

# Gloucester City Council

<b>Meeting:</b>	<b>General Purposes Committee Council</b>	<b>Date:</b>	<b>14 March 2017 23 March 2017</b>
<b>Subject:</b>	<b>Review of Members' Allowances 2017</b>		
<b>Report Of:</b>	<b>Chair of the 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>
<b>Contact Officer:</b>	<b>Tanya Davies, Democratic &amp; Electoral Services Manager</b>		
	<b>Email: tanya.davies@gloucester.gov.uk</b>	<b>Tel: 39-6125</b>	
<b>Appendices:</b>	<b>1. Proposed Members' Allowances Scheme 2017-18 2. Green Travel Policy 3. Draft Minutes of the General Purposes Committee, 14 March 2017 (to follow)</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 to seek a decision on an appropriate scheme for the payment of allowances in 2017-18.

### 2.0 Recommendations

- 2.1 General Purposes Committee is asked to **RESOLVE TO RECOMMEND** to Council that
- (1) A Special Responsibility Allowance of 0.3 x the Basic Allowance be introduced for the Chair of General Purposes Committee with effect from 1 April 2017.
  - (2) The Council's Green Travel Policy be incorporated into the Scheme of Members' Allowances 2017-18 and be applicable to Members from the date of implementation of the Policy.
  - (3) The Scheme of Members' Allowances set out in Appendix 1 be approved for 2017-18.
- 2.2 Council is asked to **RESOLVE** that
- (1) A Special Responsibility Allowance of 0.3 x the Basic Allowance be introduced for the Chair of General Purposes Committee with effect from 1 April 2017.
  - (2) The Council's Green Travel Policy be incorporated into the Scheme of Members' Allowances 2017-18 and be applicable to Members from the date of implementation of the Policy.
  - (3) The Scheme of Members' Allowances set out in Appendix 1 be approved for 2017-18.

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

- 3.1 The allowance scheme at the Council is based on a multiplier system. The Special Responsibility Allowances (SRAs) are a multiple of the Basic Allowance (BA), which is currently £5,656 (and will increase by 1% to £5,713 from 1 April 2017 as a result of indexation to the Local Government staff pay award), and only one SRA is paid. The format of the scheme was adopted in 2015 with the aim of ensuring that the Council had in place a simple and transparent scheme that was easily understood by Members and members of the public. It is also in line with best practice and government guidance. The established approach at Gloucester City is to hold a detailed review of allowances every four years and a minor review in the intervening years.
- 3.2 In order to revise or maintain its Members' Allowances Scheme, the Council is required to have regard to the recommendations of the IRP. The statutory term of the Council's previous IRP came to an end in February 2015 and Group Leaders agreed to refresh the Panel and seek to appoint on a voluntary basis. The option of sharing an IRP with Gloucestershire County Council was explored and the County Council's Panel oversaw the 2016 minor review; however, it was subsequently decided that the City Council would recruit its own dedicated IRP. The vacancies were advertised and three individuals were subsequently appointed by the Corporate Director in January 2017 under the authority delegated by Council on 1 December 2016. The role continues to be advertised at the request of Council in order to allow, where possible, the IRP's make-up to reflect the diverse nature of the City's communities.
- 3.3 The Council's IRP currently consists of Mr Peter Jones (Chair), Mr Stewart Dove and Mr John Smith.
- 3.4 In line with the established process, this year a minor review of the scheme was due. The new IRP were mindful that all out elections took place for the first time in 2016 and that, at the same time, the number of Members increased from 36 to 39 following an electoral boundary review meaning that the new Council had been in place for less than a year. On that basis the IRP asked all Members if there were any areas of the scheme that required attention and invited to submit any other comments they had about the scheme or its operation. Separately, at the request of Council following changes to the Council's Constitution, the IRP met with the Chair of the newly created General Purposes Committee (GPC) to gather evidence to enable them to consider whether to recommend that an SRA be payable for that role.
- 3.5 18 out of 39 Members responded to the questionnaire, which represents a response rate of 46%. The IRP would like to thank those Members who took the time to respond and also to take the opportunity to strongly encourage all Members to respond to the questionnaire in future years as the responses have a significant influence on the proposals and it is important that all Members have a say in their allowances.
- 3.6 Of those Members who responded to the survey, 83% indicated that they were happy with the scheme or had no comments. However, when the IRP took into account the number of non-respondents, the percentage of all Members with no comments was 92%.
- 3.7 Three points were raised, each by one Member, and these are considered below.

## Findings of the Panel

- 3.8 One Member raised the issue of payment for Members who sit on outside bodies, particularly pointing to those which meet in the day time. The IRP noted that this matter had been raised in the past and ultimately agreed with previous Panel's that Outside Body duties were part of the role of an ordinary Councillor and that to attempt to differentiate between the level or responsibility and workload for different Outside Bodies would not only be difficult, but would set a precedent for a complicated Scheme.
- 3.9 One Member suggested that allowances should be raised annually in line with inflation. The IRP noted that the Scheme had been linked to the Local Government staff pay award for some time and that, during the detailed review in 2015, Members indicated that they were generally happy to continue that approach. It was further noted that the current indexation of allowances was easy to administer. The IRP did not consider that it was necessary to change the indexation mechanism for allowances at the present time and noted that a 1% increase would be applied to allowances from 1 April 2017 to reflect the increase awarded to staff.
- 3.10 One Member made a case that the SRA for the Chair of the Overview and Scrutiny Committee should be increased in view of the level of responsibility and workload. While the IRP take on board the arguments put forward, they consider that, given that the role is already in receipt of an SRA, 10 months is not long enough to determine whether the role has changed so significantly that it warrants a higher SRA. Additionally, it would not be prudent to revise one SRA in isolation without giving due consideration to the other roles in receipt of the same level of SRA and such an exercise would be more suitable as a part of the next detailed review of the Scheme. Therefore, the IRP is not recommending any changes to existing SRAs at the present time.
- 3.11 The Council had asked the IRP to consider amending the 2016/17 Scheme of Allowances to introduce an SRA for the Chair of GPC and for that SRA to be backdated to 23 May 2016. The IRP would like to thank the Chair of GPC for meeting with them and providing an essential insight into the purpose of this new committee and the role of Chair. The IRP considered the comments made in respect of the workload of the committee, which both the post holder and the IRP agreed was considerably lighter than that of other committees of the Council, due in part to the fact that it was a newly created committee. The IRP considered that it was not unreasonable for a new committee's workload to be light from the outset as its remit became fully established. In light of this, the IRP felt that there was limited evidence to justify any adjustment to the 2016/17 Scheme.
- 3.12 In view of the evidence provided by the Chair of GPC that the committee is now fully established and understood within the Council, the IRP does not hesitate in recommending that a new SRA forms part of the 2017/18 Scheme which comes into effect from 1 April 2017. The IRP agreed that an SRA of 0.3 x the Basic Allowance would appropriately reflect the additional duties and responsibilities of the role.

**Recommendation: A Special Responsibility Allowance of 0.3 x the Basic Allowance be introduced for the Chair of General Purposes Committee with effect from 1 April 2017.**

## **Green Travel Policy**

- 3.13 The IRP were made aware that the Council was considering the introduction of a Green Travel Policy for staff and that a report would be considered by the Cabinet on 8 March 2017. The report recommends that the IRP be asked to consider incorporating the Green Travel Policy in to the Scheme of Members' Allowances for 2017-18 so that upon implementation of the Policy, it will immediately apply to Members.
- 3.14 Allowances for travel costs incurred by Members are governed by the Scheme of Members' Allowances and the Scheme currently states that, where Members incur travel costs in the undertaking of Approved Duties under the Scheme, they be reimbursed at the same rate as for staff and the Scheme states the current rates. The Scheme makes no suggestions about recommended methods of travel, except to say that rail travel must be booked in advance through the Democratic and Electoral Services Team; claims for mileage are submitted after journeys have been undertaken.
- 3.15 The IRP understands that the purpose of the Green Travel Policy is to ensure that, other than by exception in special circumstances, staff travel in the most cost effective and environmentally sustainable manner as identified by an online travel booking system, by stipulating that any travel costs incurred will only be reimbursed if the Policy is adhered to. In practical terms it is proposed that travel arrangements for Members be made via the Democratic and Electoral Services Team, or, in the case of Cabinet Members, the Corporate Support Team.
- 3.16 The IRP considers that the Council would secure even more financial and environmental benefits if the Policy applied to Members and therefore recommends that the Policy be incorporated into the Scheme of Members Allowances 2017-18 and be applicable to Members from the date of implementation of the Policy.

**Recommendation: That the Council's Green Travel Policy be incorporated into the Scheme of Members' Allowances 2017-18 and be applicable to Members from the date of implementation of the Policy.**

## **Parish Councillor Allowances**

- 3.17 The Panel acts as the Parish Members' Allowances Panel for Quedgeley Parish Council (QPC), making recommendations to the Parish Council as it does to the City Council. QPC must have regard to the Panel's recommendations, but are ultimately entitled to agree their own scheme.
- 3.18 QPC did not adopt an increase in 2015 when the Council increased its Basic Allowance. It subsequently approved a 2.2% increase in 2016 resulting in Members of QPC being paid £402.41 (7.1% of the City Council Basic Allowance) and the Chair of QPC being paid £804.82 (14.2% of the City Council Basic Allowance).
- 3.19 The IRP did not specifically consider changes to the allowances scheme for Quedgeley Parish Councillors as part of the minor review.

## **4.0 Alternative Options Considered**

- 4.1 The Council is required to set a Scheme of Allowances each year, and in approving a Scheme Members must have regard to the recommendations of the IRP.

## **5.0 Reasons for Recommendations**

- 5.1 When agreeing a Members' Allowances Scheme, the Council is required to have regard to the recommendations of the IRP. The recommendations in this report represent the views of the Council's appointed IRP in light of the evidence reviewed.

## **6.0 Future Work and Conclusions**

- 6.1 Should the Panel's recommendations be agreed by the Council, the Scheme set out in Appendix 1 will apply for one year with effect from 1<sup>st</sup> April 2017.

## **7.0 Financial Implications**

- 7.1 Based on the appointments made at Annual Council in May 2016 the actual cost of the scheme from 1 April 2017 is estimated to be £323,070 plus an additional £1,714 for the SRA for the Chair of General Purposes Committee, but is subject to variation following appointments at Annual Council in May 2017. This does not include any travelling, subsistence or carers' costs.

- 7.3 The estimated costs were provided for in the 2017-22 Money Plan approved by Council in February 2017, which included provision for the increase in line with any staff pay award. The cost of the additional SRA will be met from agreed budgets.

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

## **8.0 Legal Implications**

- 8.1 The City Council is required to maintain an independent panel which makes recommendations to Council on the matter of Members' allowances. It is good practice to conduct an annual review.

(One Legal 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 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 Application of the Green Travel Policy to Members will bring additional environmental benefits by ensuring that Members travel in the most environmentally sustainable manner.

### Staffing & Trade Union

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

**Background Documents:** None