

<b>Board/Committee:</b>	COUNCIL
<b>Date of Meeting:</b>	31 MARCH 2021
<b>Title:</b>	REVIEW OF SCHEME OF ALLOWANCES FOR MEMBERS – REPORT OF INDEPENDENT REMUNERATION PANEL
<b>Author:</b>	BOROUGH SOLICITOR AND MONITORING OFFICER
<b>Status:</b>	FOR DECISION

### **Purpose**

To consider the report and recommendations of the Independent Remuneration Panel and agree any changes to the current Scheme of Allowances for Members.

### **Recommendations**

A. That the Council agrees each of the following recommendations from the Independent Remuneration Panel as set out in their report dated January 2021:

1. In line with the current Scheme, no more than 50% of Members of Gosport Borough Council are to receive Special Responsibility allowances at any one time;
2. The Basic Allowance be paid at 6700.77 per annum which has been calculated by reference to the work involved and no provision has been included for other out of pocket expenses;
3. No Member should be entitled to receive more than one Special Responsibility Allowance;
4. Special Responsibility Allowances should be paid for the following roles and in the following amounts:

Leader of the Council: £14,852.53

Chairman of Service Boards, Regulatory Board and Standards and Governance Committee £4756.79

Opposition Political Group Leaders Special Responsibility Allowance be calculated in accordance with the formula set out in paragraph 36 of the Independent Remuneration Panel's Report and paid in the following amounts:

Liberal Democrat Group Leader: £6108.10

Labour Group Leader: £872.59

Opposition Spokesperson allowances (currently only applicable to the Liberal Democrat group): £1189.20

Group Leaders' bonus provision of an additional 10% top up to the Special Responsibility Allowance given to the Leader and the Opposition Group Leader (currently only applicable to the Liberal Democrat Group Leader) dependent on effective leadership and to be applied for: set out in paragraphs 14.2 and 17.4 of the report

5. Vice Chairmen of Boards do not receive a Special Responsibility Allowance;
6. Deputy Leader does not receive a Special Responsibility Allowance;
7. Travel Allowance should only be paid for travel outside of the Borough on approved duties at 40.9 pence per mile;
8. The Basic Allowance and Special Responsibility Allowance should be subject to an annual adjustment equal to percentage increase in the pay of Gosport Borough Council Staff and implemented in April each year;
9. Child Care and Dependent Carers' Allowances should be retained and paid at the hourly rate for the National Living Wage for attendance at formally approved meetings only (not constituency work). The number of hours to be paid per week is the lower of the total time spent at no more than 2 meetings in that week or 8 hours subject to a maximum allowance, per Councillor, of £2000 per year;
10. A Co-optees Allowance is not paid;
11. Where a Councillor is suspended or partially suspended, the Basic Allowance; Special Responsibility Allowance; and Travel Allowance payable in respect of the period of suspension or partial suspension should be withheld;
12. In accordance with the 2003 Regulations where the term of office of a Member begins or ends otherwise than at the beginning of the year, or the Member does not have any responsibilities to entitle them to a special responsibility allowance, their entitlement, or special responsibility allowance shall be to payment of such part of the basic allowance or special responsibility allowance as bears to the whole same proportion as the number of days during which their term of office as Member or the number of days during which they hold a special responsibility allowance subsists bears to the number of days in that year; and

13. Any amendment which affects an allowance payable for the year in which the amendment is made shall apply with effect from 1 April of the year in which the amendment is made.
- B. That the Council agrees that the current provisions relating to payments set out in paragraph 2.3 and 2.4 of this report below continue.

## **1.0 REVIEW OF SCHEME OF ALLOWANCES FOR MEMBERS**

- 1.1 At its meeting on 16 May 2019 the Council agreed the composition of the Independent Remuneration Panel (the Panel) to carry out a review of the current Scheme of Allowances for Members.
- 1.2 The Panel has now submitted their report which is attached as Appendix A. Notice of receipt of this report will be advertised and a copy made available for public inspection at the Town Hall and placed on the Council's website.

## **2.0 Report**

- 2.1 The Council must now decide what changes if any should be made to the current Scheme of Allowances for Members and must have regard to the recommendations of the Panel.
- 2.2 The Council's scheme must provide for payment of a basic allowance to each member, which must be the same amount irrespective of the number of Boards and Committees a member serves on or their attendance at training or other meetings.
- 2.3 The Council's scheme should also specify the time limit for claims for Childcare and Dependent Carers' Allowance and Travel Allowance to be made. The current scheme requires these claims to be made within 3 months of expenditure being incurred.
- 2.4 The current scheme also provides that payment of the Basic Allowance and any Special Responsibility Allowance is by way of 12 equal monthly instalments.
- 2.5 It is suggested that these 2 provisions are not changed.
- 2.6 According to regulation 13 any Councillor may by notice in writing given to the Borough Solicitor & Monitoring Officer elect to forgo his entitlement or any part of his entitlement to allowances.
- 2.7 Members will need to consider the feasibility of proposals that concern the performance-related elements of remuneration for Group Leaders

referred to in recommendation A.4 and how these could be applied for and distributed in practice.

**2.8** Members will also need to consider whether the scheme should be backdated for the financial year 2020/21 as per the recommendation of the panel in A.13 as well as applying to 2021/22 and future financial years. The regulations provide that a remuneration system can allow for backdating so if this was agreed it would apply to the entire previous financial year for 2020/21. However, it should be noted that the regulations provide that backdating is not mandatory.

### **3.0 Conclusion**

**3.1** Once the Council has considered the Panel's report and agreed any changes to the Scheme of Allowances a further notice will be published in the newspaper and on the website.

<b>Financial Services Comments:</b>	The 2020/21 Budget for remuneration was £263,930 and for 2021/22 has been set at £270,530. If the panel's recommendations are accepted in full for financial year 2021/22 then the financial consequences would be a budget overspend of £19,236. If the panel's recommendations are accepted retrospectively to 2020/21 then the budget overspend for that year would be an additional £25,836. Members should consider in approving the report recommendations how this additional remuneration should be funded.
<b>Legal Services Comments:</b>	As indicated in Section 2
<b>Crime and Disorder:</b>	Nil
<b>Equality and Diversity:</b>	Nil
<b>Service Improvement Plan implications:</b>	Nil
<b>Climate Change:</b>	N/A
<b>Corporate Plan:</b>	Nil
<b>Risk Assessment:</b>	N/A – by presenting the Panel report to the Council for debate the remuneration scheme is being reviewed complying with the Council's legal obligations
<b>Background Papers:</b>	Report to Council 16 May 2019
<b>Appendix A:</b>	Report of the Independent Remuneration Panel March 2021
<b>Report Author/Lead Officer:</b>	Paul Grant Borough Solicitor and Monitoring Officer