

Subject:	Remuneration Review 2018		Status:	For Publication	
Report to:	Council		Date:	26 th September 2018	
Report of:	Independent Remuneration Panel		Portfolio Holder:	Resources	
Key Decision:	No - 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	
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1.	RECOMMENDATIONS
	That Council consider whether to agree the recommendations of the Independent Remuneration Panel detailed below in relation to the remuneration review:
1.1	That the basic members allowance is increased by £500 to £3,842 a year.
1.2	That the increase is backdated to 1 st April 2018.
1.3	That the Members Allowances Scheme and section 6 of the Council's Constitution be updated in accordance with any agreed changes.

2. PURPOSE OF REPORT

- 2.1 To inform 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 the recommendations.
- 2.2 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 2014 and the Members' Allowances Scheme is now due for another full review.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following of the Council's corporate priorities:
- **A connected and successful Rossendale that welcomes sustainable growth:** our priority is to ensure that we are well connected to our residents, key partners and stakeholders. We want to make the most of every pound we spend and we are always looking for new and innovative ways to make the resources we do have, work harder for us.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the issues raised and the recommendation 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 2018.

5. BACKGROUND AND OPTIONS

5.1 The Independent Remuneration Panel is required to undertake a full review of the Members' Allowances Scheme and make their recommendations to Council in 2018. This review was undertaken by the panel members on 24th July 2018. A member of the leading group and opposition group was also invited to attend the meeting to put forward any group representations for the panel to consider.

5.2 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

Requirements of the scheme

5.3 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.

5.4 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.

5.5 Comparisons did not compare like with like, as each authority varied 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 smart phones, tablets, laptops, computers, broadband payments, printers, travel expenses and any other benefits alongside the figures for basic allowances and special responsibility allowances.

5.6 In reviewing the Members' Allowances Scheme the panel considered and discussed all

information presented, including the representations from the Deputy Leader and the Leader of the Opposition, prior to proposing changes to the current scheme and making their recommendations to Council.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 The final recommendations should give consideration to the Council's financial resources as noted in its 2018/19 budget and the financial pressures it is experiencing currently and over the medium term. If members agree to the basic allowance being backdated to April 2018 it will mean finding £18,000 of unbudgeted expenditure and similarly further annual pressure to the Council's Medium Term Financial Strategy. In setting the 2018/19 budget Council did agreed to freeze all Members allowances for 2018/19 (albeit this is now over 6 months since that earlier decision).

7. MONITORING OFFICER

7.1 All legal implications are covered in the body of the report.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 Consultation with statutory officers, the Independent Remuneration Panel and group representatives.

8.2 At the meeting on 24th July the Independent Remuneration Panel noted the following:

- there had been no increase in the basic allowance since 2009
- there was an increased councillor workload
- there had been rises in associated costs such as travel and fuel
- the basic allowance was relatively low when compared with other local authorities
- the basic allowance was taxable, albeit it is deemed to include reimbursement for travel and subsistence costs wholly and necessarily incurred on Council business within the Borough. Were such costs reimbursed by a separate allowances they would not be taxable.

The panel therefore made the following recommendation to Council:

- That the basic members allowance is increased in the order of £500 backdated to 1st April 2018.

9. CONCLUSION

9.1 To undertake the 4 yearly review of the Members' Allowances Scheme and make a decision on the recommendations of the Independent Remuneration Panel.

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
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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>5</u>	Team:	Committee and Member Services
Date Revised:	<u>December 2017 26th July 2018</u>	Issued:	<u>8th May 2018 TBC</u>
Approval Date:	<u>28th February 2018 TBC</u>	Page:	1 of 11

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 2018 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~~ £3,842 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 elected members 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 elected member's household. Payments will be based on receipted expenditure incurred.

The total amount of allowance which an individual member 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 member is suspended from their duties, the Monitoring Officer is empowered under this scheme to stop payment of allowances to that member.

12. Policy Statement on Members Maternity/Paternity

In line with its Equality Policy, Rossendale Borough Council supports its employees and elected members 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 employee support is explained via the processes set out in the Employee Maternity, Paternity and Fostering Policy.

Elected members 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 elected members, 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 through a period of six consecutive months from the date of her/his last attendance to attend any meeting of the authority, she/he [automatically] ceases to be a member of the authority. If, however, her/his failure is due to some reason approved by the authority before the expiry of the period, then such cessation does not take place."*

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 ~~£3342~~ £3,842.

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 2018/2019 members agreed at the Council meeting on 28th February 2018 that allowances will not increase in line with inflation.

Allowances will be reviewed at least once every four years, the next date for review being no later than ~~June 2018~~2022.

15. Amendment of the Scheme

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



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
Deputy Leader of the majority or largest group	10,026
Leader of the minority or second largest group	6,684
CABINET MEMBERS	
Cabinet Member	6,684
COMMITTEE CHAIRS	
Overview & Scrutiny Committee	3,342
Audit and Accounts Committee	3,342
Development Control	3,342
Licensing	3,342
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
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

TRAVEL AND SUBSISTENCE ALLOWANCES

1. Travel and Subsistence Claims

- 1.1 Members 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.

2.2.4 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.

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

2.2.6 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.

2.2.7 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.

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

2.2.9 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 Members 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 Members 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 Members 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 Members 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. Members should contact the Committee and Member Services Team who will forward booking information to the council's Procurement Officer, who will book a ticket. 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 Members 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.
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 member 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. Members 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. Members attending as observers or in any other capacity will not be entitled to claim.