

**Name of meeting:** Corporate Governance and Audit Committee

**Date:** Friday 9 March 2018

**Title of report:** Report of the Members Allowances Independent Review Panel 2018/19

<b>Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	Not applicable
<b>Is it in the <a href="#">Council's Forward Plan</a>?</b>	No
<b>Is it eligible for "call in" by <a href="#">Scrutiny</a>?</b>	No
<b>Date signed off by <u>Director</u> &amp; name</b> <b>Is it also signed off by the Service Director for Financial Management, IT, Risk and Performance?</b> <b>Is it also signed off by the Service Director for Legal, Governance and Commissioning?</b>	Yes - 6 February 2018  Yes – 2 February 2018
<b>Cabinet member <a href="#">portfolio</a></b>	Cabinet Member responsible for the Corporate Portfolio, namely Councillor Graham Turner

**Electoral [wards](#) affected:** All

**Ward councillors consulted:** Not Applicable

**Public or private:** Public

## **1. Purpose of report**

To recommend Council to approve the Members' Allowances Scheme for 2018/19, that takes account of recommendations proposed by the Members' Allowances Independent Review Panel regarding certain allowances.

## **2. Key points**

A meeting of the Members' Allowances Independent Review Panel has taken place to consider the Members' Allowances Scheme and make recommendations to the Council on certain allowances within the Scheme. The report of the Panel is attached at Appendix A and puts forward recommendations that:-

- (i) The current basic allowance be increased in line with the amount awarded to Kirklees Council officers with effect from 1 April 2018. To be backdated if negotiations are still underway on 1 April 2018.
- (ii) All special responsibility allowances (SRAs) be retained at their current rate and banding for 2018/19 unless otherwise referred to below
  - (a) That the SRA for a Foster Panel Member is changed to the day rate of £114 per day currently paid to Education Appeals Panel Members;
  - (b) That Group Business Managers determine the size of the pool of Councillors from which the Foster Panel should draw;

The draft Members Allowances Scheme for 2018/19, which takes account of the recommendations of the Panel, is attached at Appendix B.

The proposed increase to the rate of basic allowance, in line with the pay rise for officers, (if confirmed at 2%) will cost an additional £18,009. This can be contained within budgeted resources for 2018/19. Should the rise exceed 2% there will be a funding shortfall.

## **3. Implications for the Council**

This Members' Allowances Scheme is made under the Local Authorities (Members' Allowances) (England) Regulations 2003, and the Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003.

In making this scheme the Council has regard to the recommendations of its Members' Allowances Independent Review Panel which met on 10 November 2017.

#### **4. Consultees and their opinions**

The Allowances Panel have been consulted on the contents of the attached report and agree it as a correct record of their deliberations and recommendations. The following have also been consulted with regards to the contents and proposals contained therein:

The Leaders of the political groups on the council  
Jacqui Gedman, Chief Executive  
Debbie Hogg, Service Director for Financial Management, IT, Risk and Performance  
Julie Muscroft, Service Director for Legal, Governance and Commissioning

#### **5. Next steps**

Following consideration by the Corporate Governance and Audit Committee, this report will be referred for consideration by Full Council at its meeting on 21 March 2018

#### **6. Officer recommendations and reasons**

That Corporate Governance and Audit Committee:

- (i) Notes the recommendations of the Members' Allowances Independent Review Panel (as set out at Appendix A);
- (ii) Recommends that Council approves and adopts the Members' Allowances Scheme for 2018/19 (as set out at Appendix B) with effect from 1 April 2018.

#### **7. Cabinet portfolio holder recommendation**

That Corporate Governance and Audit Committee recommends that Council approves and adopt the Members' Allowances Scheme for 2018/19 (as set out at Appendix B) with effect from 1 April 2018.

#### **8. Contact officer and relevant papers**

Contact Officer:

Carl Whistlecraft  
Head of Democracy  
[Carl.whistlecraft@kirklees.gov.uk](mailto:Carl.whistlecraft@kirklees.gov.uk)  
Tel: 01484 221000

Background Papers:

Report of Members of Allowances Independent Review Panel

#### **9. Assistant director responsible**

Julie Muscroft, Service Director for Legal, Governance and Commissioning

**Appendix A**

Report of The

**Kirklees Council  
Members' Allowances  
Independent Review  
Panel**

10 November 2017

Carl Whistlecraft  
Head of Democracy  
Civic Centre 3,  
Huddersfield, HD1 2TG  
01484 221000

## **1 Panel Membership**

The Members of the Independent Review Panel are as follows:

Andrew Taylor (Chair)  
Ian Brown  
Chris West  
Lynn Knowles  
Stephen  
Thornton  
Fiona Weston

The meeting of the Independent Review Panel took place on 10 November 2017.

The following officers attended the Panel meeting:

Carl Whistlecraft, Head of Democracy  
Deborah Nicholson, Interim Councillor Support & Development Manager

## **2 Terms of Reference**

The Panel's Terms of Reference are:

- (a) To advise Council on what would be the appropriate level of Remuneration for Councillors having regard to the:
  - Roles Councillors are expected to fulfil
  - Varying roles of different Councillors
  - Practice elsewhere and other Local Authorities.
- (b) To consider schemes of Members Allowances for Town and Parish Councils as and when required.
- (c) To make recommendations and provide advice to the Council on any other issues referred to the Panel by regulation or by the Council.
- (d) Council retains its power to remove a discredited Panel Member.
- (e) The Panel can appoint its Chair from amongst its Members.

## **3 Constitutional Issues**

### **(a) Term of Office**

It was agreed that the current Panel membership be retained and that all relevant terms of office be renewed until December 2018.

### **(b) Election of Chair of Independent Review Panel**

Andrew Taylor was re-elected Chair of the Independent Review Panel.

## **4 The Kirklees Democracy Commission**

The Head of Democracy delivered a presentation to the Panel on the work and recommendations of the Kirklees Democracy Commission, with a particular focus on the findings that may have implications for the Panel's future deliberations. The Panel acknowledged that a number of the Commission's recommendations, should they be agreed, would require more detailed consideration in the context of the wider Members Allowances Scheme. These include:

- Changing councillor roles;
- The rate of allowances and the mechanisms for determining such rates;
- The wider legislation covering Members Allowances;
- The support provided to councillors in carrying out their varying roles.

In conclusion, the Panel agreed that they would wish to make a positive impact in contributing to the Panel's future work and would welcome the opportunity to facilitate and support the development of the Scheme. This would be dependent on the outcome of the discussion planned to take place at Council on 15 November 2017.

## **5 Members Allowances Scheme 2018-19**

The Panel considered changes to the Members allowance scheme for 2018/19.

In particular the Panel considered the following:

- (a) The Basic Allowance;
- (b) Special Responsibility Allowances (SRAs);
- (c) Arrangements and SRA for the Fostering Panel;

Having regards to some of the issues raised in the Democracy Commission report in respect of Overview and Scrutiny the Panel explicitly requested that a number of issues were placed on record. The Panel expressed disappointment that the Commission's report made reference to perceptions that "Scrutiny is not performing its role effectively". The Panel wishes to emphasise the important role played by Overview and Scrutiny, a factor that is reflected in the status placed on scrutiny roles in the Allowances Scheme.

The Panel considered evidence from Cllr Viv Kendrick, Foster Panel Member, regarding the current arrangements for the Fostering Panel. In considering current arrangements and consequential issues the Panel had regard to the following:

- The growing importance of the Fostering Panel;
- The increase in volumes of works and the expectations placed on Foster Panel members;
- The extent to which the current number of councillors involved is sufficient to meet demand and expectations;
- The ways in which the above mentioned issues are best addressed from an Allowances perspective.

Having weighed up a range of considerations the Panel felt that the most effective approach would be to replace the current SRA with a daily rate and widen the current pool of councillors to between 4 and 6 councillors. This would be based on an expectation that no more than 4 councillors serve in any one month. The Panel acknowledged that the final decision in terms of the size of the pool should be one for Group Business Managers.

**The Panel recommends:**

- (i) The current basic allowance be increased in line with the amount awarded to Kirklees Council officers with effect from 1 April 2018. To be backdated, if negotiations are still underway on 1 April 2018.
- (ii) The maintenance of all special responsibility allowances (SRAs) at their current level for 2018/19.
  - (c) That the SRA for a Foster Panel Member is changed to the day rate of £114 per day currently paid to Education Appeals Panel Members;
  - (d) That Group Business Managers determine the size of the pool of Councillors from which the Foster Panel should draw;

## **6 Consequential Changes to the Scheme**

The Panel noted recommended changes to the Scheme relating to maternity/paternity leave and pay which they had been previously consulted on and supported.

### **Maternity and Adoption Leave/Pay**

Councillors would be entitled to:

#### Leave

- 52 weeks leave.

#### Pay

- 6 weeks at 90% of the Basic Allowance and any Special Responsibility Allowance payable.
- 33 weeks at half pay plus the equivalent weekly amount paid to staff in receipt of Statutory Maternity/Adoption Pay.

A replacement to cover the period of absence shall be appointed, by Council, Committee or the Leader (dependent of the role being vacated) and the replacement will be paid the appropriate Special Responsibility Allowance subject to any applicable abatement.

### **Paternity Leave**

#### Leave

- Councillors can take up to two weeks' Paternity Leave.

If an election is held during the Councillor's Maternity, Adoption or Paternity leave and they are not re-elected, or decide not to stand for re-election, their Basic Allowance and SRA (if appropriate) will cease from the Monday after the election date when they would technically leave office and payments under this agreement would cease at that point. If they otherwise stand down from the post or otherwise lose the position, their Basic Allowance and SRA (if appropriate) will cease from the date which would be the position if the member stepped down or otherwise lost their position.

Report produced on behalf of the Members Allowances Independent Review Panel by Carl Whistlecraft, Head of Democracy, November 2017



# Appendix B

## Kirklees Council Members' Allowances Scheme 2018-2019

This Members' Allowances Scheme is made under the Local Authorities (Members' Allowances) (England) Regulations 2003, and the Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003. In making this scheme the Council had regard to the recommendations of its Members' Allowances Independent Review Panel, which met on 10 November 2017.

1. The Members' Allowances Scheme will apply from 1 April 2018 to 31 March 2019.

### 2. Basic allowances for ward duties

- 2.1 The amount allocated per annum to each elected councillor for ward duties is £13,360.(If 2% staff increase is applied).
- 2.2 The role of councillor is dynamic and the expectations and responsibilities associated with the role are constantly changing. This is an ongoing consideration in determining the basic allowance which recognises the level of responsibility, time devoted and expenses incurred in dealing with their constituents, political group and cross party discussions on a ward basis.

No additional payment will therefore be made for travel and subsistence costs for duties within the Kirklees district.

- 2.3 Basic allowances will be paid calendar monthly in arrears to each elected councillor in equal monthly instalments.
- 2.4 Where the term of office of a councillor begins or ends otherwise than on the 1 April 2018 or 31 March 2019 his/her entitlement to the allowance will be pro-rata.

### 3. Special responsibility allowances

- 3.1 The amounts allocated per annum to councillors of specific duties, which are additional to the basic allowance are:-

	£ per year
Leader	25,155
Deputy leader	18,866
<b>Band A</b>	
Cabinet member	12,274
<b>Band A1</b>	
Chair of Overview and Scrutiny	11,047
Group Leader (30+ councillors)	11,047

<b>Band B</b>	
Group Leader (7-29 councillors)	9,820
Business Manager (30+ councillors)	9,820
<b>Band B1</b>	8,592
<b>Band C</b>	
Business Manager (20-29 councillors)	7,365
<b>Band C1</b>	
Chairs of Planning Committees	6,138
Lead Members of Scrutiny Panels	6,138
<b>Band C2</b>	
Police and Crime Panel Members	6,000
<b>Band D</b>	
Business Manager (7-19 councillors)	4,911
Chair of Licensing and Safety Committee	4,911
<b>Band D1</b>	
Group Leader (2-6 councillors)	3,684
Deputy Group Leader (12+ councillors)	3,684
Chair of Appeals panel	3,684
<b>Band E</b>	
Chair of Corporate Governance and Audit committee	2,454
<b>Band E1</b>	
Adoption Panel member	1,227
<b>Day Rate</b>	
Fostering Panel member	114

Chairs of Overview and Scrutiny Ad-Hoc Panels will receive £38.37 day split into half day sessions (2 x 4 hours) to commence at the start of formal meetings to their conclusion. The Overview and Scrutiny Management Committee will place a time allocation on the work of the ad-hoc panel.

- 3.2 The special responsibility allowance recognises the additional time and expenses incurred by those councillors effectively performing additional special responsibilities.
- 3.3 Special responsibility allowances will be paid calendar monthly in arrears to the appropriate councillor in equal monthly instalments.
- 3.4 Where the term of office entitling a councillor to a special responsibility allowance begins or ends otherwise than on the 1 April 2018 or 31 March 2019 his/her entitlement to the allowance will be pro-rata.
- 3.5 No councillor shall receive more than one special responsibility allowance.

#### **4. Renunciation of allowances**

- 4.1 A councillor may, by giving notice in writing to the Service Director – Legal, Governance and Commissioning, elect to forego any part of his/her entitlement to an allowance payable under this scheme.

#### **5. Travel and subsistence outside the district**

- 5.1 Travel and subsistence allowances for approved duties outside the district can be paid only:
- \* approved duty are those as described in paragraph 8 of the Local Authorities (Members' Allowances) (England) Regulations 2003.
  - \* any other duty approved by the body, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the body, or of any of its committees or sub-committees
  - \* for approved duties previously authorised by the appropriate body (Cabinet or Overview and Scrutiny Management Committee) and Service Director – Legal, Governance and Commissioning. The approval must precede the performance of the duty and not be given retrospectively.

Claims for expenses must be made and received by the Service Director – Legal, Governance and Commissioning within two months of the expense being incurred.

- 5.2 Attendance at conferences: The Head of Democracy has delegated powers to determine councillor attendance at conferences etc.
- 5.3 Attendance at training and development events: The council will reimburse a councillor for travel and subsistence costs, at the approved rates, for training and development events. The appropriate Business Manager will approve councillor attendance.
- 5.4 The council will book accommodation on behalf of councillors to a maximum of the rates given in Appendix 1, subject to availability. Councillors requiring overnight accommodation may claim daytime meal allowance(s) in the usual way.
- 5.5 The authority will pay car mileage at HMRC rates and daytime subsistence allowances at the same rates determined for officers by the National Joint Council for Local Government Officers. The allowance rates are given at Appendix 1.
- 5.6 The rate of travel by public transport shall not exceed the amount of an ordinary fare or any available cheap fare and wherever possible should be arranged through Councillor Support to maximise available discounts and concessions.

Tickets or receipts must always accompany travel and subsistence claims for over £8.

- 5.7 Councillors' use of private motor vehicles should demonstrate either a substantial saving of the councillors' time, or being in the best interests of the council.
- 5.8 The rate of travel by taxicab will not normally exceed the fare for travel by appropriate public transport. In cases of urgency or where no public transport is reasonably available, the council will reimburse the amount of the actual fare and any reasonable gratuity. Taxi receipts more than £8 must support the claim.
- 5.9 Travel by any other hired vehicle is limited to the rate applicable had the vehicle belonged to the member who hired it unless prior approval to the actual cost of hiring.
- 5.10 The rate for travel by air should not exceed the rate applicable to travel by any appropriate alternative means of transport together with the equivalent saving in subsistence allowance.

Where the saving in time is so substantial as to justify payment of the fare for air travel the amount paid will not exceed:-

- (i) the ordinary fare or any cheap fare, or
- (ii) where no such service is available or in case of urgency the fare actually paid by the councillor.

## **6. Pensions**

With effect from 1 April 2014, any Councillor who is not an active member of the Councillors pension scheme will no longer have access to the pension scheme. Councillors who are currently contributing to the pension scheme will only be allowed to remain in it, until the end of their current term in office.

Councillors elected after April 2014 will not be entitled to access the pension scheme.

## **7. Maternity/Adoption/Paternity**

### Maternity and Adoption

Councillors are entitled to:

### Leave

- 52 weeks leave.

## Pay

- 6 weeks at 90% of the Basic Allowance and any Special Responsibility Allowance payable.
- 33 weeks at half pay plus the equivalent weekly amount paid to staff in receipt of Statutory Maternity/Adoption Pay.

A replacement to cover the period of absence shall be appointed, by Council, Committee or the Leader (dependent of the role being vacated) and the replacement will be paid the appropriate Special Responsibility Allowance subject to any applicable abatement.

## Paternity

- Councillors can take up to two weeks' Paternity Leave.

If an election is held during the Councillor's Maternity, Adoption or Paternity leave and they are not re-elected, or decide not to stand for re-election, their Basic Allowance and SRA (if appropriate) will cease from the Monday after the election date when they would technically leave office and payments under this agreement would cease at that point. If they otherwise stand down from the post or otherwise lose the position, their Basic Allowance and SRA (if appropriate) will cease from the date which would be the position if the member stepped down or otherwise lost their position.

## **8. Dependants' carers' allowance**

Councillors who need to engage carers to look after dependants whilst undertaking duties specified in regulation 7 of the Local Authorities (Members Allowances) (England) Regulations 2003 may receive a carers' allowance. The criteria are given at Appendix 2.

## **9. Support for a councillor with a disability**

Even though local councillors are not explicitly covered by the Disability Discrimination Act Part II (employment provisions), it is an expectation on councils that they will make every reasonable effort to meet the individual needs of disabled councillors. The council will provide support for disabled councillors, where appropriate, by actively discussing an individual's needs and putting in place the necessary support mechanisms wherever practicable.

## **10. Information technology**

Each councillor is offered a PC or laptop to be used in their homes through a broadband link and/or a smart device to assist them in the discharge of their functions as a councillor. Use of a smart device abroad is restricted to Council business only and councillors are encouraged to connect to wifi wherever possible.

## **11. Publicity**

- 11.1 The regulations place certain duties on local authorities in connection with publicising the recommendations made by their independent remuneration panel, their scheme of allowances and the actual allowances paid to councillors in any given year:

The regulations require, as soon as reasonably practicable after the end of a year to which the scheme relates, that local authorities must make arrangements for the publication in their area of the total sum paid by it to each recipient, in respect of each of the following:

- Basic allowance
- Special responsibility allowance
- Dependants' carers' allowance
- Travelling and subsistence allowance

## **12. Sickness and holiday**

The scheme recognises the right of councillors to holiday and entitlement to sickness absence.

An entitlement is made for 28 days of holiday. During periods of sickness a councillor is not expected to make up any hours lost as a result of that illness.

## **13. Suspension of Allowance**

Where a Member, since election has been convicted of any offence and has had passed on them a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine, the Council shall suspend any part of any allowance payable from the date of sentence. Such suspension shall remain in force until such time as section 80 of the Local Government Act 1972 (disqualification for election and holding office as member of a local authority) takes effect.

## **14. Education appeals panel members**

Members of Education Appeals Panels (who are not elected councillors of Kirklees Council), will receive an allowance of £114 for a full day meeting and £65 for meetings less than four hours. Periods of adjournment will not be included in the allowance payment.

Travel and subsistence rates from 1 April 2018 **(for approved duties performed outside Kirklees only)**

1. **Motor mileage rates**

**Car**

First 10,000 business miles in the tax year: 45p per mile  
 Each business mile over 10,000 in the tax year: 25p per mile

**Bicycle or other non-motorised forms of transport:** 20p per mile

**Motor cycle (for journeys less than 10,000 miles per year):** 24p per mile

**Passenger supplements:** The supplement remains unchanged; an increase in the above rates by 5p per person per mile not exceeding four passengers.

(Subject to change by HMRC)

Members of the council shall be entitled to an official parking permit for use when undertaking official council duties and otherwise used in accordance with the rules relating to their use, and specifically to take account of the contribution to parking permits in line with any residents charge as agreed by Council on 19 February 2014.

2. **Day subsistence**

**Breakfast allowance** £6.06  
 (more than 3 hours away from normal place of residence before 11.00 a.m.)

**Lunch allowance** £8.37  
 (more than 3 hours away from normal place of residence to include the period 12.00 noon - 2.00 p.m.)

**Tea allowance** £3.29  
 (more than 3 hours away from normal place of residence to include the period 3.00 p.m. - 6.00 p.m.)

**Evening meal allowance** £10.35  
 (more than 3 hours away from normal place of residence ending after 7.00 p.m.)

3. **Overnight accommodation costs up to:**

London/LGA annual conference £105.00  
 Outside London £90.00  
 (maximum room/bed-breakfast rates per person per night, but subject to availability)

4. **Meals on trains**

Where **main meals (i.e. breakfast, lunch or dinner) are taken on trains** during a period for which there is an entitlement for a day subsistence allowance, the reasonable cost of meals (including VAT) may be reimbursed in full. This reimbursement would replace the entitlement to the day subsistence allowance for the appropriate meal period. Councillors are asked to submit receipts for meals when claiming.

Kirklees Council

COUNCILLORS' ALLOWANCES

Criteria for dependants' carers' allowance

1. Councillors who care for children or dependants can claim a carer's allowance paid at the rate of the national minimum wage for age 21 and above (currently £7.38 per hour), subject to paragraph 3 below.
2. Payment is claimable in respect of children aged 14 years or under. In respect of dependant relatives, payment is claimable subject to written medical or social work evidence.
3. The Corporate Governance and Audit Committee will determine any application by a councillor on the grounds of special circumstances for payment of dependants' carers' allowance at a higher rate than that of the national minimum wage for age 21 and above.
4. The carer must not be a member of the same household.
5. Councillors should submit their claims, using a claim form and supported by receipts and, if applicable, declare any other care payment received from another agency, to the Councillors' Allowances section each calendar month in arrears.
6. Councillors can only claim for the carers' allowance in respect of expenses of arranging for care of their children or dependants necessarily incurred for attendance at meetings and performance of duties specified in the regulations, and any other duties approved by the Council including training sessions held within the induction period following an election. **Approved duties do not include meetings with officers and constituents and attendance at political group meetings.**
7. Any allegations of abuse of the scheme will be investigated through the Council's Standards process.
8. The dependants' carers' allowance is subject to annual review.