

## **Report of the Independent Remuneration Panel on amendments to the Councillors' Allowances Scheme to be adopted from 1 April 2014**

### **Report to Vale of White Horse District Council on 11 December 2013**

#### **Introduction**

- 1.1 The council's constitution states that councillors are entitled to receive allowances as set out in the councillors' allowances scheme. The council's current councillors' allowances scheme came into force on 1 April 2012, following consideration of the Independent Remuneration Panel's recommendations. The previous scheme was revoked on 31 March 2012. The amended scheme is set out in the council's constitution and can be found on the council's website.
- 1.2 In October this year, the panel reviewed whether any inflationary adjustment is appropriate to the allowances for 2014/15, and looked at whether to recommend other adjustments to the scheme. The panel makes two recommendations as set out in this report. Any changes Council agrees to the scheme will come into effect on 1 April 2014.

#### **Legal framework**

- 2.1 In accordance with the Local Government and Housing Act 1989, the Local Government Act 2000, and The Local Authorities (Members' Allowances) (England) Regulations 2003, councils have a duty to consider the findings of an independent remuneration panel before determining any councillors' allowances scheme. The regulations place a statutory obligation on the council to establish and maintain an independent remuneration panel to look at councillors' allowances and report its views to the council. Council has a statutory duty to have regard to the panel's recommendations before making or amending any councillors' allowances scheme.
- 2.2 In addition to the regulations, the Secretary of State has issued guidance to councils on councillors' allowances. This guidance deals with the types of allowances which can be paid, the setting up, appointment and work of independent remuneration panels and the making and publication of allowances schemes.

#### **The council's independent remuneration panel**

- 3.1 In October 2011, Council appointed independent members to the independent remuneration panel until May 2016.

#### **Annual adjustment for 2014/15**

- 4.1 The panel considers that it should review annually whether to recommend any inflationary adjustment to councillors' allowances. The panel regard this as

preferable to adopting any standard index, as an annual review will give better control rather than relying on standard indices.

- 4.2 In December 2012, the panel recommended increasing the councillors' basic allowance in line with the staff pay increase for 2013/14, and recommended other allowances remained the same. Council agreed with this and subsequently increased staff pay in the 2013/14 budget by two per cent; the councillors' basic allowance was increased by the same percentage.
- 4.3 The panel considers that the councillors' basic allowance should increase in 2014/15 on the same basis: in line with any staff pay increase for 2014/15, but up to a maximum of two per cent. The panel considers that a two per cent cap would be fair. An increase above the staff pay increase is not recommended. The exact level of staff pay increase will not be known until the budget council meeting in February 2014.
- 4.4 The panel considers that there is no justification to increase the special responsibility allowances, the childcare or dependent carer's allowances, or the travel allowances for 2014/15. These allowances will be reviewed again later in 2014.

**Recommendation**

To increase only the basic allowance for 2014/15, in line with the staff pay increase for 2014/15, up to a maximum of two per cent.

**Claims for travelling to the council's offices for ad-hoc visits**

- 5.1 The panel was asked to consider whether the scheme should be reviewed to allow councillors to claim travelling expenses to make ad-hoc visits to the council's offices to see officers or conduct ward work.
- 5.2 The existing scheme prohibits this, stating that the basic allowance covers all meetings of the authority, meetings with officers, meetings with electors/residents, political group meetings, and travel to and from those meetings.
- 5.3 However, the panel has reviewed this, and recommends a compromise to allow councillors to claim travel expenses to and from the council's offices, or childcare or dependent carer's allowances, if an officer of the council has invited a councillor to a meeting. The panel considers that the onus must be on the councillor when making the claim, to provide written evidence of such an invitation.

**Recommendation**

To amend the councillors' allowances scheme to allow councillors to claim travel expenses to and from the council's offices, or childcare or dependent carer's allowances, if an officer of the council has invited a councillor to a meeting. When making the claim, the councillor must provide written evidence of such an invitation.

## **Withholding allowances**

- 6.1 The panel was asked to consider whether the scheme could be amended to allow the council to withhold basic and special responsibility allowances if a councillor is unable to fulfil his/her duties due to long term absence.
- 6.2 The panel noted that the 2003 regulations do not provide for the council to withhold a councillor's basic allowance in the case of long-term absence. Therefore, panel concluded that the scheme could not withhold the basic allowance in such circumstances. The panel does not recommend any change to the scheme in this respect.
- 6.3 The panel considers that the council should only withhold special responsibility allowances if a councillor no longer holds a position of special responsibility.

## **Review of councillor allowances from May 2015**

- 7.1 The panel recognises that a fundamental review of the councillors' allowances scheme will be required as in May 2015 the number of councillors will reduce from 51 to 38. The panel will conduct its review of the allowances scheme in 2014.

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Independent Remuneration Panel

November 2013