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**The report of the Independent Remuneration Panel  
appointed to review the allowances paid to Councillors  
of Peterborough City Council**

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January 2021

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## **1. INTRODUCTION AND BACKGROUND**

- 1.1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), 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.
- 1.1.2 Peterborough City Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Nicky Blanning – Local resident  
Gerard Dempsey- Business Consultant and member of the Judiciary  
Jennifer Horn- Local Company Director  
Amanda Orchard- Marketing Consultant and Local Magistrate  
Mark Palmer – Development Director, South East Employers (Chair)

- 1.1.3 Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). Those requirements are to make recommendations to the Council as to:

- (a) the amount of basic allowance to be payable to all councillors;
- (b) the level of allowances and whether allowances should be payable for:
  - (i) special responsibility allowances, including those for new committees Constitution and Ethics Committee and Shareholder Cabinet Committee;
  - (ii) travelling and subsistence allowance;
  - (iii) dependants' carers' allowance;
  - (iv) parental leave and.
  - (v) co-optees' allowance.

and the amount of such allowances.

- (c) whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
- (d) whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

## **2. CURRENT SCHEME**

- 2.1.1 The last review of councillors' allowances was undertaken by the IRP for both Councils in July 2016.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £10,508 per annum, with effect from April 2020. In addition, some councillors receive special responsibility allowances for undertaking additional duties.

- 2.1.3 Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

### **3. PRINCIPLES UNDERPINNING OUR REVIEW**

#### **3.1 The Public Service Principle**

- 3.1.1 This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.<sup>1</sup> Moreover, we found that a public service concept or ethos was articulated and supported by most of the councillors we interviewed and in the responses to the questionnaire completed by councillors as part of our review.
- 3.1.2 The principle of public service had been recognised in previous IRP reviews and was quantified in 2017. To provide transparency and increase an understanding of the Panel's work, we will continue to recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in section 4.

#### **3.2 The Fair Remuneration Principle**

- 3.2.1 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2020 continues to subscribe to the view promoted by the independent Councillors' Commission:

*Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.<sup>2</sup>*

- 3.2.2 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.
- 3.2.3 Hence, we continue to acknowledge that:
- (i) allowances should apply to roles within the Council, not individual councillors;
  - (ii) allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and

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<sup>1</sup> The former Office of Deputy Prime Minister – now the Department for Communities, Housing and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

<sup>2</sup> Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

- (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.

3.2.4 In making our recommendations, we have therefore sought to maintain a balance between:

- (i) the voluntary quality of a councillor's role;
- (ii) the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
- (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.

3.2.5 The Panel as in 2016 continues to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.

3.2.6 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor's performance in the role.

## **4. CONSIDERATIONS AND RECOMMENDATIONS**

### **4.1 Basic Allowance**

4.1.1 A Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, "Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated."<sup>3</sup>

4.1.2 In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.

4.1.3 We recognise that councillors are responsible to their electorate as:

- Representatives of a particular ward;
- Community leaders;
- Decision makers for the whole Council area;
- Policy makers for future activities of the Council;
- Scrutineers and auditors of the work of the Council; and
- Regulators of planning, licensing and other matters required by Government.

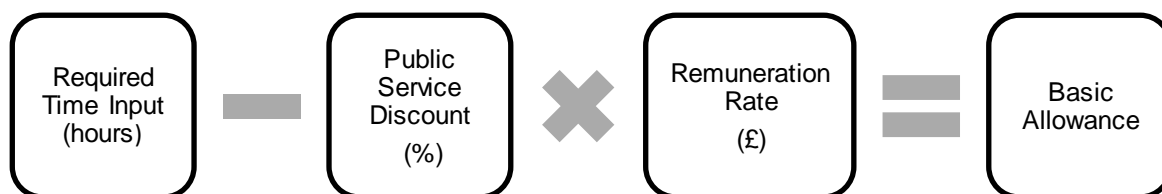
4.1.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.<sup>4</sup> For the basic allowance we considered three

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<sup>3</sup> The former Office of Deputy Prime Minister – now the Department for Housing, Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67.

<sup>4</sup> The former Office of Deputy Prime Minister – now the Department for Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81.

variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



4.1.5 Each of the variables is explained below.

#### Required Time Input

4.1.6 We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant Councillor Role Profiles. In addition, we considered information about the number, range, and frequency of committee meetings.<sup>5</sup>

4.1.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 25 hours per week.

#### Public Service Discount (PSD)

4.1.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 40 per cent to the calculation of the basic allowance. This percentage sits within the upper range of PSDs applied to basic allowances by councils in the region.

#### Remuneration Rate

4.1.9 After establishing the expected time input to be remunerated, we considered a remuneration rate. We came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.

4.1.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross<sup>6</sup> wage per hour for the Peterborough City Council area £13.67<sup>7</sup>

#### Calculating the basic allowance

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<sup>5</sup> The summary responses to the questionnaires are available on request.

<sup>6</sup> The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' allowance are taxable as employment income.

<sup>7</sup> The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2019.

4.1.11 After determining the amount of time required each week to fulfil the role (25 hours), the level of PSD to be applied (40%) and the hourly rate to be used (£13.67), we calculated the basic allowance as follows:

$$\begin{array}{c}
 \boxed{\begin{array}{l} 1300 \text{ hours} \\ \text{p.a. (25} \\ \text{hours per} \\ \text{week x52} \\ \text{weeks)} \end{array}} \text{ --- } \boxed{40\%} \times \boxed{\pounds 13.67} = \boxed{\begin{array}{l} \pounds 10,663 \\ \text{per} \\ \text{annum} \end{array}}
 \end{array}$$

4.1.12 The gross Basic Allowance before the PSD is applied is **£17,771**. Following the application of the PSD this leads to a basic allowance of **£10,663** per annum.

4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, and ward work and attendance on external bodies.

4.1.14 We did also note the levels of basic allowance currently allocated by other unitary councils (see table below and Appendix 3).

Council	Unitary Councils: Basic Allowances (£) 2020 <sup>8</sup>
Brighton and Hove City Council	13,002
Buckinghamshire Council	13,000
Isle of Wight Council	8,001
Medway Council	10,585
Milton Keynes Council	10,710
Portsmouth City Council	11,483
Southampton City Council	13,057
<b>Average</b>	<b>11,405</b>

4.1.15 The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors. The Panel was of the view that the 2016 review had begun to make recommendations to ensure that the current basic was in accordance with the principle of fair remuneration and the 2020 review has consolidated this approach.

**WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Peterborough City Council be £10,663 per annum.**

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<sup>8</sup> Figures drawn from the South East Employers, Members' Allowances Survey 2020 (October 2020).

## 4.2 Special Responsibility Allowances (SRAs)

- 4.2.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.2.2 The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive an SRA, the local electorate may rightly question the justification for this.<sup>9</sup>
- 4.2.3 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:
- Leader of the Council
  - Deputy Leader of the Council
  - Cabinet Members
  - Cabinet Advisors
  - Chairman Planning & Environmental Protection Committee
  - Chairman of Licensing Committee
  - Chairman of Audit Committee
  - Chairman of Corporate Parenting Committee
  - Chairman of Employment Committee
  - Chairman of Scrutiny Committees
  - Leader of Opposition Groups
  - Chairman of Constitution and Ethics Committee
  - Independent Person of the Council
  - Deputy Independent Persons of the Council
  - Co-Opted Members

### One SRA Only Rule

- 4.2.4 To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than **one SRA**. If a councillor can receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.
- 4.2.5 Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

**WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.**

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<sup>9</sup> The former Office of Deputy Prime Minister – now the Department for Housing Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72.



## The Maximum Number of SRA's Payable

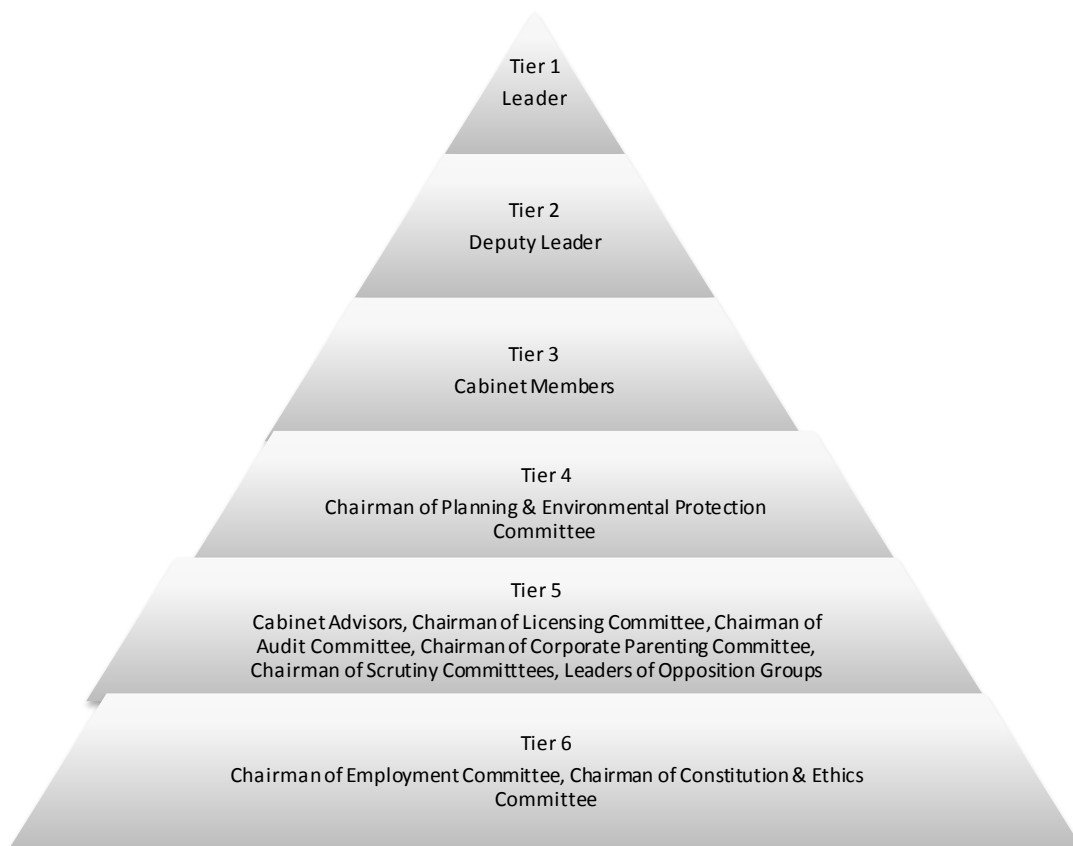
- 4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should adhere to the principal that no more than 50% of Council Members (30) should receive an SRA at any one time.

**WE THEREFORE RECOMMEND that the Council should adhere to a maximum number of SRA's payable at any one time that does not exceed 50% of Council Members (30 Members).**

### Calculating SRAs

- 4.2.7 The Panel continued to the criteria and formula for calculating the Leader of the Council allowance. Based on a multiplier of the Basic Allowance, this role carries the most significant additional responsibilities and is the most time consuming.
- 4.2.8 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



- 4.2.4 The rationale for these six tiers of responsibility is discussed below.

### Leader (Tier One)

- 4.2.9 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Executive. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 300% (3 x times) the basic allowance. If the recommended option of a basic allowance with a PSD of 40% is adopted, this results in a Leader's Allowance of £31,989.

**WE RECOMMEND that the Leader of the Council continue to receive a Special Responsibility Allowance of 300% of the basic allowance, £31,989.**

### Deputy Leader (Tier Two)

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered, we continue to consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 60% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £19,193.

**WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 60% of the Leader's Allowance, £19,193.**

### Cabinet Members (Tier Three)

- 4.2.12 From the evidence gathered, including questionnaire responses, face to face interviews and the Council's Role Profiles, we consider the members of the Cabinet should receive an allowance of £15,995, 50% of the Leader's Allowance.
- 4.2.13 Evidence from the interviews we undertook with councillors, underlines the responsibility of the members of the Cabinet for many of the Council's functions. Members of the Cabinet hold considerable responsibility for their respective portfolios. In addition, we found the time commitment for the role to be both significant and growing.

**WE RECOMMEND that the Cabinet Members receive a Special Responsibility Allowance of 50% of the Leader, £15,995.**

### Chairman Planning & Environmental Protection Committee (Tier Four)

- 4.2.14 The role of the Chairman Planning & Environmental Protection Committee continues to be a key role within a decision-making committee with high local impact across the Council area.

**WE RECOMMEND that the Chairman Planning & Environmental Protection Committee should continue to receive an allowance of 30% of the Leader, £9,597.**

Cabinet Advisors, Chairman of Licensing Committee, Chairman of Audit Committee, Chairman of Corporate Parenting Committee, Chairmen of Scrutiny Committees, Leaders of Opposition Groups (Tier Five)

- 4.2.15 The Panel was of the view that the roles of Cabinet Advisors, Chairman of Licensing, Audit and Corporate Parenting Committees continue to have a high impact and profile across the Council. We therefore recommend that the roles continue to be recognised at Tier Five and receive an allowance of £7,997, 25% of the Leader's Allowance.
- 4.2.16 The Panel was also of the view that although the Scrutiny Committees do not have formal decision-making powers they are influential and recent Government Statutory Guidance (May 2019) has sought to increase the scope and influence of the scrutiny function. We have considered the requirements of the Chairmen of the four Scrutiny Committees and feel it is a significant function that has a statutory legal requirement. We consider this role should also receive a Tier Five allowance of £7,997, 25% of the Leader's Allowance

**WE RECOMMEND that the Cabinet Advisors, Chairman of Licensing, Audit and Corporate Parenting Committees should continue to receive an allowance of 25% of the Leader's allowance, £7,997. WE ALSO RECOMMEND that the Chairmen of the Scrutiny Committees should also continue to receive an allowance of 25% of the Leader's allowance, £7,997.**

- 4.2.17 The Leaders of Opposition Groups continue to be a role of significant importance and the Panel was therefore of the view that the Leaders of Opposition Groups should continue to receive a Tier 5 allowance, 25% of the Leader's Allowance, £7,997, to be distributed on a pro-rata basis dependent on the number of Members in each group. Further- more this allowance should not be paid to the Leader of any additional groups that have the same political allegiance as one already recognised by the Council.

**WE RECOMMEND that the Leaders of Opposition Groups continue to receive an allowance of 25% of the Leader's Allowance, £7,997, to be distributed on a pro-rata basis dependent on the number of Members in each group.**

Chairman of Employment Committee and Chairman of Constitution and Ethics Committee (Tier Six).

- 4.2.18 The Employment Committee has the role of overseeing employment matters whilst the Constitution and Ethics Committee is a relatively new Committee and therefore the Chairman's role has not been considered for an allowance. The Panel was of the view that these two committees were of a similar size in respect of impact and importance. The Panel is therefore of the view that both the Chairman of the Employment and the Constitution and Ethics Committee should receive an allowance of 10% of the Leader's

**WE RECOMMEND that the Chairman of the Employment Committee and the Chairman of the Constitution and Ethics Committee should receive an allowance of 10% of the Leader's Allowance £3,199.**

- 4.2.19 The Panel was also asked to consider whether the Chairman of the Shareholder Cabinet Committee should also receive an allowance. However, since this Committee will always be chaired by a Cabinet Member the Panel was of the view that because of the 'One SRA Only Rule' the role is **not eligible** for an allowance as the Chairman already receives an allowance in respect of the Cabinet Member role.

### **4.3 Co-optees'/ Independent Persons Allowance**

- 4.3.1 An IRP may recommend the payment and level of an allowance for those who serve on the committees or sub-committees of a Council but are not members of the Council. We recognise that in so doing, an element of the contribution made by the co-optees/Independent Persons should be voluntary. We therefore continue to recommend that co-optees/Independent Person of the Council and the Deputy Independent Person of the Council are entitled to an allowance plus travel, subsistence and other expenses in accordance with the scheme applicable to councillors.

**WE RECOMMEND that the Independent Persons should continue to receive an allowance of £1,000 per annum, the Deputy Independent Person an allowance of £500 per annum and the Co-opted Members £250 per annum. The roles will also receive travel, subsistence and other expenses in accordance with the scheme applicable to councillors.**

### **4.4 Travelling and Subsistence Allowance**

- 4.4.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to co-opted/Independent Persons of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

**WE RECOMMEND that travelling and subsistence allowance should be payable to councillors and co-opted/Independent Persons in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs' rates. We propose no changes to the current travel and subsistence allowances.**

### **4.5 Child and Dependant Carers' Allowance**

- 4.5.1 The child and dependant carers' allowance should ensure that potential candidates are not deterred from standing for election and should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement of actual reasonable costs incurred in using childminders, babysitters or other sitters for dependants while carrying out Approved duties. The scheme also allows for specialist Dependent Relative Care to be reimbursed at the actual cost upon production of receipts. In the case of reimbursement for specialist care, medical evidence that this type of care is required should also be provided.
- 4.5.2 The Panel therefore is of the view that the Child and Dependant Carers' Allowance should continue to be reimbursed for the actual cost incurred by the councillor upon production of receipts. In respect of specialist care provision medical evidence that this type of care provision is required should also be provided and approved by an appropriate officer of the Council.

**WE THEREFORE RECOMMEND that the Child and Dependant Carers' Allowance should continue as outlined in the current Scheme of Allowances and be based at cost upon production of receipts and in the case of specialist care a**

**requirement of medical evidence that this type of care be required, the allowance should have no monthly maximum claim when undertaking Approved duties.**

**WE ALSO RECOMMEND that the Council should also actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting greater diversity of councillor representation.**

## **4.6 Parental Leave**

4.6.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. According to the Fawcett Society (Does Local

Government Work for Women, 2018) a *'lack of maternity, paternity provision or support'* is a real barrier for women aged 18-44 to fulfil their role as a councillor.

4.6.2 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure. The Panel is aware that the Local Government Association has developed a model policy that has been adopted by a growing number of councils across the south east region.

4.6.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:

- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence
- Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
- Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972
- If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.
- If a Councillor stands down, or an election is held during the period when a Councillor is absent due to any of the above and the Councillor is not re-elected or decides not to stand down for re-election, their Basic Allowance any Special Responsibility Allowance will cease from the date they leave office.

- 4.6.4 The Panel is conscious that these provisions do not replicate the LGA policy but that policy introduces elements that are more akin to employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can expect. District Councillors however may wish to further develop the above recommendations so that they reflect the LGA policy.

**WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for councillors. Should a policy on Parental Leave for Councillors be approved it should be actively promoted to prospective and current Councillors alongside the Dependants' Carers Allowance. This should form part of a wider 'Be A Councillor' (LGA led initiative) programme led by the Council and supported by political groups; to enhance and increase the diversity of councillor representation.**

#### **4.7 Indexing of Allowances**

- 4.7.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the basic allowance, the special responsibility allowances and Co-Optees/ Independent Persons allowance to be adjusted annually in line with staff salaries.

**WE RECOMMEND that the basic allowance, each of the SRAs and the Co-Optees' /Independent Persons Allowance be increased annually in line with the percentage increase in staff salaries from May 2022 for a period of up to three years. After this period, the Scheme shall be reviewed again by an independent remuneration panel.**

#### **4.8 Revocation of current Scheme of Allowances / Implementation of new Scheme**

- 4.8.1 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

**WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2021-22 financial year, at which time the current scheme of allowances will be revoked.**

## **5. OUR INVESTIGATION**

### **5.1 Background**

- 5.1.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 20 of the 58 current councillors (35% response). The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed nine current councillors using a structured questioning process. We are grateful to all our interviewees for their assistance.

### **5.2 Councillors' views on the level of allowances**

- 5.2.1 A summary of the councillors' responses to the questionnaire are attached as Appendix 2.

### **5.3 Combined Authority**

- 5.3.1 During the interviews with Councillors, we became aware of the additional time and workload input from lead councillors who are actively involved in the Combined Authority. Our recommendations have taken into account this additional commitment

## **6. APPROVED COUNCILLOR DUTIES**

- 6.1.1 The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

**WE THEREFORE RECOMMEND: That no changes are made to the Approved Duties as outlined in the Members' Allowance Scheme.**

**Mark Palmer (Chair of the Independent Remuneration Panel)  
Development Director, South East Employers  
January 2021**

## Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2020-21	Number	Recommended Allowance (40% PSD)	Recommended Allowance Calculation
<b>Basic (BA)</b>				
<b>Total Basic:</b>	<b>£10,508</b>	<b>60</b>	<b>£10,663</b>	

<b>Special Responsibility:</b>				
Leader of the Council	£31,524	1	£31,989	300% of BA
Deputy Leader	£21,017	1	£19,193	60% of Leader's Allowance
Cabinet Members	£15,762	8	£15,995	50% of Leader's Allowance
Cabinet Advisors	£7,881	1	£7,997	25% of Leader's Allowance
Chairman of Planning & Environmental Protection	£9,457	1	£9,567	30% of Leader's Allowance
Chairman of Licensing Committee	£7,881	1	£7,997	25% of Leader's Allowance
Chairman of Audit Committee	£7,881	1	£7,997	25% of Leader's Allowance
Chairmen of Scrutiny Committees	£7,881	4	£7,997	25% of Leader's Allowance
Chairman of Corporate Parenting Committee	£7,881	1	£7,997	25% of Leader's Allowance
Chairman of Employment Committee	£1,970	1	£3,199	10% of the Leader's Allowance
Chairman of Constitution and Ethics Committee	N/A	1	£3,199	10% of Leader's Allowance
Leaders of Opposition Groups	£7,881	4	£7,997	25% of Leader's Allowance
Independent Person of the Council	£1,000	1	£1,000	
Deputy Independent Persons of the Council	£500	2	£500	
Co-opted Members	£250	1	£250	

- Leaders of Opposition Groups allowance to be distributed on a pro-rata basis dependent on the number of members in each group. The sum of £7,997 will be divided proportionately based upon the number of members in each group.









