

# Gloucester City Council

<b>Meeting:</b>	<b>General Purposes Committee Council</b>	<b>Date:</b>	<b>15 January 2019 24 January 2019</b>
<b>Subject:</b>	<b>Review of Members' Allowances 2019</b>		
<b>Report Of:</b>	<b>Independent Remuneration Panel</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
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<b>Appendices:</b>	<b>1. Report of the Members' Allowances Panel 2. Draft Members' Allowances Scheme</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 To report the recommendations of the Independent Remuneration Panel (IRP) with regard to the Council's Members' Allowances Scheme and seek a decision on an appropriate scheme for the payment of allowances in 2019-20.

### 2.0 Recommendations

- 2.1 General Purposes Committee is asked to **RESOLVE TO RECOMMEND** to Council that

- (1) The recommendations of the Member's Allowances Panel be noted and the proposed Members' Allowances Scheme attached at Appendix 2 be approved for the payment of allowances in 2019-20.
- (2) That the Council adopts a Parental Leave Policy for Councillors that takes into account any recommendations or policy approved by the Local Government Association.
- (3) The next four yearly detailed review of Members' Allowances be scheduled to report in January 2023.

- 2.2 Council is asked to **RESOLVE** that

- (1) The recommendations of the Member's Allowances Panel be noted and the proposed Members' Allowances Scheme attached at Appendix 2 be approved for the payment of allowances in 2019-20.
- (2) That the Council adopts a Parental Leave Policy for Councillors that takes into account any recommendations or policy approved by the Local Government Association.
- (3) The next four yearly detailed review of Members' Allowances be scheduled to report in March 2023.

### **3.0 Background and Key Issues**

#### **Members' Allowances Scheme**

- 3.1 The last detailed review of Members' allowances took place in 2015 when a formula for the Basic Allowance was established, forming a clear foundation for scheme. Other areas of the scheme were overhauled to provide detail and clarity. Since that time 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.
- 3.2 The Panel began its work in September 2018 and has met 5 times in the course of review, including three sessions of Member interviews. A significant amount of correspondence has taken place via email and, supported by the Policy and Governance Manager, the Panel considered data and methodologies from a number of sources.
- 3.3 All Members were asked to complete a questionnaire and a response rate of 82% was achieved, which is an increase of 18% on the previous year and means that only 6 Councillors did not respond.
- 3.4 All Members currently in receipt of a Special Responsibility Allowance (SRA) were invited to attend an interview with the Panel and those who were unable to attend were sent a further questionnaire to complete. Only one Member did not engage in the process.
- 3.5 Following consideration of all of the evidence and comments, the Panel concluded that there should be no change to the Basic Allowance. They have proposed amendments to the SRAs for the Chairs of the Overview and Scrutiny Committee and the General Purposes Committee, and have also revised the rates and wording in respect of the Dependents' Carers Allowance.
- 3.6 Following discussions during the review process and a subsequent motion approved by the Council, the Panel has made some minor amendments to the wording of the scheme to make reference to parental leave for Councillors and has further recommended that the Council adopts a formal policy based on the recommendations resulting from work being undertaken by the Local Government Association (LGA).
- 3.6 The full details of the Panel's research, findings and recommendations, along with the proposed Scheme, can be found in the Report of the Members' Allowances Panel at Appendix 1.
- 3.7 The Panel would like to thank Members for their involvement in the review, in particular those who took the time to attend an interview or respond to a second questionnaire.

#### **Quedgeley Town Council**

- 3.12 The Panel acts as the Members' Allowances Panel for Quedgeley Town Council (QTC), making recommendations to the Parish Council as it does to the City

Council. QTC must have regard to the Panel's recommendations, but is ultimately entitled to agree its own scheme.

3.13 All Members of QTC were asked to complete a questionnaire as part of the detailed review and the response rate and comments have been considered by the Panel, but have not resulted in any recommendations in relation to QTC allowances.

3.14 Further details of the Panel's findings and recommendations in respect of allowances for QTC Members can be found in the Report of the Members' Allowances Panel at Appendix 1.

#### **4.0 Alternative Options Considered**

4.1 The Panel conducted a thorough and detailed review, considering a number of options for different parts of the Scheme. The recommendations and Scheme proposed represent the Panel's view on the appropriate level of allowances having disregarded the other options.

#### **5.0 Reasons for Recommendations**

5.1 When agreeing a Members' Allowances Scheme, the Council is required to have regard to the recommendations of an Independent Remuneration Panel. The recommendations in the attached report represent the views of the Council's appointed Panel in light of the evidence reviewed.

#### **6.0 Future Work and Conclusions**

6.1 If the proposed Scheme is approved, it will take effect from 1 April 2019 and any scheduled pay awards will be implemented at the appropriate time. The new Scheme will be published on the Council's website and advertised in the local press, as required by the Regulations.

6.2 It is proposed that the next detailed review be scheduled to report to Council in January 2023, which is in line with the four-yearly cycle.

6.3 In the intervening years a short exercise will be undertaken to identify whether there have been any significant changes that require the Panel to consider recommending any changes to the Scheme.

#### **7.0 Financial Implications**

7.1 The total cost of the proposed Members' Allowances Scheme for 2019-20 is £336,524 (excluding the Civic Allowances, which are not technically part of the scheme). This represents a decrease of £583 on the cost of the current Scheme. This does not include the agreed pay award of 2% that will be added to the scheme on 1 April 2019, which will increase the Basic Allowance to £5,943.80 and will take the total cost of the scheme to £342,992.

(Financial Services have been consulted in the preparation this report.)

## **8.0 Legal Implications**

- 8.1 The review of Members' Allowances meets the Council's obligations under the Local Authorities (Members' Allowances) (England) Regulations 2003, which require the Council to make and publish a Scheme of Allowances each year that makes provision for the payment of a Basic Allowance; the Scheme may also make provision for the following allowances if the Council authority intends to make such payments:
- (a) special responsibility allowance;
  - (b) dependants' carers' allowance;
  - (c) travelling and subsistence allowance; and
  - (d) co-optees' allowance.
- 8.2 The Council is required to maintain an independent panel which makes recommendations to Council on the matter of Members' allowances. The Council must have regard to the recommendations of the Panel when agreeing its Scheme.

(Legal Services have been consulted in the preparation this report.)

## **9.0 Risk & Opportunity Management Implications**

- 9.1 The Panel are satisfied that their recommendations do not present any risk to the Council.

## **10.0 People Impact Assessment (PIA):**

- 10.1 During the PIA Screening Stage issues around age, gender and socio-economic factors were identified, however, the Panel considered that the impact on these areas was neutral as the scheme actively seeks to remove barriers by offering an appropriate level of remuneration, having taken into account time given on a voluntary basis. Any impact is further mitigated by offering payment towards the cost of engaging carers and the introduction of a Parental Leave Policy in due course will strengthen this.
- 10.2 The Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

## **11.0 Other Corporate Implications**

### Community Safety

- 11.1 There are no community safety implications arising directly from this report.

### Sustainability

- 11.2 There are no sustainability implications arising directly from this report.

### Staffing & Trade Union

- 11.3 There are no staffing or trade union implications arising directly from this report.

**Background Documents:** None