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| Subject: | Remuneration Review | | Status: | For Publication | |
| Report to: | Council | | Date: | 28 th February 2023 | |
| Report of: | Independent Remuneration Panel | | Lead Member: | Environment and Corporate Services | |
| Key Decision: | Reserved for Council | Forward Plan <input checked="" type="checkbox"/> | General Exception <input type="checkbox"/> | Special Urgency <input type="checkbox"/> | |
| Equality Impact Assessment: | | Required: | No | Attached: | No |
| Biodiversity Impact Assessment: | | Required: | No | Attached: | No |
| Contact Officer: | Carolyn Sharples | | Telephone: | 01706 252422 | |
| Email: | carolynsharples@rossendalebc.gov.uk | | | | |

1. RECOMMENDATION(S)

The Council is required to have regard to the recommendations of an Independent Remuneration Panel in relation to their review of the Members Allowances Scheme for councillors remuneration. Councillors are asked to consider whether to accept the panel's recommendations detailed below:

- 1.1 That the basic members allowance is increased in the order of £135 per annum (4.04%) from 1st April 2023 to recompense for the rising costs of petrol and utilities in fulfilling the councillor role.
- 1.2 That special responsibility allowances are also increased by the same rate to recompense for the rising costs in fulfilling these roles.
- 1.3 That allowances will not increase further, pending a more fundamental review in time for the 2024 all out elections, where there will be a reduction in councillors and a new ward structure introduced by the Local Government Boundary Commission.
- 1.4 That any agreed changes are made to the scheme, as well as the changes identified in the following sections to bring the scheme up to date:
 - 2.2 Car Mileage Claims
 - 7.2 Subsistence
 - Schedule 3 – point 6
- 1.5 That any changes agreed are also updated in section 6 of the Council's Constitution.

2. EXECUTIVE SUMMARY

- A four yearly review of the Members' Allowances Scheme was due in 2022.
- The review must be undertaken by an Independent Remuneration Panel.
- Council must have regard to the recommendations of the panel.
- The panel's recommendations must be publicised in advance of the Council making a decision on the scheme of allowances.
- A 4.04% increase has been recommended for the basic allowance and special responsibility allowances to recompense councillors for rises in inflation, particularly fuel and utilities costs in fulfilling their role.
- A more fundamental review of the special responsibility allowances has been recommended in advance of the changes being introduced by the Local Government Boundary Commission.
- Changes to the scheme are identified in the tracked changes highlighted within Appendix A.

3. BACKGROUND

Each authority is required to have an Independent Remuneration Panel consisting of at least three members who will undertake a review at least once every four years and make recommendations in relation to members' allowances. The last full review was undertaken in 2018 and the Members' Allowances Scheme has been reviewed again in December 2022.

4. DETAILS

4.1 The report informs members of the outcome of the four yearly review and of the recommendations of the Independent Remuneration Panel, and to request members to make a decision on whether or not to accept their recommendations.

4.2 The Independent Remuneration Panel is required to undertake a full review of the Members' Allowances Scheme in 2022 and make their recommendations to Council. This review was undertaken by the panel members on 16th December 2022. All members were asked for comments on the allowances scheme and a sample of members with special responsibility allowances were also invited to the meeting to put forward any representations for the panel to consider (this included any group representations).

4.3 Under The Local Authorities (Members' Allowances) (England) Regulations 2003 the panel was required to consider the following:

- Basic allowance
- Special responsibility allowances (SRA)
- Dependants' carers' allowance
- Travelling and subsistence allowance
- Co-optees' allowance

4.4 Requirements of the scheme

The scheme itself:

- Must include a basic allowance to be paid each year and include details of proportional payment where terms start or end mid-year.
- Must review any index used to calculate allowances at least once every 4 years.
- May specify that part of the basic allowance can be withheld during a suspension or partial suspension by the authority.
- May provide SRAs, and if SRAs are provided it must include an SRA for at least one member who is not a member of the controlling group and has special responsibilities.
- May provide a dependants' carers allowance for approved duties.
- May provide a travel and subsistence allowance for approved duties.
- May provide a co-optees allowance for approved duties.
- Shall specify the time limit within which a claim must be made in relation to dependants' carers allowance, travel and subsistence allowance and co-optees allowance (if applicable).
- Shall provide that a person may forgo their entitlement in writing to the proper officer (detailed at point 5 of the Members Allowances Scheme).

Full criteria details can be found in The Local Authorities (Members' Allowances) (England) Regulations 2003.

4.5 In order to undertake the review, the panel was provided with a copy of the current Members' Allowances Scheme (which details the existing provisions and requirements), in addition to

information collated from other authorities across Lancashire to provide a basic comparison of allowances and other benefits offered to elected members in the local area.

- 4.6 Comparisons do not compare like with like as each authority varies in lots of different ways. The panel took into account these variances which included: the size of the authority; number of councillors; its structure; number of meetings; level of responsibilities, and the entire provision such as IT provision, travel expenses and any other expenses alongside the figures for basic allowances and special responsibility allowances.
- 4.7 In reviewing the Members' Allowances Scheme, the panel considered and discussed all information presented, including the representations made from councillors. The panel then proposed the outlined changes to the current scheme and made their recommendations to Council as detailed in at 1.1 to 1.5 including the proposed changes to the Members' Allowances Scheme as detailed in Appendix A.
- 4.8 In arriving at this decision the panel noted that the allowances had not been increased since 2009 and this could disadvantage those with limited income and resources from standing to become a councillor.
- 4.9 The panel also noted that the current allowances did not take in account any rises in inflation and associated costs such as travel and fuel. As the basic allowance incorporated recompense for travel to and from meetings within the borough, an increase of 4.04% on the basic allowance would assist with the extra costs associated with travelling to/from meetings and associated utilities costs for attending remote meetings including training and briefings.
- 4.10 The same increase on special responsibility allowances would also recompense those undertaking additional duties and similarly recompense for inflation increases.
- 4.11 The panel noted that a more fundamental review of special responsibilities was required. To ensure that special responsibility allowances were set the at the correct level, the panel recommended undertaking a more in depth review in advance of the ward boundary and councillor number changes being introduced in 2024 by the Local Government Boundary Commission.

5. RISK

All the issues raised and the recommendations in this report involve risk considerations as set out below:

- Non-compliance with The Local Authorities (Members' Allowances) (England) Regulations 2003 if a review is not completed in 2022.

6. FINANCE

The final recommendations should give consideration to the Council's financial resources as noted in its proposed 2023/24 budget and the financial pressures it is experiencing currently and over the medium term. If members agree to increase allowances in line with the panel's recommendations it will result in an additional annual increase of £7,695 in allowances expenditure.

7. LEGAL

All legal implications are covered in the body of the report. Should members choose not accept the panel's recommendations, the existing scheme would be retained including the consideration of increasing allowances in line with the CPI (Consumer Price Index). This is

owing to full Council's previous decisions not to increase allowances in line with inflation (CPI) until the next full review, which is now complete.

8. POLICY AND EQUALITIES IMPLICATIONS

There are no specific policy or equalities implications for the Council arising from this report. The recommendations detailed make no additional impact on previous initial equality impact assessment.

9. REASON FOR DECISION

The Independent Remuneration Panel is required to undertake a 4 yearly review of the Members' Allowances Scheme and make their recommendations to Council who must have regard to their recommendations.

| Background Papers | |
|--|---|
| Document | Place of Inspection |
| Current Members' Allowances Scheme | https://www.rossendale.gov.uk/downloads/download/10731/councillor_allowances_scheme |
| Lancashire authority allowance comparisons | Room 213, Futures Park |
| The Local Authorities (Members' Allowances) (England) Regulations 2003 | http://www.legislation.gov.uk/uksi/2003/1021/contents/made |

Members' Allowances Scheme

Other formats are available.
Please call 01706 217777 or
visit our One Stop Shop at
Futures Park, Bacup.

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|-----------------|--|---------|--|
| Version Number: | <u>910.1</u> | Team: | Committee and Member Services |
| Date Revised: | <u>February 2022</u> <u>January 2023</u> | Issued: | <u>23rd February 2022</u> <u>TBC</u> |
| Approval Date: | <u>23rd February 2022</u> <u>TBC</u> | Page: | 1 of 12 |

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MEMBERS' ALLOWANCES SCHEME

Rossendale Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, hereby makes the following scheme:

1. This scheme shall have effect for the year commencing on 1st April 202~~3~~2 for the next 12 months.
2. In this scheme "councillor" means a member of Rossendale Borough Council who is a councillor.

3. Basic Allowance

Subject to paragraph 6 below, for each year a basic allowance of £~~3,342~~3,477 shall be paid to each Councillor.

4. Special Responsibility Allowance

- a. For each year a special responsibility allowance shall be paid to those councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 below.
- b. Subject to paragraph 6, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
- c. No councillor shall be entitled to receive more than one Special Responsibility Allowance.

5. Renunciation

A councillor may by notice in writing given to the Chief Executive elect to forego any part of any entitlement to an allowance under this scheme.

6. Part-year Entitlements

- 1) The provisions of this paragraph shall have effect to regulate the entitlements of a councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.
- 2) If an amendment to this scheme changes the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then payment shall be made from the date of the change to the scheme.

- 3) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance, and if applicable a special allowance, shall be based on the number of days in office expressed as a proportion of the total number of days in a year.
- 4) Where this scheme is amended as mentioned in sub-paragraph (2) and the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of the councillor to a basic allowance, and if applicable a special responsibility allowance, shall be based on the number of days in office expressed as a proportion of the total number of days in a year which will be calculated in two parts. Firstly, on the scheme before change and secondly on the scheme after the change.
- 5) Where a councillor relinquishes or accepts a special responsibility for which an allowance is payable, the entitlement shall be calculated in accordance with sub section (3) above.

7. Payments

- 1) Payments shall be made in respect of basic and special responsibility allowances, subject to sub-paragraph (2), in instalments of one-twelfth of the amount specified in this scheme on the fifteenth day of each month or thereabouts (or as otherwise requested in exceptional circumstances);
- 2) Where a payment of one-twelfth of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the councillor receiving more than the amount to which, by virtue of paragraph 6, the councillor is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which the councillor is entitled.

8. Travel and Subsistence

Travelling and subsistence expenses will be paid at the appropriate rates as set out in Schedule 2 when councillors undertake approved duties **outside of the borough**. A list of approved duties is set out in Schedule 3. The mileage rates and amounts for subsistence allowance in Schedule 2 may be varied in accordance with the National Joint Council for Local Government Services rates applicable to staff. Mileage and/or public transport costs will be paid according to which is cheaper. All claims should be approved by the political group leader (if applicable) prior to submission to Committee and Member Services.

9. Child Care and Dependant Carers Allowance

This allowance may be claimed in respect of children aged 14 years or under or in respect of other dependents where there is medical or social evidence that care is required.

Payments will not be payable to a member of the councillor's household. Payments will be based on receipted expenditure incurred.

The total amount of allowance which a councillor may claim in any one year will be limited to £750. In exceptional circumstances it will be at the discretion of the Chief Executive to agree payment above this limit.

10. Co-opted Members Expenses

This scheme does not provide for an allowance for co-opted members. However, the council will pay the reasonable travel expense claims of co-opted members.

11. Suspension of Payments

If any councillor is suspended from their duties, the Monitoring Officer is empowered under this scheme to stop payment of allowances to that councillor.

12. Policy Statement on Members Maternity/Paternity

In line with its Equality Policy, Rossendale Borough Council supports its officers and councillors in relation to pregnancy, maternity and paternity. We will ensure that we are compliant with relevant legislative requirements and will support via reasonable adjustments as far as is possible. The detail of officer support is explained via the processes set out in the Employee Maternity, Paternity and Fostering Policy.

Councillors are not entitled to statutory maternity pay as they are not employees of the Council, but political representatives elected by the local electorate for a 4 year period. As councillors, they are entitled to an allowance to recompense them for any duties they undertake as a councillor. This allowance is reviewed on a regular basis by the Independent Remuneration Panel.

Election Law R.3 2010, and the Local Government Act 1972 s85 states that: *"if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority."*

Rossendale Borough Council's Constitution states that for non-attendance at a meeting within a six-month period, the matter will be reported to full Council by the Chief Executive along with any reasons for their absence. An early warning system is in place to identify non-attendance before the 6-month period ends.

It is recognised by the Council that all decisions will be taken giving due regard of the Equality Act 2010.

13. Claims

Any claims made under this scheme must be done so within two months of the expenditure being incurred.

14. Calculation of Allowances

The allowances in this scheme are based on a set basic allowance of £~~33423477~~.

~~The allowance for each financial year will rise in line with inflation (consumer price index), but this will be at the discretion of Council and will be decided as part of the budget setting process. For 2021/2022 members agreed at the Council meeting on 26th February 2020 that there would be no increase in line with inflation going forward until further notice, and would be revisited as part of the next review in 2022.~~

Allowances will be reviewed at least once every four years, however the next date for review being will be no later than 2022 in advance of the Local Government Boundary Commission changes to the ward boundaries and number of councillors within the borough.

15. Amendment of the Scheme

Amendments to this scheme can only be made following a report by the Independent Remuneration Panel.



ACTING CHIEF EXECUTIVE

Schedule 1

SPECIAL RESPONSIBILITY ALLOWANCES

The following are specified as special responsibilities in respect of which special responsibility allowances are payable in the amounts stated.

LEADERS/DEPUTY LEADERS

£

Leader of the majority or largest group 13,368,908

Deputy Leader of the majority or largest group 10,026,431

Leader of the minority or second largest group 6,684,954

CABINET MEMBERS

Cabinet Member 6,684,954

COMMITTEE CHAIRS

Overview & Scrutiny Committee 3,342,477

Audit and Accounts Committee 3,342,477

Development Control 3,342,477

Licensing 3,342,477

COMMITTEE VICE-CHAIRS

Development Control (*a one off payment will be made for each meeting where the Vice-chair is required to chair the full meeting). *150,156

Licensing (*a one off payment will be made for each Licensing Committee meeting where the Vice-chair is required to chair the full meeting). *150,156

TRAVEL AND SUBSISTENCE ALLOWANCES

1. Travel and Subsistence Claims

- 1.1 Councillors incurring expenses in the course of approved duties in respect of travel, meals and overnight accommodation will be reimbursed approved expenses, subject to appropriate evidence of expenditure being produced, in accordance with the following arrangements.
- 1.2 Please refer to section 8 with regard to expenses incurred in relation to individual training course expenses.
- 1.3 All claims for car mileage, public transport, taxis, car parking, meals and overnight accommodation must be made on the council's Claim Form for Travel and Subsistence and paid through payroll, to ensure compliance with Inland Revenue Regulations. The form is available on request from Committee and Member Services.
- 1.4 Appropriate receipts in respect of public transport, taxis, car parking, meals and overnight accommodation must be attached to the claim form.
- 1.5 Claim forms should be completed and signed, signed off by the Group Leader (where required), and submitted monthly to the Committee and Member Services Manager, who is authorised to approve the claim. The claim will be forwarded to Payroll in order that they are received by the 30th of the month at the latest. Any forms with insufficient detail will be returned to the claimant.
- 1.6 Claims must be made no more than two months in arrears.

2 Car Mileage Allowances

2.1 Entitlement and Rates

2.1.1 A car mileage allowance is payable for members required to use a car in the execution of their duties outside the borough. The rate of payment for mileage undertaken for an approved duty outside the borough is the same as that for officers with approved car user status.

2.1.2 The following rates apply:-

| | |
|----------------------|-------|
| Per mile first 4,000 | 46.9p |
| Over 4,000 miles | 13.7p |

(Figures last revised 12th April 2013)

2.1.3 For the current rates refer to the Travel at Work Policy and Subsistence Guidance (TAWP) 2013 or refer to The National Joint Council for Local Government Services or the Council's People and Policy Team.

2.2 Car Mileage Claims

2.2.1 The records of journeys on claim forms should contain enough detail for the journey to be verified and therefore should give:

- ~~• the specific time of the journey~~
- ~~• the start and finishing mileage~~
- the places travelled to and from ~~and the route~~
- the reasons for the journey
- details of any passengers carried

2.2.2 Return journeys should be clearly indicated ~~including brief details of the route taken if there are alternatives.~~

~~2.2.3 The use of recording by means of "Trip Meters" is forbidden for any journey. All meter readings are to be taken from the odometer on the car.~~

2.2.34 All journeys must follow the most economic, practical and timely route and avoid unnecessary duplication of car use if more people are attending the same event.

2.2.45 Mileage will normally be claimable from the member's home.

2.2.56 Where a member is using a mixture of methods of transport to attend an approved duty outside the borough then the full circumstances should be recorded on the claim form, e.g. car journey to Place "X", Train Journey to Place "Y" and return.

2.2.67 Where a journey exceeds 50 miles each way it should be noted that second class rail fare is claimable or car allowance, whichever is the cheapest.

2.2.78 Where more than one member is attending the same meeting, site visit etc., then arrangements should be made to share transport, wherever practicable.

2.2.89 In general, choose the option that is cheapest for the council and demonstrate this by noting and recording information on the claim form.

2.3 Vehicle Insurance and Other Requirements for Business Use

2.3.1 Councillors using their vehicles for council business must be insured for business purposes. This must be stated on their insurance certificate, and it is entirely the member's responsibility for ensuring that the adequate level of insurance cover is in place.

- 2.3.2 Councillors not insured for business use must not use their car for council duties, including ward working, even if they do not intend to claim the mileage.
- 2.3.3 Councillors should be mindful that if they are stopped by the police whilst on council business and have inadequate insurance cover for business use they may be prosecuted.
- 2.3.4 Councillors submitting mileage travel claims must provide evidence (to the Committee and Member Services Manager) of their insurance showing they are covered for business purposes. This must be done each time insurance is renewed or car details changed. The Committee and Member Services Manager will keep a copy as insurance details are periodically subject to audit inspection.
- 2.3.5 Insurance certificates must be available for inspection when required by either the Monitoring Officer or the Audit Department.

3 Public Transport

- 3.1 Bus fares will be reimbursed against the appropriate receipt or used ticket.
- 3.2 Travel by rail should be second class. The Council has an account for booking rail tickets. Councillors should contact the Committee and Member Services Team who will arrange for a ticket to be booked. The Council will then be invoiced direct.

4 Taxis / London Underground

- 4.1 Taxi expenses are generally payable in instances where local routes are not known and the destination/location is not known, nor convenient if known. Expenses will be reimbursed against the appropriate receipt.
- 4.2 In London, use of the underground is encouraged rather than automatic use of a taxi. Expenses will be reimbursed against the appropriate receipt or used ticket.

5 Car Parking

- 5.1 The cost of car parking will be reimbursed against the appropriate receipt or used ticket.

6 Overnight Accommodation

- 6.1 Councillors who are required to make overnight stays in the performance of their duties should make every attempt to keep costs down to the minimum possible. Arrangements for accommodation should normally be made through the Committee and Member Services Team. Wherever possible, the Council should be invoiced direct for accommodation.

7 Subsistence

- 7.1** Claims for subsistence expenses may be made in relation to duties undertaken outside the Rossendale borough, when supported by receipts and the subsistence is not provided as part of the event. The Council does not pay expenses for meals taken within the borough. Reimbursement will be made for actual expenditure, within reason.
- 7.2** Where meals are taken on trains or in accommodation, ~~which are in excess of the maximum amounts detailed above,~~ reasonable expenses will be paid.
- 7.3** Breakfast allowance may be claimed if you leave home before 7.00 am.
- 7.4** Evening meal allowance may be claimed if you will be arriving home after 7.30 pm. This does not apply to members attending evening Cabinet, Council, committee or sub-committee meetings of the Council, training or when meals are provided by the establishment.

8 Individual Training Course Expenses

- 8.1** All expenses in relation to training courses must be claimed on the Claim Form for Travelling Expenses for Approved Training, which is available from the Committee and Member Services Team.

APPROVED DUTIES

1. A meeting of any body to which the Council makes appointments or nominations.
2. A meeting of a committee or sub-committee of any other body to which the Council makes appointments or nominations.
3. A meeting which has both been authorised by the Council, Cabinet, a committee or sub-committee of the Council or a joint committee of the Council and one or more councils, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the Council is divided into several political groups) or to which two or more councillors have been invited (if the Council is not divided into political groups).
4. A meeting of a Local Authority Association of which the Council is a member.
5. Duties undertaken on behalf of the Council in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the Council to inspect or authorise the inspection of premises.
6. Any individual training event authorised in accordance with the procedure set out in the Member Training and Development [Scheme Strategy](#).
7. Any seminar or conference to which the Council, a committee or Cabinet has nominated a delegate.
8. Any other duty approved by the Council for the purposes of, or in connection with, the discharge of the functions of the Cabinet, Council, or any of its committees or sub-committees.

NOTE: A councillor may only claim travel and subsistence allowance for attendance at a meeting where he or she is has been formally appointed to serve on that body or is a nominated substitute. Councillors attending a meeting in order to provide evidence or information on behalf of the Council may also claim for travel and subsistence, but this must be specified on the claim form. Councillors attending as observers or in any other capacity will not be entitled to claim.