

Board/Committee:	Full Council
Date of meeting:	20 July 2022
Title:	Review of Scheme of Allowances for Members – Report of Independent Remuneration Panel
Author:	Borough Solicitor and Monitoring Officer
Status:	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.

Recommendation

That the Council agrees:

A. Each of the following recommendations from the Independent Remuneration Panel as set out in their report dated July 2022 to have immediate effect and apply from 21 July onwards:

- 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 £7,068 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:**
 - a. Leader of the Council: £15,112.45**
 - b. Chair of Service Boards, and Regulatory Board: £4840.03**
 - c. Chair of Standards and Audit Sub Board: £2420**
 - d. Vice Chair Policy and Organisation Board: £2420**
 - e. Opposition Political Group Leaders Special Responsibility Allowance paid in the following amounts:**
 - i. Conservative Group Leader: £5397.67**
 - ii. Labour Group Leader: £1079.54;**
- 5. Vice Chairs of Housing Board, Community and Environment Board and Regulatory Board to receive a substitution payment for Chairing an entire Board meeting in the absence of the Chairman of £476 per meeting (limited to 3 per year);**

6. **Travel Allowance should only be paid for travel outside of the Borough on approved duties at 40.9 pence per mile;**
7. **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;**
8. **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 £2500 per year;**
9. **The budget for loss of income allowance should be increased to £2500 to support Councillors whose employers do not financially support Members' attendance at meetings, subject to a payment being a maximum of 50% of salary;**
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.**

B. That the current provisions relating to payments set out in paragraphs 2.3 and 2.4 of this report below continue.

1.0 Background

- 1.1 At its meeting on 31 March 2020 the Council agreed amendments to the Scheme of Allowances for Members.
- 1.2 At a meeting on 19 May 2022 the Council noted that the Independent Remuneration Panel ('the Panel') would reconvene to undertake a further review of the Scheme of Allowances for Members due to the reduction in the numbers of Elected Members following the implementation of the Polling Districts Boundary Review.
- 1.3 The Panel subsequently reconvened and held several meetings across May, June and July 2022 including with Group Leaders to consider whether it should recommend any proposed amendments to the Council. Its report 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.

1.4 The Panel was made up of representatives from the Business, Voluntary and Education sectors. The report author would like to place on record his thanks to them for giving up their time to meet and review the Scheme of Allowances, and for concluding their report in a short period of time since the election in early May.

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 and the current scheme is unaltered in this respect.

2.6 The Opposition Group Leader allowances have been calculated for some time working to the principle of multiplying 50% of the Leader of the Council's allowance by the percentage of the total number of Councillors that are within the relevant Group.

2.7 According to regulation 13 any Councillor may by notice in writing given to the Borough Solicitor and Monitoring Officer elect to forgo his entitlement or any part of his entitlement to allowances.

2.8 The regulations only allow the Council to backdate its Scheme of Allowances to 1 April 2022. If the Council is minded to do so this would create numerous complications to work through as the backdated scheme would require alterations to basic and special allowances which have already been paid to ex-Councillors, and current Councillors who held Board and Committee Chair positions, which no longer exist, during April. This would also give rise to a requirement for repayments to the Council from those Councillors and ex-Councillors whose status in April would be affected by these changes now. Therefore it is proposed that the Scheme is amended to take effect from this point forwards, and not backdated to 1 April 2022.

3.0 Conclusion

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

Financial Services comments:	The previous budget set for member remuneration did not take into account certain variables which formed part of the scheme, but the actual cost is dependent upon take up by Members and we would have made in year adjustments to take into account any additional costs. The proposals made by the panel would not materially affect the cost of the existing scheme, but may increase the overall cost to the Council compared to the previous year. However, we will review the budget again during the revised budget process in year to take account of any changes required by Council."
Legal Services comments:	Contained within the report
Equality and Diversity:	N/A
Climate Change implications:	N/A
Crime and Disorder:	N/A
Service Improvement Plan implications:	N/A
Corporate Plan:	N/A
Risk Assessment:	By presenting the Panel report to the Council for debate the remuneration scheme is being reviewed complying with the Council's legal obligations. It is also a matter of good governance that the remuneration scheme reflects the number of Councillors and Boards.
Background Papers:	None
Appendices:	Appendix A. A Review of Members' Allowances for Gosport Borough Council. A Report by the Independent Members' Remuneration Panel.
Report Author/Lead Officer:	Borough Solicitor and Monitoring Officer