

REPORT TITLE: REPORT AND RECOMMENDATIONS OF THE INDEPENDENT MEMBERS' REMUNERATION PANEL

18 JANUARY 2022

REPORT OF CABINET MEMBER: Councillor Martin Tod, Leader & Cabinet Member for Asset Management

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WARD(S): ALL

PURPOSE

The Report and recommendations of the Independent Remuneration Panel (IRP) regarding the City Council's Members' Allowances Scheme has been received and is attached at Appendix A.

Council is asked to consider the IRP's recommendations and set Members' Allowances rates for the forthcoming year, together with making the necessary provision in the 2023/24 draft budget.

RECOMMENDATIONS:

1. That Council adopts the Members' Allowance Scheme 2023 as set out in the Independent Remuneration Panel's Report at Appendix A and that authority be delegated to the Strategic Director and Monitoring Officer to finalise a Members' Allowances Scheme to take effect from 1 April 2023, in accordance with the recommendations of the Panel, as summarised below.
  - i. That the Basic Allowance for Members of Winchester City Council for the year 2023/24 be £6,795 subject to any indexation (paragraph 4.1.15, page 6 of the Panel's report)
  - ii. That that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance (paragraph 4.2.5, page 8)

- iii. That the Leader of the Council receive a Band One Special Responsibility Allowance (paragraph 4.2.10, page 9).
- iv. That the Deputy Leader of the Council receive a Band Two Special Responsibility Allowance (paragraph 4.2.11, page 9)
- v. That the Cabinet Members, Chairperson of Planning, Leader of the Principal Opposition Group and Chairperson Scrutiny receive a Band Three Special Responsibility Allowance (paragraph 4.2.16, page 10).
- vi. That the Chairperson of Licensing and Regulatory Committee, Chairperson of Audit and Governance Committee, Chairperson of Business and Housing Policy Committee and Chairperson of Health and Environment Policy receive a Band Four Special Responsibility Allowance (paragraph 4.2.18, page 10).
- vii. That the Chairperson of the Council, Other Opposition Group Leaders and Vice Chairperson of the Planning Committee receive a Band Five Special Responsibility Allowance (paragraph 4.2.22, page 11).
- viii. That the Chairperson of the Winchester Town Forum, Chairperson of Task and Finish Working Groups and Group Managers each receive a Band Six Special Responsibility Allowance (paragraph 4.2.24, page 11).
- ix. That travelling allowance continue to be in line with HM Revenue and Customs' rates (inclusive of for electric vehicles) and that no changes be made to the subsistence allowance scheme for approved councillor duties (paragraph 4.3.1, page 12)
- x. That that the Dependent's Carers' Allowance for childcare and more specialist care continue be based at cost upon production of receipts (paragraph 4.4.3, page 12)
- xi. That the approach outlined in the IRP's report (paragraph 4.5, page 13) be adopted as a basis of a policy to support parental leave for councillors.
- xii. That an annual indexation of the basic allowance and each of the SRAs continue to be based on the current formula (NJC Local Government). This may be a flat rate percentage increase or as in 2022/23 be based on a specific Spinal Column Point (SCP 29, 5.5%) (paragraph 4.6.1, page 14)
- xiii. That the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2023-24 financial

year, at which time the current scheme of allowances will be revoked (paragraph 4.7.1, page 14).

2. That should the Council **not** agree to adopt a revised Members' Allowances Scheme in accordance with the recommendations of the Independent Remuneration Panel, its report and recommendations be noted and an alternative scheme be proposed to take effect from 1 April 2023 (and that authority be delegated to the Strategic Director and Monitoring Officer to finalise an alternative scheme).

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

- 1.1 Adopting a Members' Allowances scheme that offers appropriate recompense will help attract future candidates of all backgrounds to take on the community role of the elected member whose role is to help to shape and implement the council plan. A scheme will also seek to improve equalities amongst councillors and will assist to remove barriers that councillors, or perspective councillors, could experience.

### 2 FINANCIAL IMPLICATIONS

- 2.1 Adopting a Scheme which has been the subject of consideration by an independent panel balances the desirability of just and fair recompense to Members for the work they do as a councillor, with the economic demands on the Council's limited resources.
- 2.2 Any increase to members' allowances as a result of recommendations from the IRP (including indexation) and the eventual scheme adopted by the council would be included in the council's budget process for 2022/23.
- 2.3 Existing budget for the current scheme is £410k.
- 2.4 The budget requirement for the scheme as set out in the Independent Remuneration Panel's Report is £464k (£491k including the pay inflation budgeted in the MTFS).

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Local Authorities (Members' Allowances) (England) Regulations 2003, as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances.
- 3.2 The Council is required to make a scheme for the payment of a basic allowance, and other allowances which the Council intends to pay. The scheme can also include an annual inflation index and such a scheme can be continued for up to four years before the inflation allowance must be reviewed.
- 3.3 The last full review of councillors' allowances was undertaken by the IRP for the Council in September 2017 and an interim review in September 2019.
- 3.4 Before a scheme of allowances for members can be adopted, legislation defines specific processes that must be followed. The council must also consider the report of the IRP before adopting any such scheme.

#### 4 WORKFORCE IMPLICATIONS

4.1 None

#### 5 PROPERTY AND ASSET IMPLICATIONS

5.1 When elected as a member of the council, councillors are issued with a 4g enabled electronic tablet which is used to access committee agendas and reports. The tablet has the Microsoft Office 365 suite of apps installed to assist members with management of their casework – including MS Teams to assess virtual meetings and briefings.

#### CONSULTATION AND COMMUNICATION

5.2 Prior to the IRP convening, an evidence-gathering exercise took place, which included:

- a) a survey of all members of the council which was analysed by the Panel;
- b) a survey of all Parish and Town Clerks which was analysed by the Panel (the IRP will also recommend an allowances scheme for Parish and Town Councils); and
- c) collection of benchmark comparative data for all Hampshire Districts and Boroughs which was analysed by the IRP.

5.3 This was undertaken by the South East Employers consultant in association with Council officers.

#### 6 ENVIRONMENTAL CONSIDERATIONS

6.1 The existing allowances scheme is inclusive of details of when expenses can be claimed for travel whilst carrying out official duties. The scheme includes the ability to claim for the use of bicycles and also provides incentive for car sharing, as councillors are able to claim an additional mileage rate when carrying up to four others in their vehicle.

#### 7 PUBLIC SECTOR EQUALITY DUTY

7.1 A members' allowances scheme enables the payment of allowances to members based on their responsibilities, irrespective of their personal circumstances or consideration of any protected characteristics.

8.2 The Independent Remuneration Panel (IRP) referred to the council's existing [Members' Allowances scheme](#), which was inclusive of a Dependent Carers' Allowance. The IRP then referred to comparative schemes of other councils and whether, for example, a parental leave policy may further help to improve equalities amongst councillors and lead to a broader diversity of age and experience. Such a policy may assist to remove barriers that councillors, or perspective councillors, could experience.

8 DATA PROTECTION IMPACT ASSESSMENT

8.1 None required

9 RISK MANAGEMENT

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<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
Financial Exposure  IRP recommends Scheme which exceeds budget provision	Council has final decision on scale of allowances and will take that decision in the context of the overall budget position.	An independent review of allowances paid to elected members not only provides assurance that members are considering an allowances scheme that is recommended by a panel not associated with the council , but will also have regard to benchmarking data, providing assurances that the scheme proposed is appropriate to a) provide suitable recompense to help support members in their work and recognition to their level of special responsibility (where applicable), and b) be at a level that will continue to attract future candidates of all backgrounds to be councillors without their having to firstly reflect on financial burden/implication of taking on this role
Exposure to challenge  Challenge to adoption of Allowances Scheme.	Adoption will follow independent assessment by IRP. The experienced SEE consultant has undertaken the review process.	
Reputation  Adverse comments from public if an increase in	Any increase proposed will have been recommended by an	Payments of appropriate level of allowances etc (independently

allowances is recommended	independent panel and will have been benchmarked against other comparator organisations.	recommended) will continue to attract future candidates to be councillors from all backgrounds
Community Support  Adverse comments from public if an increase in allowances is recommended.	Any increase proposed will have been recommended by an independent panel.	Greater understanding of the work inherent in the role of councillors, and comparison of the allowances schemes from across the south east.  Transparency of the process to bring forward a revised allowances scheme – and assurances that this is independently assessed and recommended to the council
Timescales  Review not completed early enough to allow new Scheme to commence in April 2023.	SEE are very experienced in dealing with IRPs and will project manage the review to meet relevant timescales. Officers will assist with facilitation of the process	

## 11 SUPPORTING INFORMATION:

- 11.1 At the meeting held on 6 July 2022, the Council formally agreed to establish an Independent Remuneration Panel (IRP) to exercise the functions specified in Regulation 21 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) – Report CL163 refers.
- 11.2 The Councils existing [Members Allowances Scheme is set out in Part 6 of the constitution](#).
- 11.3 The Panel duly convened on 6 and 7 September 2022 and its report has been received; a copy is attached as Appendix A.
- 12 The Council is required to consider the outcome of the Panel's findings and may choose to adopt the proposed scheme, or not. Should the Council **not** adopt the proposed scheme, an alternative proposal **must** be put forward or the existing scheme retained.

- 12.1 The timing of this report enables the Council to consider the proposals and set Members' Allowances rates for the forthcoming municipal year, together with making the necessary provision in the 2023/24 budget.
- 12.2 The Council is required by law to make a scheme for the payment of a basic allowance, and other allowances which the Council intends to pay. The scheme can also include an annual inflation index (which the current scheme does) and such a scheme can be continued for up to four years before the inflation allowance must be reviewed.
- 12.3 As referred to above, the legislation requires a Members Allowances Independent Remuneration Panel (IRP) to be established.
- 12.4 Members are asked to consider the recommendations of the Independent Remuneration Panels as set out in its Report at Appendix A. Each of the Panel's recommendations are clearly evidenced within and are summarised in the recommendations to this report above.

### 13 OTHER OPTIONS CONSIDERED AND REJECTED

- 13.1 There has been a significant period since a previous review of Members' Allowances. The last full review of the Council's Members' Allowances took place on 5 and 6 September 2017. As part of its deliberations at that time, the IRP was mindful that the Council was reviewing its constitution and it was acknowledged that it was only able to make recommendations in respect of member roles relating to the governance and decision-making structures at that time. Full Council adopted a scheme on 10 January 2018.
- 13.2 The IRP reconvened on 14 October and 15 October 2019 and undertook an *interim* review of the Members Allowances Scheme adopted on 10 January 2018. Specifically, this was an assessment of the level of Special Responsibility Allowance (SRA) appropriate for new committees, which were supported by council. Council also noted the IRP's recommendation that the existing approach to indexation continue from April 2020 - based on the staff salary increases relating to Spinal Column Point 49 of the NJC for Local Government Staff Services.
- 13.3 On 6 July 2022, Council agreed to establish an IRP, mindful of the time elapsed since the previous full review of Allowances and also that existing indexation arrangements must now be reviewed. It was also acknowledged that a review should be undertaken this year to ensure the council continues to have a Scheme that is up to date and reflects workload and responsibility of members and also compares well with current benchmarking data of comparative local authorities.



BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

[CL163 – Independent Members Remuneration Panel - 6 July 2022](#)

[CL149 – Interim Report of Independent Remuneration Panel - 20 January 2020](#)

[CL138 – Members Allowances – Adoption of Scheme - 10 January 2018](#)

Other Background Documents:-

None

APPENDICES:

Appendix A - Report of the Independent Remuneration Panel - Members' Allowances Scheme

Appendix B – [Schedule of amounts currently paid for each duty](#) - from 1 April 2022