

Gloucester City Council

Meeting:	General Purposes Committee Council	Date:	12 January 2023 26 January 2023
Subject:	Review of Members' Allowances 2023		
Report Of:	Independent Remuneration Panel		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Summary of Recommendations 2. Report of the Members' Allowances Panel 3. Draft Schedule 2 of the Members' Allowances Scheme for 2022-23 4. Draft Schedule 2 of the Members' Allowances Scheme for 2023-24		

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:

1.1.1 An appropriate increase for the 2022-23 scheme, in light of officers being awarded a flat rate increase instead of the usual percentage.

1.1.2 An appropriate scheme for the payment of allowances in 2023-24.

2.0 Recommendations

2.1 General Purposes Committee is asked to **RESOLVE TO RECOMMEND** to Council that the recommendations contained in the Report of the Independent Remuneration Panel (Appendices 1 and 2) be approved.

2.2 Council is asked to **RESOLVE** that the recommendations contained in the Report of the Independent Remuneration Panel (Appendices 1 and 2) be approved.

3.0 Background and Key Issues

3.1 The last detailed review of Members' allowances took place in 2019 when only minor changes were made to the Scheme and the link to the local government pay award was retained for a further four years. Since that time, with the exception two small changes, allowances have only been adjusted in line with the local government pay award, as previously agreed.

- 3.2 The Panel, who were newly appointed in 2021, began its work in September 2022 and has met 3 times in the course of review, and conducted a survey and a series of Member interviews. 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.

2022-23 Scheme

- 3.3 While the Panel was scheduled to conduct the four-yearly detailed review of allowances, they were also called upon to provide a recommendation on an appropriate increase for the 2022-23 scheme. Although the scheme is linked to the local government staff pay award, this works on an assumption that staff are awarded a percentage increase; however, in October 2022, a flat rate of £1,925 was agreed for staff, resulting a variable percentage increase dependent on existing salary. This meant that the pay award could not be applied to Members' allowances without a decision from Council on an appropriate award and a recommendation from the Panel is required before the Council can amend the scheme.
- 3.4 As detailed in the Panel's report at Appendix 2, having considered the options, the Panel is recommending an increase of 4.04% for the 2022-23 scheme, which is in line with the percentage awarded for any allowances payable to staff. This provides a Basic Allowance (BA) of £6,465.18. Appendix 3 shows the impact of the proposal on Special Responsibility Allowances for 2022-23. If approved, the increase will be backdated to 1 April 2022.

2023-24 Scheme

- 3.5 Turning to the detailed review of the scheme for 2023-24, all Members were asked to complete a questionnaire and a response rate of 66.7% was achieved. Eight Members attended an interview and a further two provided additional information via email. This included SRA holders and Members not in receipt of an SRA.
- 3.6 Following consideration of all of the evidence and comments, the Panel have listed their recommendations in Appendix 1 and provided their full report at Appendix 2. They have concluded that the scheme is clear and robust and that, given where Gloucester allowances sit in relation to local, regional and nearest neighbour authorities, there should be no further change to the BA and that the link to the local government pay award should be retained, enabling allowances to be increased annually in line with staff pay without any further decision by Council. Should a flat rate pay award be made again during the term of the index, assuming a similar reference is made to a percentage increase for staff allowances, that percentage could also be applied automatically.
- 3.7 Should Council agree the Panel's recommendation in respect of the 2022-23 scheme, the proposed BA for 2023-24 would be £6,465.18, but if it is not agreed, the BA for 2023-24 would be £6,214.13, unless Council agrees an alternative proposal altogether.
- 3.8 The Panel has proposed an increase to the SRA for the Chair of the Overview and Scrutiny Committee and the deletion of the SRA for the Chair of the General Purposes Committee. They have also recommended that Councillors be able to

access Dependent Carers' allowances if they have a legitimate interest in attending meetings of the council as an observer.

- 3.9 Appendix 4 shows the impact of the Panel's recommendations on SRAs for 2023-24 and includes columns that show the allowances payable both with and without the proposed 4.04% increase for 2022-23.
- 3.10 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 the survey.

Quedgeley Town Council

- 3.11 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.
- 3.12 During this review, the Panel did not look at QTC allowances in detail, however, in light of the increase of 4.04% recommended to the principal council's scheme, the Panel recommends that QTC consider using the new level of Basic Allowance that this provides in their percentage calculation for allowances for the Chair and Members of QTC and ultimately adopting a 4.04% increase.
- 3.13 Should QTC wish the Panel to review their allowances in more detail, they are welcome to make this request to the Policy and Governance Manager.

Consultation with General Purposes Committee

- 3.14 The General Purposes Committee received a presentation on the Panel's report from the Chair of the Panel, Mr Graham Russell, at their meeting on 12 January 2023. The Committee unanimously agreed to recommend the Panel's report and its recommendations to Council for approval.

4.0 Social Value Considerations

- 4.1 Not applicable.

5.0 Environmental Implications

- 5.1 The scheme makes provision to cover the costs of using public transport outside the city boundaries and encourages its use by not allowing mileage claims within the city boundaries.

6.0 Alternative Options Considered

- 6.1 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.

7.0 Reasons for Recommendations

- 7.1 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.

8.0 Future Work and Conclusions

- 8.1 If approved, the uplift to the 2022-23 scheme will be backdated to 1 April 2022.
- 8.2 If the proposed Scheme for 2023-24 is approved, it will take effect from 1 April 2023 and any scheduled pay awards will be implemented at the appropriate time. The new Scheme will be published on the Council's website.
- 8.2 It is proposed that the next detailed review be scheduled to report to Council in January 2027, which is in line with the four-yearly cycle.
- 8.3 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. Additionally, the Panel have indicated that they may bring forward proposals soon after the City Council elections in 2024.

9.0 Financial Implications

- 9.1 In respect of the proposed uplift for the 2022-23, the total cost of the Members' Allowances Scheme for the current financial year would increase from £346,438 to £360,434 based on current appointments and excluding the Civic Allowances, which are not technically part of the scheme. If approved, the increased costs will be met from existing budgets.
- 9.2 In respect of the proposed Members' Allowances Scheme for 2023-24, the total cost would be £361,080, assuming the 2022-23 increase is agreed, or £347,059 if it is not agreed. This does not include any uplift to reflect any staff pay award that may be agreed for 2023-24. If approved, the cost of the scheme will be factored into the 2023-24 Money Plan.

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

10.0 Legal Implications

- 10.1 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.

10.2 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.

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

11.0 Risk & Opportunity Management Implications

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

12.0 People Impact Assessment (PIA):

12.1 During the PIA Screening Stage issues around age and gender 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 and increasing allowances annually in line with staff pay, noting that the Panel must operate within the relevant legislative and policy framework. Any impact is further mitigated by making provision for the costs of engaging child and dependent care cover and favourable provisions relating to maternity/paternity/parental leave and leave for ill health reasons.

12.2 The Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

13.0 Community Safety Implications

13.1 None.

14.0 Staffing & Trade Union Implications

14.1 None.

Background Documents: None