

ANNUAL COUNCIL MEETING – 17 MAY 2022

MEMBERS ALLOWANCES – REPORT OF THE INDEPENDENT REMUNERATION PANEL / MEMBERS TRAVEL EXPENSES

1.0 Purpose of Report

- 1.1 To inform the Council of the final report and recommendations of the Members Independent Remuneration Panel.
- 1.2 To enable the Council to set a scheme of Members' Allowances in accordance with the Local Authorities (Members' Allowances) (England) Regulations.
- 1.3 To further consider the circumstances in which Members can claim travel expenses in light of the new governance arrangements.

2.0 Background Information

- 2.1 As Members will be aware, the Full Council agreed to reconvene the Independent Remuneration Panel at their meeting held on 12 October 2021. The Panel comprised of John Shaw (Chairman) and Sarah Brittan and Paul Cox, the Council's two Independent Members.
- 2.2 The Panel had previously conducted a review in late 2020 and their final report at that time was considered by the Full Council at their meeting held on 9 March 2021. The Council approved the recommendations made by the Panel in their report, but resolved not to implement at the current time, given the pandemic, the constraints on public sector pay and the review of the Council's governance arrangements.
- 2.3 The reconvened Panel undertook this further review of Members Allowances in the context of the proposed new governance arrangements to be implemented as from May 2022.
- 2.4 The Regulations set out the range of allowances that can be paid to Councillors and the requirement to have an Independent Remuneration Panel to make recommendations to the Council regarding Members' Allowances.
- 2.5 The basic role of the Panel was to make recommendations as to:
 - the level of Basic Allowance for all Members
 - the categories of special responsibility for which a Special Responsibility Allowance should be paid and the levels of those allowances
 - as to whether Dependent Carers' allowance should be payable to Members and the amount of such an allowance
 - travelling and subsistence allowances
 - any annual increase
- 2.4 The Final Report of the Independent Remuneration Panel is attached as **Appendix A** for consideration by the Council.
- 2.5 The Council must consider the report of the Panel before it sets a scheme for payment of Councillors' Allowances and may decide whether or not to adopt the recommendations of

the panel. The Report of the Panel has been considered by the Councillors' Commission. Details of which are contained in Section 3.0 of the report.

- 2.6 Any new Scheme will need to be implemented as from this meeting, given the changes in governance.
- 2.7 It is considered that the next independent review of Members Allowances should be undertaken ahead of the 2027 District Council elections unless any changes in circumstances require an earlier review.

3.0 Councillors' Commission

- 3.1 The Commission considered a first draft of the final report of the Independent Remuneration Panel at their meeting held on 23 February 2022. At that meeting the Commission expressed concerns in relation to anomalies in the report compared to the previous report which was approved, but not implemented, by the Council in March 2021.
- 3.2 Given these anomalies, the Commission recommended deferral of the final Independent Remuneration Panel Report until this Annual Council Meeting.
- 3.3 This proposed deferral was agreed by the Full Council on 8 March 2022, and the Independent Review Panel were asked to review their first report for consistency and in the context of its previous recommendations made in March 2021. A revised Report was submitted to the Council on 30 March, following consideration of the points put forward by the Councillors' Commission.
- 3.4 The revised final report was considered by the Commission at their meeting held on 7 April 2022. They noted that the Panel had acted positively in respect of the matters the Commission had raised, and that the inconsistencies had been addressed. Therefore, the Commission recommended adoption of the Final Report to the Council, as the new Scheme for Members Allowances.
- 3.5 The Commission also noted that the final report of the Panel did not make reference to the payment of the £8 allowance payable to Members of the Planning Committee for attending site visits which it was recommended should continue.
- 3.6 The Commission also noted that the final report had also been updated to reflect the latest pay award for 2021/22, therefore it was proposed that the first pay award for the new scheme be implemented with effect from 1 April 2023.

4.0 Members Travel Expenses

- 4.1 At their meeting held on 7 April 2022, the Commission also considered the current provisions in respect of what Members could claim in respect of travel allowances. They had recommended to Full Council on 8 March 2022 that political group meetings which were convened for District Council business be defined as approved duties for the purposes of claiming travel expenses, which was approved by the Council. However, the Commission further considered if there were any further meetings which should be defined as an approved duty given the impending change in governance arrangements.

4.2 The Commission agreed that the Council should be recommended to approve as an approved duty, for the purposes of travel expenses, when Members attend Castle House on 'Council business' - for example attending training events, resolving ICT issues and attending appropriate meetings. The proviso for such attendance was that Members should be able to justify their attendance, and as far as possible, all 1 to 1 meetings with officers are held in a remote manner.

5.0 Financial Implications (FIN22-23/8322)

5.1 The changes to Members' allowances as outlined in **Appendix A** forecast a 2022/23 full-year cost of £300,616 for Basic Allowances and Special Responsibility Allowances (SRAs) (paragraph 4.15 of appendix A). This excludes the cost of Travel and Subsistence Allowances and Childcare and Dependents Carers' Allowance (paragraphs 4.13 and 4.14).

5.2 The Revenue Budget and Council Tax Setting 2022/23 report approved at Full Council on 8 March 2022 contained a 2022/23 full-year budget of £299,600 for Basic Allowances and SRAs: £1,016 less than the £300,616 required. This would need to be funded through the General Fund balance.

5.3 The Revenue Budget and Council Tax Setting 2022/23 report approved at Full Council on 8 March 2022 contained a 2022/23 full-year budget of £6,000 in respect of travel allowances for Members. This was based upon the 2019/20 year (the last full year pre-pandemic) whereby £5,992 was claimed in respect of travel allowances.

5.4 Where the scope is widened and Members claim further expenses, this is likely to exceed the approved budget, which would need to be funded through the General Fund balance.

6.0 RECOMMENDATIONS that:

(a) the Council considers the report of the Independent Remuneration Panel and implements a new Scheme of Members Allowances with effect from 18 May 2022, with the first pay award being implemented with effect from 1 April 2023;

(b) within the new Scheme, an allowance of £8 continues to be payable to Members of the Planning Committee for attending site visits; and

(c) attending Castle House on Council business be defined as an approved duty for the purposes of Members travel expenses, subject to the provisions set out in paragraph 4.2 of the report.

Background Papers

Nil

For further information please contact Nigel Hill on extension 5243.

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