

Gloucester City Council

Meeting:	General Purposes Committee Council	Date:	11 January 2024 25 January 2024
Subject:	Review of Members' Allowances 2024		
Report Of:	Independent Remuneration Panel		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Report of the Members' Allowances Panel 2. Draft Members' Allowances Scheme for 2024-25		

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 2024-25.

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

3.0 Background and Key Issues

- 3.1 In line with the established process and following a detailed review of Members' allowances in 2023, this year, a minor review of the scheme was due. The Panel were mindful that the revised scheme had been in operation for less than a year and that elections to the Council would take place in May 2024. The Panel also noted that the link to the local government pay award had been renewed during the detailed review, ensuring that Members' allowances would increase in line with pay awards for Council officers for a further three years, subject to any further recommendations approved.
- 3.2 The Panel commenced its work in August 2023 reviewing the recommendations carried forward from the last review, conducting a survey and carrying out relevant research, supported by the Policy and Governance Manager. Correspondence has taken place via email and the Panel met once to consider the findings of the review and to agree its recommendations.

- 3.3 All Members were asked if there were any areas of the scheme that required attention and invited to comment on whether there were any barriers to Members using the provisions relating to support for dependent care.
- 3.4 17 out of 39 Members responded to the questionnaire, which represents a response rate of 44%. The Panel 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.
- 3.5 Of those Members who responded to the survey, 65% indicated that they were happy with the scheme or had no comments. However, when the Panel took into account the number of non-respondents, the percentage of all Members with no comments was 85%. Of those who provided comments, they were largely general comments about allowances being too low to cover the hours put in by Councillors and to attract new Councillors. For most respondents, the availability of support for dependent care was not relevant to them, but a small number of comments were received about the inadequacy of the rate payable for adult dependent care.

The Panel's Recommendations

- 3.6 The Panel's full report is at Appendix 1 to this report. Having considered relevant factors, the Panel is recommending no increase to the Basic Allowance for the 2024-25 Scheme of Allowances, noting that it remains linked to the local government pay award and will be increased in line with staff pay. A mechanism for any flat rate increase, if required, has been reconfirmed.
- 3.7 The only Special Responsibility Allowances (SRA) that the Panel are proposing changes to are those for Group Leaders and Deputy Group Leaders, and this follows on from their comments during the last review. The proposal recommends moving away from an allowance payable to all postholders, irrespective of the Group size, to a principle that all postholders should receive an identical allowance to recognise their contribution to good governance of the whole Council, with an additional variable uplift to reflect political group size. Both elements of the allowance would be based on percentages of the Basic Allowance and the Panel's recommendations for those elements are set out in the tables in Appendix 1. Key to the proposal is that it can be applied to any number and formation of political Groups, reflecting the fact that all Group Leaders and Deputy Leaders make an equal contribution to good governance, but that a larger Group will place more demands on postholders than a smaller Group.
- 3.8 The Panel were keen to understand why the child and dependent care provisions were not utilised more by Members and, although survey comments indicated that they were needed by a lot of Members, they would like to encourage those Members to whom they are relevant to make use of them.
- 3.9 The Panel also looked at the rates payable for child and dependent care and the associated provisions. They found the arrangements for childcare to be sufficient, though have recommended a small change to the rate payable for non-registered childcare (e.g. babysitters) to reflect the fact that the UK Living Wage should be applied to all work. With regard to dependent care, based on evidence provided and

further research, the Panel found the rate payable to be inadequate and have recommended that the rate be increased to a maximum that is aimed at covering the full costs of care required to enable Councillors to attend Approved Duties.

- 3.10 For both child and dependent care, the Council will expect to reimburse actual costs incurred, with the rates stated as an appropriate maximum in each case. To ensure appropriate safeguards and audit trail, Councillors will continue to complete the existing self-declaration, but in the case of registered care for both children and dependents, a copy of the relevant invoice will also be required.
- 3.11 As the dependent care provisions are currently being utilised and claims being reimbursed at the existing inadequate rate, the Panel propose that the relevant recommendations been implemented with immediate effect, rather than waiting until the new Scheme takes effect in April 2024.
- 3.12 The Panel would like to thank Members for their involvement in the review.

Quedgeley Town Council

- 3.13 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.
- 3.14 As this was a minor review, the Panel did not look at QTC allowances. 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.

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 only conducted a minor review on this occasion, however, the Scheme proposed represents 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 the proposed Scheme for 2024-25 is approved, it will take effect from 1 April 2024 and any scheduled pay awards will be implemented at the appropriate time, with the exception of the recommendations regarding the dependent care allowance which would be effective immediately.
- 8.2 The new Scheme will be published on the Council's website.
- 8.3 The next detailed review is scheduled to report to Council in January 2027 and 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.

9.0 Financial Implications

- 9.1 If approved, using existing appointments as a reference point, the total cost of the scheme for 2024-25 would be £390,467. This does not include any uplift to reflect any staff pay award that may be agreed for 2024-25.
- 9.2 The total costs stated do not include any travelling, subsistence or carers' costs.

(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 by the 31st March 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) dependents' carers' allowance;
 - (c) travelling and subsistence allowance; and
 - (d) co-optees' allowance.
- 10.2 The Council is required to establish and maintain an independent remuneration 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