

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

**Date:** Friday 8 March 2019

**Title of report:** Report of the Members Allowances Independent Review Panel (MAIRP) 2019/20

**Purpose of report**

To recommend Council to approve the Members Allowances Scheme for 2019/20, that takes account of recommendations proposed by the Members Allowances Independent Review Panel regarding certain allowances.

<b>Key Decision - 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>Key Decision - Is it in the <a href="#">Council's Forward Plan (key decisions and private reports?)</a></b>	No
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	No
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>	Rachel Spencer Henshall – Yes – 20 February 2019
<b>Is it also signed off by the Service Director (Finance)?</b>	Yes – 19 February 2019
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning?</b>	Yes – 19 February 2019
<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

**Have you considered GDPR?** Yes. There is no personal data within the report.

## 1. **Summary**

The Members Allowances Independent Review Panel meets annually to consider and recommend the Members Allowances Scheme to Council having regard to evidence received and associated developments that will affect the Scheme. The Panel met on 30 November 2018. This report captures the outcomes of that meeting and the consequential recommended changes to the scheme that arise as a result.

**NOTE:** This report does not address the issues set out in the motion to Council on 16 January 2109 in respect of parental leave. This will be considered at a separate meeting of the Allowances Panel.

## 2. **Information required to take a decision**

A meeting of the MAIRP 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 (2%) with effect from 1 April 2019.
- (ii) The increase of all special responsibility allowances (SRAs) in line with the amount awarded to Kirklees Council (2%) officers with effect from 1 April 2019.
  - (a) That the SRA for the Chair of Standards be paid at Band E with effect from 1 April 2019, subject to review in 12 months;
  - (b) That the SRA Group Business Managers of small groups (3-6 members) be paid at Band E with effect from 1 April 2019;

The draft Members Allowances Scheme for 2019/20 which takes account of the recommendations of the Panel, is attached at Appendix B.

Should the above mentioned recommendations be agreed and implemented the additional cost to the overall scheme will be £28.5k . This can be contained within budgeted resources for 2019/20.

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

- 3.1 **Working with People**  
Not applicable
- 3.2 **Working with Partners**  
Not applicable
- 3.3 **Place Based Working**  
Not applicable
- 3.4 **Improving outcomes for children**  
Not applicable

### **3.5 Other (eg Legal/Financial or Human Resources)**

None in addition to those detailed above

## **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:

Rachel Spencer Henshall, Strategic Director, Corporate Strategy and Commissioning

Eamon Croston, Service Director, Finance

Julie Muscroft, Service Director – Legal, Governance and Commissioning

## **5. Next steps and timelines**

Following consideration by the Corporate Governance and Audit Committee, this report will be referred for consideration by Full Council at its meeting on 20 March 2019.

## **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 2019/20 (as set out at Appendix B) with effect from 1 April 2019.

## **7. Cabinet portfolio holder's recommendations**

That Corporate Governance and Audit Committee recommends that Council approves and adopts the Members Allowances Scheme for 2019/20 (as set out at Appendix B) with effect from 1 April 2019.

## **8. Contact officer**

Carl Whistlecraft

Head of Democracy

[Carl.whistlecraft@kirklees.gov.uk](mailto:Carl.whistlecraft@kirklees.gov.uk)

Tel: 01484 221000

## **9. Background Papers and History of Decisions**

Report of Members Allowances Independent Review Panel, November 2018

## **10. Service Director responsible**

Julie Muscroft, Service Director – Legal, Governance and Commissioning

Report of The

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

30 November 2018

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 30 November 2018.

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 the 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) The 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 2019.

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

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

## **4 The Kirklees Democracy Commission - Update**

The Head of Democracy provided an update to the Panel on the work and recommendations of the Kirklees Democracy Commission which have particular implications for the Panel's

future deliberations.

The Panel noted that a specific piece of work was now underway to revisit the current role profile for a Kirklees Councillor. This has been commissioned by the Democracy Commission Cross Party Working Group and is being led by Councillor Cathy Scott and Councillor John Taylor.

Such work will involve engagement with staff, Councillors and citizens, the outcomes of which will form the basis of a new profile which will thereafter be considered by the Panel in the context of its wider work.

## **5 Councillor Annual Reports**

Councillor Nigel Patrick, Group Business Manager for the Conservative Group, attended the Panel on behalf of his group to discuss the current arrangements governing the production of annual reports by Councillors.

Councillor Patrick questioned the purpose and value of producing annual reports in terms of format, content, the freedom for Councillors to express their views openly and the extent to which they were viewed as important by the public.

In noting the points made by Councillor Patrick on behalf of his wider group, the Panel made reference to the following;

- The importance of Councillors proactively seeking to demonstrate to the residents they represent their work and the impact they are having. This is in line with the Panel's previous recommendations and is also a feature of the Democracy Commission findings;
- It is ultimately a matter for the Council and the Democracy Commission Cross Party Working Group to decide whether or not Councillors should produce annual reports. The Panel is therefore of the view that current arrangements should continue until such a time as other alternatives have been explored. The Panel is keen to see the outcome of such work in the context of the wider allowances scheme;
- The need for reiterating to all Councillors that the way in which they produce their annual report is not governed by a fixed template. There is evidence Councillors have developed different styles / formats and this should be encouraged and supported;
- Arrangements have been put in place to allow Councillors to express their views openly but this means that reports are hosted on third party sites. The consequence of this is that in some instances such reports cannot be hosted on the Council's website;
- The Independent Panel thanked Councillor Patrick for his attendance.

## **6 Members Allowances Scheme 2019-20**

The Panel considered changes to the Members allowance scheme for 2019/20.

In particular the Panel considered the following:

- (a) The Basic Allowance;
- (b) Special Responsibility Allowances (SRAs);
- (c) The SRA for the Chair of Standards;
- (d) The SRA for the Group Business Manager of small groups;

The Panel considered evidence from Julie Muscroft, Service Director for Legal, Governance and Commissioning, in respect of the Chair of Standards role in the context of the wider allowances scheme. The Panel noted the following:

- The changing national and local context with regards to standards;
- The consequential implications for the role of the Chair of Standards in terms of responsibility and volume of work;
- Comparative roles in other Councils in terms of their place in the allowances scheme.

In considering the evidence the Panel acknowledged the growth in both volume and responsibility and recommended that the current role profile should be revised to reflect this, with a particular focus on the enhanced knowledge and skills that are now required. The Panel therefore recommends that the Chair of Standards is paid at Band E, subject to review in 12 months' time.

The Panel considered evidence from Councillor Andrew Cooper, Leader of the Green Group, in respect of the role of Group Business Manager of small groups. The Panel noted the following points made by Councillor Cooper:

- The comparison between the Group Business Manager of small groups and large groups in terms of responsibility and volume of work;
- The extent to which the current thresholds in terms of group numbers were reflective of such responsibilities and volumes;

In considering the evidence the Panel acknowledged that the current scheme did not reflect the role played by the Group Business Manager of small groups in the context of allowances paid. The Panel therefore recommends that Group Business Managers of small groups (3-6 members) should be paid at Band E. The Panel reiterated that where a group has two members there is an expectation that the Leader carries out the Group Business Manager role.

**The Panel recommends:**

- (j) The current basic allowance be increased in line with the amount awarded to Kirklees Council officers (2%) with effect from 1 April 2019.
- (ii) The increase of all special responsibility allowances (SRAs) in line with the amount awarded to Kirklees Council officers (2%) with effect from 1 April 2019.
  - (c) That the SRA for the Chair of Standards be paid at Band E with effect from 1 April 2019, subject to review in 12 months;
  - (d) That the SRA Group Business Managers of small groups (3-6 members) be paid at Band E with effect from 1 April 2019;

Report produced on behalf of the Members Allowances Independent Review Panel by Carl Whistlecraft, Head of Democracy, November 2018

## Kirklees Council Members' Allowances Scheme 2019-2020

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 30 November 2018.

1. The Members' Allowances Scheme will apply from 1 April 2019 to 31 March 2020.

### 2. Basic allowances for ward duties

2.1 The amount allocated per annum to each elected councillor for ward duties is £13,627.

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 2019 or 31 March 2020 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:-

	<b>£ per year</b>
Leader	25,658
Deputy leader	19,243
<b>Band A</b>	
Cabinet member	12,519
<b>Band A1</b>	
Chair of Overview and Scrutiny	11,267
Group Leader (30+ councillors)	11,267
<b>Band B</b>	
Group Leader (7-29 councillors)	10,016
Business Manager (30+ councillors)	10,016
<b>Band B1</b>	8,763



<b>Band C</b>	
Business Manager (20-29 councillors)	7,512
<b>Band C1</b>	
Chairs of Planning Committees	6,260
Lead Members of Scrutiny Panels	6,260
<b>Band C2</b>	
Police and Crime Panel Members	6,120
<b>Band D</b>	
Business Manager (7-19 councillors)	5,009
Chair of Licensing and Safety Committee	5,009
<b>Band D1</b>	
Group Leader (2-6 councillors)	3,757
Deputy Group Leader (12+ councillors)	3,757
Chair of Appeals panel	3,757
<b>Band E</b>	
Chair of Corporate Governance and Audit committee	2,503
Chair of Standards Committee	2,503
Business Manager (3-6 councillors)	2,503
<b>Band E1</b>	
Adoption Panel member	1,251
<b>Day Rate</b>	
Fostering Panel member	116

Chairs of Overview and Scrutiny Ad-Hoc Panels will receive £39.14 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 2019 or 31 March 2020 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 £116 for a full day meeting and £66 for meetings less than four hours. Periods of adjournment will not be included in the allowance payment.

Travel and subsistence rates from 1 April 2019 (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 £7.70 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.