£5,427.00	117,128	40	2928
Exeter	£5,400.00	128,916	40	3223
Stroud	£5,265.00	118,130	51	2316
Weymouth and Portland	£5,250.00	65,751	36	1826
West Dorset	£5,250.00	102,064	42	2430
South Hams	£5,151.00	85,340	31	2753
Purbeck	£4,970.00	46,756	25	1870
Mid Devon	£4,865.00	80,623	42	1920
Forest of Dean	£4,750.00	85,957	48	1791
North Dorset	£4,698.00	71,096	33	2154
North Devon	£4,661.00	95,440	43	2220
Torridge	£4,660.47	67,821	36	1884
Sedgemoor	£4,434.00	122,178	48	2545
West Devon	£4,370.00	55,329	31	1785
East Devon	£4,360.00	142,265	59	2411
Taunton Deane	£4,344.00	117,423	56	2097
East Dorset	£4,190.95	89,384	29	3082
Christchurch	£4,154.04	49,616	24	2067
Cotswold	£4,000.00	87,509	34	2574
Mendip	£3,733.00	113,513	47	2415
West Somerset	£2,733.00	34,865	28	1245
AVERAGE	£4,866.78	95,807	40	2355

CIPFA NEAREST NEIGHBOURS

Name	Basic Allowance	Estimated Population mid-2017	No of Councillors	Residents per Councillor
Rugby	£6,556.92	106,350	44	2417
Gloucester	£5,827.26	129,083	39	3310
Cheltenham	£5,427.00	117,128	40	2928
Kettering	£5,394.00	100,252	36	2785
Rushmoor	£5,140.00	95,817	39	2457
Carlisle	£4,887.00	108,274	52	2082
Gravesham	£4,728.00	106,121	44	2412
Lincoln	£4,670.00	98,438	33	2983
Wyre Forest	£4,626.00	100,715	33	3052
East Staffordshire	£4,540.00	117,552	39	3014
Worcester	£4,300.00	102,314	35	2923
Ipswich	£4,007.00	138,480	48	2885
Burnley	£3,500.00	87,705	45	1949
Wellingborough	£3,440.00	78,914	36	2192
Redditch	£3,350.00	85,204	29	2938
Pendle	£3,000.00	90,696	49	1851
AVERAGE	£4,587.07	103,940	40	2636

Working hours

We acknowledge that each Councillor is responsible for determining how to carry out their role and that there are many factors that influence an individual's approach. We listened with interest to the different ways that individuals go about their work and noted that while some Councillors believed that particular wards were generally more demanding, others considered that the volume of casework was consistent, but the types of issues encountered were different across the wards. These factors create a challenge for us as the BA must be offered equally to all Councillors and the level must be set with all of the circumstances in mind.

We recognise that the amount of time spent on council duties varies greatly from individual to individual and there is no set time expectation. That said, we and most Councillors we spoke to agreed that the role of a District Councillor, including Special Responsibilities, should not be considered a full time role, with the exception of the Leader of the Council. We also noted that around half of the Gloucester City Councillors, including a number with Special Responsibilities, carry out some form of paid employment and are able to operate effectively as a Councillor with the remaining time they have available.

In considering the information on working hours, we chose to have regard to the responses given by Councillors in the survey and at interview only; we disregarded any external data because we are only concerned with the time required to be a Councillor in Gloucester.

Councillors were asked how many hours per week they spent on council duties and, where appropriate, to identify the split between 'ordinary' councillor duties, and those pursuant to any Special Responsibility/ies that they held. In contrast to the results when the same question was asked during the last detailed review, Councillors who hold Special Responsibilities are not generally spending less time on 'ordinary' councillor duties than 'backbench' Councillors. From the 32 responses received, the amount of time spent on 'ordinary' council duties per week ranged from 2 to 50 hours per week and the most common response given was 10 hours per week. The average was 15.5 hours, an increase of 30 minutes on the average from the last detailed review; however, the results were skewed by four responses that were significantly higher than the rest. 28 Councillors estimated between 2 and 25 hours per week, while the remaining 4 Councillors gave answers between 40 and 50 hours per week. If those much higher responses are removed from the calculation the average becomes 11.25 hours.

Voluntary reduction

84% of Members agreed that part of their time was given on a voluntary basis.

Government guidance to Members' Allowances Panels states:

"It is important that some element of the work of members continues to be voluntary – that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected members, and further to ensure that, despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained.

As such, the application of a voluntary public service reduction remains a standard practice across many authorities. When those who agreed that part of their time was given on a voluntary basis were asked how much of time should be considered voluntary responses given ranged from 5-100%; however, the majority fell between 25-40%. We agreed that the existing voluntary public service reduction of 33% was appropriate and fair.

Calculation of Basic Allowance

Taking into account the comparative data, data gathered from Councillors and the statutory guidance we considered options for setting the BA. We noted the work of the Panel during the last

detailed review and the reasons for establishing a new formula at that time. At that time there was no identifiable rationale for the BA and, as the BA is the foundation of the scheme, there was a need to provide clarity for anyone trying to understand the scheme as a whole. Since that time, in line with the scheme, the BA has been increased only when there has been a Local Government Pay Award and during minor reviews the vast majority of Councillors have consistently stated that they consider the scheme to be operating well.

Firstly, we agreed that the components of the formula established during the last detailed review were essentially sound; we did not identify an alternative formula that would improve the rationale for the level of BA or make the scheme any clearer to the public, but we did wish to consider whether taking a straight average of the hours was appropriate. We then turned to considering whether the BA should be revised by updating the data used within the formula. Having already agreed that the voluntary public service discount would remain unchanged and noting that Councillors should continue to be remunerated on the basis of all 52 weeks of the year, the two components that could be updated were the hours per week and the hourly rate.

In respect of the hourly rate, the gross median hourly pay for all full time employees resident in the City of Gloucester, taken from the latest available Annual Survey of Hours and Earnings (ASHE) published by the Office of National Statistics, has increased from £10.77 to £12.81.

In respect of the hours per week, in view of the skewing of the average hours by a small number of very high responses we considered it necessary to look at the average, the adjusted average and the most common response. Using the formula set out again below, the recalculated BA levels options are:

(hours per week) minus (33% voluntary public service discount) multiplied by (weeks per year) multiplied by (hourly rate)

Average hours: $(15.5 - 33\%) \times 52 \times 12.81 = £6,883.24$

Adjusted average hours: $(11.25 - 33\%) \times 52 \times 12.81 = £4,995.90$

Most common hours: $(10 - 33\%) \times 52 \times 12.81 = £4,440.80$

We considered each of the recalculated figures and how they compared to the current level of BA. We decided that use of the most common hours was not representative enough as only 4 Councillors gave the same response. We noted that the current BA was approximately halfway between the figures given by the average and the adjusted average hours. On that basis and given that the majority of Councillors have been content with the BA over a number of years we concluded that we had not identified a strong argument in favour of increasing or lowering it; therefore, the most appropriate and fair decision is to leave the BA at the current level.

Recommendation: That the Basic Allowance remains at the current level of £5,827.26.

What is included in the Basic Allowance?

During the last detailed review the scheme was amended to make provision for the Basic Allowance to cover all incidental costs incurred by Councillors in the performance of their duties, unless they are claimable elsewhere under the scheme (paragraph 3.2). When we asked Councillors about the expenses incurred as a result of 'ordinary' Council duties most either didn't answer the question, or responded that there were none, or none that weren't covered by their BA. Of those who did provide a list they were largely covered by paragraph 3.2 of the scheme or the available travel, subsistence and dependents' carers allowances. A small number noted costs associated with phone calls and mobile internet usage and so we wanted to remind Councillors that the Council provides Councillors with the necessary IT and telephone equipment to perform

their role so there should be no need to incur expenses in respect of these. We do not propose any changes to the scheme to reflect the expenses incurred.

Indexation

We chose not to ask a specific question about indexation during this review; however, we are aware that there remains a strong feeling amongst Councillors that it is appropriate for the allowances scheme to remain linked to the local government staff pay award because it ensures that Councillors are not awarded a pay increase higher than that of the Council's staff. While there are clear differences between Councillors and local government staff; the sentiment behind linking the allowances scheme to the staff pay award is one that we accept.

It should be noted that, should the Panel's recommendations be approved, the new scheme will apply from 1st April 2019 at the levels stated in this report. However, as a 2% pay award is already agreed this will automatically be applied to the levels in this report and payable from 1st April. The scheme will be re-published with the pay award added at the beginning of the 2019/20 financial year.

Recommendation: That the Members' Scheme of Allowances makes provision for an annual adjustment of allowances indexed to the local government staff pay award and that the index be applied for the maximum of four years, after which time its application will be reviewed.

Special Responsibility Allowances

Special Responsibility Allowances (SRAs) are currently based on a multiplier of the BA. This is the approach widely adopted by many local authorities and in considering the new Scheme, we found no valid reason to depart from the multiplier system. We also agreed to follow the recommended principles that each Councillor may not receive more than one SRA on top of their BA, and that ideally no more than 50% of Councillors should be in receipt of an SRA; currently 18 Members are entitled to receive an SRA, which equates to 46.2% of all Councillors.

We considered each of the existing SRAs in the context of the time commitment required and levels of personal responsibility and accountability. We did not spend a high proportion of our time considering local and national trends as we agreed that the Gloucester context was of most importance. All current SRA holders were invited to attend an interview with the Panel and those who were unable to attend were sent an additional questionnaire to complete; we also heard from Vice Chairs of Committees who are not currently in receipt of SRAs as this was an area we had been asked to consider. We are grateful to those Councillors who gave up their time to be involved in the review, but are disappointed that one SRA holder chose not to engage in the interview process because, although the purpose of the Scheme is to offer the appropriate level of remuneration for the role irrespective of the incumbent individual, it is difficult to accurately assess the role in question with no information from the current post holder.

Part of our approach was to consider whether a particular role resulted in significant additional responsibilities for which an SRA should be paid or whether it should instead be recognised as a time commitment to Council work which is acknowledged within the BA; in other words, do the duties lead to a significant extra workload for any one particular Councillor above another. We balanced the need to remove any barriers preventing individuals from taking up Special Responsibilities due to the time commitment required, with the need to fairly reflect the level of additional workload and responsibility.

Special Responsibility Allowances: recommended increases

Chair of Overview and Scrutiny Committee

We heard from the current post holder about his approach to the role and we also received a variety of comments from other Councillors about the development of this role over the last four years. We noted the Chair's passion and the time he puts in and we had the challenging task of balancing this against our view on the necessary time commitment alongside the level of personal responsibility and accountability.

We considered this role alongside the other Chairing positions and concluded that the time commitment was greater than for the Chairs of Licensing & Enforcement Committee, Audit & Governance Committee and General Purposes Committee, due in large part to the frequency of the meetings, and as such was on a par with the Chair of Planning Committee in that regard. We then considered the knowledge and skills required and concluded that, while the Chair of Overview and Scrutiny Committee benefited from having a broad knowledge of Council functions, the requirement for in-depth technical knowledge was not comparable with the other Chairing roles. We also noted the difference in decision-making powers of the various committees and the responsibility this brings to the respective Chairs.

Taking these factors into account we consider that there is sufficient justification for the SRA for the Chair of Overview and Scrutiny Committee to be higher than that of the Chairs of the Licensing & Enforcement Committee, Audit & Governance Committee and General Purposes Committee, but we do not consider the role to be comparable to that of the Chair of the Planning Committee, where the requirement for technical knowledge and the levels of personal responsibility and accountability are greater.

We therefore recommend that the multiplier for the Chair of Overview and Scrutiny Committee is increased from 0.5 to 0.6 providing an allowance of £3,496.36, which represents an increase of £582.73.

Special Responsibility Allowances: recommended reductions

Chair of General Purposes Committee

A small number of Councillors, including the current post holder, commented on the light workload of the General Purposes Committee and the cancellation of a high proportion of meetings. We note that this is due to the nature of the business directed to the committee as it tends to be procedural or constitutional items that arise on an ad-hoc basis. We were also advised of the intention to move away from quarterly scheduled meetings to one scheduled meeting in January and further meetings arranged as and when required. It was suggested that the post should not attract an SRA and while we did consider this, on the basis that the workload is light and largely generated by officers, ultimately we determined that the Chair of a formally constituted committee that meets in public should receive an SRA because there is a level of accountability that comes with the responsibility. We did however conclude that the SRA should be reduced to reflect the nature of the workload.

We recommend that the multiplier for the Chair of General Purposes Committee be reduced from 0.3 to 0.1 providing an allowance of £582.72. This represents a reduction of £1,165.42.

Special Responsibility Allowances: recommended no change

Having listened to the evidence from existing SRA holders and other Councillors, and receiving no strong arguments in respect of these posts, we consider that the multipliers for the following SRAs are set at the appropriate levels to recognise the additional time commitment required and the responsibilities and accountabilities of the posts:

▪ Leader of the Council	3.5
▪ Deputy Leader of the Council	2.25
▪ Cabinet Member	1.75
▪ Chair of Planning Committee	0.8
▪ Chair Audit and Governance Committee	0.5
▪ Chair of Licensing and Enforcement Committee	0.5
▪ Vice Chair of Planning Committee	0.2
▪ Minority Group Leader	1
▪ Minority Group Deputy Leader	0.25
▪ Mayor	0.6
▪ Sheriff	0.2

We did hear some arguments in favour of increasing the SRA for the Chair of Licensing and Enforcement Committee due the informal expectation that the Chair attends a high proportion of sub-committees. Because this is an informal expectation and because a new post holder has just taken up the role, we did not consider it appropriate to increase the allowance at the present time.

Special Responsibility Allowances: considered, but not recommended for SRAs

Vice Chairs of Audit & Governance Committee, Licensing & Enforcement Committee and Overview and Scrutiny Committee

We were asked by a small number of Councillors to consider reinstating SRAs for the Vice Chairs of three committees: Audit & Governance Committee, Licensing & Enforcement Committee and Overview and Scrutiny Committee. They SRAs were removed during the last detailed review of

allowances for various reasons and we welcomed the opportunity to hear from each of the current post holders, as well as their respective Chairs and other Councillors. Importantly, none of the three post holders had suggested that their role should attract an SRA, although it was noted in one case that it may make the role more attractive. We considered the time commitment currently required for these roles and found across all three that it was not enough to sufficiently differentiate it from the role of an ordinary committee member. We do note the support that Vice Chairs provide to the Chairs, some as a sounding board, others by contributing to agenda setting, but we consider that in all three cases the level of influence is limited, with Chairs holding a significantly higher level of responsibility that the payment of an SRA to any of these Vice Chairs is not warranted. While it wasn't a deciding factor, we also noted that the creation of three new SRAs would result in more than 50% of Members receiving an SRA, which would not be in line with government guidance. Finally, we consider that in a local authority the size of Gloucester City Council it is appropriate to have some unremunerated positions that can be seen as stepping stones to positions of greater responsibility and we believe that these Vice Chair roles should be viewed in such a way.

Recommendations:

- 1. That the multiplier for the Special Responsibility Allowance for the Chair of the Overview and Scrutiny Committee be increased from 0.5 to 0.6.**
- 2. That the multiplier for the Special Responsibility Allowance for the Chair of the General Purpose Committee be reduced from 0.3 to 0.1.**
- 3. That no changes be made to the multipliers for the following Special Responsibility Allowances:**

▪ Leader of the Council	3.5
▪ Deputy Leader of the Council	2.25
▪ Cabinet Member	1.75
▪ Chair of Planning Committee	0.8
▪ Chair Audit and Governance Committee	0.5
▪ Chair of Licensing and Enforcement Committee	0.5
▪ Vice Chair of Planning Committee	0.2
▪ Minority Group Leader	1
▪ Minority Group Deputy Leader	0.25
▪ Mayor	0.6
▪ Sheriff	0.2

Approved Duties

We considered the existing list of approved duties and noted that no comments were received in relation to the duties for which expenses can be claimed; therefore we are not proposing any changes to the list of approved duties.

Travel and Subsistence

We noted from comments received in response to the questionnaires that relatively few claims are made by Gloucester City Councillors for the reimbursement of travel and subsistence costs incurred during the performance of approved Council duties. We noted that the previous review removed the opportunity to make claims for approved duties within the City boundaries; we agree with this approach, particularly as there is no evidence that removing this restriction would encourage more Councillors to make claims. We are also satisfied that the provisions in the scheme are sufficiently detailed and provide clear information and instructions on the different types of expenses that can be claimed and how.

Overall, Councillors are aware that they can claim and of the process to follow, but it is clear that most simply chose not to do so and would not be persuaded to if the scheme was amended, therefore we are not recommending any changes to travel and subsistence allowances. We do, however, consider it important to remind Councillors that provision within the scheme for claiming reimbursement of travel and subsistence costs is included in order to help ease the financial burden on Councillors and that individuals should not be dissuaded from submitting legitimate claims.

Dependents' Carers Allowance

We noted that this area of the scheme had been overhauled during the last detailed review to provide both a clear process for claiming and revised rates of pay. The supporting officer reported that, although the number of claims remained low, the process had been followed in all cases without exception, providing a clear audit trail. Few comments were received relating to this area of the scheme, but some of those that were received related to matters that we are unable to change or have no control over, such as the requirement for payment in arrears, which ensures actual costs are reimbursed, and the fact that the payments are classed as taxable income. During our last minor review we recommended that the Council considered writing to the Local Government Association (LGA) to request that they lobby the Government in support of making the dependents' carers' allowance exempt from taxation. The Council accepted our recommendation and a response was received from Lord Porter, Chair of the LGA, stating that they would not be able to lobby the Government on this matter, but noted that the Council may wish to explore the provision of tax-free childcare voucher schemes for Councillors. We have not looked into this in detail and can therefore not make a recommendation, but would encourage the Council to consider exploring this in more detail if it is considered to be of benefit to Members.

Comments were received in respect of the rates payable for the childcare allowance. We heard that, due to the Council being an 'evening authority' and/or attendance requirements being ad-hoc, more often than not the type of childcare required was the traditionally non-registered type ie. babysitters, and that the rate for evenings or adhoc daytime care was usually higher. In considering the rate, we wanted to reflect this without taking away the appropriate provisions in the event that Councillors also accessed registered daytime childcare. On that basis we are suggesting that the scheme and the claim form be amended to reflect the types of childcare that could be accessed and provide a maximum rate of pay for each; however, the emphasis should remain on the reimbursement of actual costs incurred and the claim process should not be changed. To confirm the type of childcare being accessed, the provider will be asked, in the case of registered childcare, to provide their Ofsted Unique Reference Number on the claim form.

For registered childcare, we consider that Councillors should be reimbursed for the cost of care for each child because this is how bills are usually calculated by providers. The rate is generally lower because costs are spread across all the children being cared for in the setting. In setting the maximum rate we have complied with the Council's commitment to the UK Living Wage.

For non-registered childcare, we consider that a single rate for all children, but with a higher maximum hourly rate, would be appropriate. The rate is generally higher because it is usually in the evening or adhoc in nature and involves only the children from the household in question. In setting the maximum rate we have listened to the information provided by Councillors.

We did not receive any comments relating to the costs of providing care for children with severe disabilities and dependent adult relatives and we are advised that there are no documented claims under this part of the scheme. As such we propose to mirror the provisions in respect of registered childcare to enable a Councillor to be reimbursed for each dependent, but have proposed a higher maximum rate. Should a Councillor wish to make a claim under this part of the scheme, we would be happy to work with them to review the allowance available.

Finally, we consider that it is important to encourage eligible Councillors take advantage of the financial assistance that is legitimately available to support them in the performance of their approved Council duties.

Recommendations:

1. That the Members' Scheme of Allowances makes provision for dependents' carers allowances payable at the following rates:
 - Registered childcare – reimbursement of the actual amount paid up a maximum hourly rate equivalent to the current UK Living Wage per child.
 - Non-registered childcare - reimbursement of the actual amount paid up a maximum hourly rate of £10.00 irrespective of the number of children being cared for.
 - Care for children with severe disabilities and dependent adult relatives - reimbursement of the actual amount paid up a maximum hourly rate of £10.00 per dependent.
2. That the Dependants' Care Expenses Claim Form be amended to reflect the recommended changes.

Parental Leave for Councillors

A matter that has been raised previously and during this review is the issue of parental leave for Councillors who start a family during their term of office and we said previously that we would explore it during our details review. We have considered the views expressed to us and the Fawcett Society report 'Does Local Government Work for Women?' in forming our views. We are also aware of the recent motion approved by the Council that asks the General Purposes Committee to consider drawing up a Parental Leave Policy for Councillors that takes into account both our recommendations and the work that the LGA are carrying out in this area.

At present we accept that there is no formal policy on parental leave for Councillors; however, our view is that this does not preclude Councillors from taking time away from their Council duties when they start a family. Councillors are not employees and are therefore not contracted to undertake their duties in the same way. The only formal requirement on Councillors is that in order to legally remain a Councillor, they must attend one Council meeting every 6 months and this could be extended by resolution of Council in appropriate circumstances. There is a caveat to this within the Gloucester City scheme, in that Councillors will be invited to pay back a proportion of their allowance if they fail to attend two thirds of the formal meetings that they are expected to attend or are completely absent from all duties for more than one continuous month, but this cannot be legally enforced. Therefore, apart from the 6 month rule, Councillors are essentially free to determine how they spend their time; this includes periods of absence for any purpose and we would very much encourage Councillors to take parental leave. A Councillor taking an extended period of absence would also not have their allowances stopped or reduced. We consider that cover arrangements for the duties of a Councillor taking an extended period of absence would generally be a matter for their political Group and we would hope that all Groups represented on the Council would take a supportive view in respect of parental leave.

Notwithstanding the above, we do recognise that the existence of a formal parental leave policy would have a number of benefits. It would give Councillors a reference point when considering starting a family and would guard against the very concerning experiences of some Councillors as outlined in the Fawcett Society report who were actively discouraged from having children by their political leadership. It would provide clarity of expectations for both Councillors and the electorate, and serve to further break down barriers that prevent people, mostly females, from considering standing for election. More specifically, the Council will need to make a decision on its approach in the event that an SRA recipient takes an extended period of parental leave and a 'stand in' is required. The policy will need to state whether the post holder will continue to receive their allowance (effectively maternity/paternity pay) and whether the same allowance is also paid to the 'stand in', or whether the post holder must forego their SRA during their absence. There are clear financial implications for both the post holder and the Council and these must be considered carefully and with regard to relevant equalities legislation.

As we are not HR professionals, we do not consider it appropriate for the Panel to develop a Parental Leave Policy, therefore we recommend that the Council pursues the appropriate channels to put this in place. We would, however, caution for the Council to await the LGA's recommendations before implementing its own policy as it would be sensible to benefit from that detailed work.

While we will not be drawing up a policy ourselves, we are recommending changes to Section 5 of the Scheme of Allowances that we believe will demonstrate the Council's support for parental leave and give Councillors a reference point while the work of the LGA and the Council's subsequent policy are completed. This section will also be amended to say 'health' instead of 'illness' as we consider this to be more appropriate terminology.

Recommendations

- 1. That the Council adopts a Parental Leave Policy for Councillors that takes into account any recommendations or policy approved by the Local Government Association.**
- 2. That Section 5 of the Scheme of Allowances be amended to reflect that Councillors will not be invited to pay back allowances if they are absent on parental leave or health grounds.**

Quedgeley Town Council

The Members' Allowances Panel acts as the Parish Members' Allowances Panel for Quedgeley Town Council (QTC), making recommendations to the Town Council as it does to the City Council. QTC must therefore have regard to our recommendations, but is ultimately entitled to agree its own scheme. It is important to note that not all Members of QTC are in receipt of an allowance because a number have been co-opted.

QTC currently pays allowances to their Members at the level agreed by QTC in 2016, £402.41 to Members of QTC and £804.82 to the Chair of QTC, which represents 6.9% and 13.8% of the City Council Basic Allowance respectively. These levels were agreed by QTC one year after they declined to adopt an increase that would have followed from the increase to the City Council Basic Allowance during the last detailed review.

All Members of QTC were asked to complete a questionnaire. Responses were received from four Councillors including the Chair. The comments received indicated that QTC Members are generally happy with the level of allowance and that the time commitment is manageable; however, one Councillor did not agree and felt that the allowance was not satisfactory. With such a small sample it is difficult for us to draw meaningful conclusions, but if the rate of non-response is taken as an indication of satisfaction, we must conclude that QTC Councillors are largely happy with the Scheme as it presently operates. As such, we are not making any recommendations on the Scheme of Allowances for QTC at this time.

Guidance utilised and evidence reviewed

Primary Research

Questionnaires to Members of Gloucester City Council

Interviews with selected Members of Gloucester City Council

Data gathered from local authorities

Secondary Research

Local Authorities (Members' Allowances) (England) Regulations 2003

'New Council Constitutions: Guidance on Regulation for Local Authority Allowances', Department for Communities and Local Government (2006)

'Guidance on members' allowances for local authorities in England', Department for Communities and Local Government (2001)

The Office of National Statistics Annual Survey of Hours and Earnings (ASHE): 2017 Provisional Results.

'Does Local Government Work for Women?', Fawcett Society (2017)