

READING BOROUGH COUNCIL

REPORT BY CHIEF EXECUTIVE

TO:	COUNCIL		
DATE:	27 MARCH 2018	AGENDA ITEM:	7
TITLE:	COUNCILLORS' ALLOWANCES SCHEME		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO:	LEADER OF THE COUNCIL
SERVICE:	COUNCILLOR SERVICES	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Further to Minute 55 of the Council's meeting on 28 March 2017, this report recommends that the Council consider the findings of the Independent Remuneration Panel and to adopt a scheme of Councillors' Allowances for the financial year 2018/19.
- 1.2 The Independent Remuneration Panel considers a scheme of allowances and to make recommendations to Council each year. This year the Panel has recommended that the total budget for Councillors' allowances should stay at the same level as set for 2017/18. The overall budget should therefore be £448,597 in respect of councillors' allowances; basic allowance for all councillors should remain set at £8,220 per annum; and the remainder of the budget should be split between the Leader, Deputy Leader and recipients of special responsibility allowances as set out in paragraph 3 of this report.
- 1.3 The Panel also considered and made recommendations with regard to travel allowances (to increase the mileage so that it is in line with the officer scheme); subsistence allowances (keep in line with the officer scheme); Dependant Carer's Allowance (remain in line with the living wage); Co-optees' Allowances (remain unchanged) and that councillors should have access to salary sacrifice schemes.
- 1.4 In relation to travel allowances, the Personnel Committee on 19 July 2011 agreed to increase car allowance rate for Council officers, to 45p per mile, whilst retaining the 25p per mile rate for Councillors. The Remuneration Panel has recommended that the car allowance rate is increased to 45p per mile so it is in line with the rate available for Council officers.
- 1.5 The Notice of the Remuneration Panel's Findings is attached at Appendix A.

2. RECOMMENDED ACTION

- 2.1 Council is asked to consider the report of the Independent Remuneration Panel and to adopt a scheme of Councillors' Allowances for the period 1 April 2018 to 31 March 2019 in line with the findings of the Remuneration Panel set out at Appendix A.

2.2 Councillor Lovelock will move a motion at the meeting.

3. POLICY CONTEXT

3.1 The Council on 28 March 2017 agreed a scheme for Councillors' Allowances for 2017/18, with the following features:

- (i) The total amount to be spent on Councillors' Allowances in 2017/18 to be £448,597;
- (ii) The level of basic allowance to be paid to each councillor for 2017/18 to be £8,220 per annum.
- (iii) That the remaining £70,477 be spent on special responsibility allowances (SRA) to be paid at the following levels to the office holders as specified below:

Office Holder	Level of SRA pa
Leader of the Council	£7,004
Deputy Leader of the Council	£5,722
Tier 1 to be paid to the Lead Councillors and to the Leader of the main opposition Group	£3,816
Tier 2 to be paid to the Chairs of Committees and the Leader of the other political groups	£2,147
Tier 3 to be paid to Vice-Chairs of Committees and to other councillors carrying out other activities in relation to the discharge of the authority's functions as require the commitment of equivalent time and effort as for other categories of activity which would qualify for Special Responsibility Allowance under Paragraph 5(1)(i) of the Local Authorities (Members' Allowances) (England) Regulations 2003 and to the independent person appointed in accordance with Section 28 of the Localism Act 2011 to carry out the functions specified in that Act in relation to the Members' Code of Conduct and Local Standards Committee	£1,074

(Twenty-four councillors and two independent people are in receipt of an SRA).

(iv) Councillors may claim for the cost of a carer to look after children or disabled or elderly dependent relatives whilst undertaking approved duties on behalf of the Council as follows:

- Up to £8.45 per hour for childcare, up to 15 hours per week;
- Up to £8.45 per hour for the carer of a disabled or elderly dependent relative (including a disabled child), up to 15 hours per week;

and provided that the above claims were supported by a signed receipt from the carer confirming the hours and amount claimed and that the carer was not a close relative. These allowances are taxable.

(v) An approved duty is defined as follows:

- a meeting of the authority
- a meeting of a committee or sub-committee of the authority

- a meeting of some other body to which the authority makes appointments or nominations
- a meeting of a committee or sub-committee of a body to which the authority makes appointments or nominations
- a meeting which has both been authorised by the authority, a committee, or sub-committee of the authority or a joint committee of the authority and one or more authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups)
- a meeting of a local authority association of which the authority is a member
- duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened
- duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises
- duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996
- any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.

3.2 It was reported at the meeting of the Policy and Implementation Committee on 14 March 2000 that in future years the Council's Member allowances schemes would be updated in line with the national pay award for Council employees. This did not happen in 2010/11 when the Annual Council meeting, on 25 May 2010, resolved to reduce by 10% the level of special responsibility allowances.

3.3 The Council, on 13 November 2001, set up an independent Remuneration Panel to review annually the Council's scheme for Councillors' Allowances and to make recommendations for a scheme of allowances to include:

- i) the amount of basic allowance to be paid to all Councillors;
- ii) the duties in respect of which Councillors should receive a special responsibility allowance, and the amount of such an allowance;
- iii) allowances for the care of children or dependants.

4. THE PROPOSAL

4.1 The Remuneration Panel considered a 2018/19 scheme.

4.2 The Panel considered:

- (1) The Council's full scheme of Councillors' Allowances 2017-2018;
- (2) The South East employers Members' Allowances Survey 2017-2018;
- (3) The allowances claimed by Councillors in 2016-2017.

4.3 The Panel's findings are set out at Appendix A.

Councillors' Allowances

- 4.4 With regard to the scheme for the financial year 2018/19, the Panel has recommended that the total budget for councillors' allowances be kept at the same level as the 2017/18 allowances budget.
- 4.5 The Panel has recommended that subsistence allowances for councillors, for breakfast, lunch, tea and evening meal, should be increased in line with those for officers (if applicable).
- 4.6 The Panel also considered travel allowances which they recommended should remain the same as for 2017/18 except for the car allowance rate, which it recommended be increased to 45p per mile so that it is in line with the rate available for Council officers.
- 4.7 The Panel has recommended that the Dependant Carers' Allowance remain at the living wage.
- 4.8 The Panel also considered salary sacrifice schemes which the Council offered to its staff and recommended that the childcare vouchers, cycle to work and bus to work schemes should remain available to Councillors.

Pensions

- 4.9 The changes made by the Government to the Local Government Pension Scheme (LGPS) for Councillors excluded any new membership from 1 April 2014 and access for existing Councillors ended with their current fixed term of office. All membership to the Local Government Pension Scheme by Councillors expired in May 2016.

Information Commissioners Office (ICO)

- 4.10 The Information Commissioners Office (ICO) wrote to all Council's explicitly asking that all Councillors checked and understood their obligations under the Data Protection Act, as the ICO felt there was a potential personal risk exposure for many Councillors of inadequate registration in context with information held at home from carrying out their role as a representative of the residents in a ward or as an independent councillor not affiliated with any political party that would not be covered by existing Council or Political Registrations.
- 4.11 Since May/June 2015 the Council has operated a bulk registration of all Councillors with the ICO on an 'opt out basis' rather than 'opt in'.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The provision for the payment of allowances to Councillors gives local authorities the scope to set allowances schemes to suit local needs and to help ensure that Councillors are not financially disadvantaged in serving as elected Members.
- 5.2 Ensuring Councillors are recompensed fairly for their services will help to attract candidates of high calibre and help to retain them, thereby enhancing the stability and experience of Reading's elected Councillors.

6. COMMUNITY ENGAGEMENT AND INFORMATION

None.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 An Equality Impact Assessment (EIA) is not relevant to this decision.

8. LEGAL IMPLICATIONS

Members' Allowances

- 8.1 The Local Government Act 2000 requires local authorities to set up and maintain an independent Remuneration Panel to make recommendations to the authority concerning the allowances to be paid to elected members.
- 8.2 The relevant regulations governing the payment of allowances to elected members are:
- The Local Authorities (Members' Allowances) Regulations 1991 No. 351
 - The Local Authorities (Members' Allowances) (Amendment) Regulations 1995 No. 553
 - The Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2001
 - Local Authorities (Members' Allowances) (England) Regulations 2001
 - The Local Authorities (Members' Allowances) (England) Regulations 2003
 - The Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2003
 - The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
- 8.3 The Local Government Act 2000 (Commencement No 6), made on 15 February 2001, brought into force from 19 February 2001 all the provisions of the Local Government Act 2000 which relate to allowances except the abolition of attendance allowance which was abolished from 28 July 2001.
- 8.4 The relevant regulations came into force on 4 May 2001 and from that date local authorities have been under a duty to set up an independent Remuneration Panel. Any decision to amend, revoke or replace an allowances scheme will have to be taken having regard to the recommendations of the Panel. This will apply to the Council's current scheme, which will expire on 31 March 2018.
- 8.5 Under Regulation 2(5) of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, the adoption of the Councillors' Allowances scheme may not be the responsibility of the executive of the authority. Regulation 2(7) goes further and states that the Council may not delegate this function to a Committee or to an officer. The Council has to take all decisions relating to the adoption of its Scheme of Councillors' Allowances.

Publicity

- 8.6 The Regulations place a number of duties on a local authority in connection with publicising details on allowances paid to its elected members, including making copies of the

Remuneration Panel's report available for public inspection as soon as is reasonably practicable. Members of the public are entitled to have a copy of the report on payment of a reasonable fee. The Council must publish a notice stating the Council has received recommendations from the Panel, that the report is available for public inspection at its principal offices and describing the main features of the Panel's recommendations, including the level of allowances the Panel has recommended.

- 8.7 The authority must also publish the total sums paid by it to each Councillor under its scheme as soon as practicable after the end of the financial year in question: this will include dependant carers' allowance, and travel and subsistence payments. The current expenditure totals for expenses in this financial year to February are £1,316 for travel and £402 for subsistence.

9. FINANCIAL IMPLICATIONS

- 9.1 The 2017/18 budget for Members' Allowances was £500,300. The budget for 2018/19 has not increased.

10. BACKGROUND PAPERS

- 10.1 The Local Authorities (Members' Allowances) (England) Regulations 2003
The Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2003
The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014



READING BOROUGH COUNCIL

SCHEME FOR COUNCILLORS' ALLOWANCES - 2018-2019

FINDINGS OF REMUNERATION PANEL

Reading Borough Council has received recommendations from an independent Remuneration Panel in respect of the scheme of allowances to be paid by the authority to Councillors for the financial year 2018-2019. The Council will consider these recommendations at a future meeting.

RECOMMENDATIONS OF REMUNERATION PANEL

- (1) That, for 2018-19, the total sum for the payment of Basic and Special Responsibility Allowances to councillors remain at the same level as set for 2017-18 at £448,597;
- (2) That, within this total sum, the provision for the payment of Basic Allowance to all councillors remain at £378,125; and the Basic Allowance paid to individual councillors remain the same at £8,220 a year;
- (3) That the Special Responsibility Allowances payments remain the same, as follows:
 - (a) the amount paid to the Leader to be £7,004;
 - (b) the amount paid to the Deputy Leader to be £5,722;
 - (c) the amount paid to SRA Tier 1 to be £3,816;
 - (d) the amount paid to SRA Tier 2 to be £2,147;
 - (e) the amount paid to SRA Tier 3 to be £1,074.

No councillor shall receive more than one Special Responsibility Allowance;
- (4) That the existing categorisation of tiers should remain unchanged, as follows:
 - Tier 1 to be paid to the Lead Councillors and to the Leader of the main opposition Group;
 - Tier 2 to be paid to the Chairs of Committees and the Leader of the other political groups;
 - Tier 3 to be paid to Vice-Chairs of Committees and other councillors carrying out other activities in relation to the discharge of the authority's functions as require the commitment of equivalent time and effort as for other categories of activity which would qualify for Special Responsibility Allowance under Paragraph 5(1)(i) of the Local Authorities (Members' Allowances) (England) Regulations 2003 and to the independent person appointed in accordance with Section 28 of the Localism Act 2011 to carry out the functions specified in that Act in relation to the Members' Code of Conduct and Local Standards Committee;

(5) That the 2018-19 arrangements for the payment of Dependant Carers' Allowance be paid in line with the living wage, currently as follows:

- (a) Up to £8.75 per hour for childcare for up to 15 hours a week
- (b) Up to £8.75 per hour towards the cost of a care attendant for an elderly or disabled relative (including a disabled child) for up to 15 hours a week

The person providing the care may not be a close relative defined as spouse, partner (opposite or same sex cohabitantes), parents, children, brothers, sisters, grandparents and grandchildren. The paid care attendant must sign a receipt to show that they have cared for the dependent during the hours claimed for;

(6) That, subject to (8) below, the level of subsistence allowances, with the exception of overnight subsistence, remain the same as officers receive. The allowances are currently:

- Subsistence
 - Breakfast allowance £8.26
 - Lunch allowance £11.41
 - Tea allowance £4.52
 - Evening meal allowance £14.13
 - Overnight subsistence £82.21 a day outside London
£93.77 a day in London or at LGA Annual Conferences

(7) That the level of travel allowances be set as the same as officers receive, as follows:

- Travel by councillor's own motor vehicle - 45 pence per mile
- Travel by councillor's own bicycle - 37 pence per mile
- Travel by councillor's own motorcycle - 40.9 pence per mile
- Bus travel - cost of the ordinary fare, cheap fare or portion of any weekly ticket;

(8) That the subsistence limits referred to in (6) above be exceeded in exceptional circumstances at the discretion of the Monitoring Officer, e.g. to enable a Councillor and an officer attending a conference to stay at the same accommodation, subject to there being sufficient budget provision;

(9) That provision for Co-optees' Allowances are payable solely to non-councillor members of the Standards Committee attending meetings of the Committee or any Sub-Committee set up by the Committee as part of its process of assessing, investigating and hearing complaints about Councillors; the allowances to be paid at the daily rate equivalent of the Councillors' Basic Allowance; the Monitoring Officer to be authorised to settle the rate to be paid on each occasion;

(10) That the salary sacrifice schemes available to Council staff also be made available to Councillors.