

Cheltenham Borough Council
Independent Remuneration Panel
Our review of the Members Allowance Scheme
November 2017

1. The Panel

- 1.1. The Cheltenham Borough Council (CBC) Independent Remuneration Panel was established pursuant to the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003. The panel Members were appointed by the Borough Solicitor and Monitoring Officer in December 2006 under delegated authority from Council. The current panel Membership is:

Mr Paul Johnstone (Chairman)	Director of Operations, RR Donnelley Global Document Solutions Panel Previous Member for Tewkesbury BC IRP
Mr Quentin Tallon (Vice Chair)	Cheltenham TUC (retired) and Panel Member for Gloucestershire CC IRP
Mrs Patricia Dundas	Gloucestershire Hospitals
Mrs Joyce Williams	Retired Public Servant

2. Our Terms for Reference

- 2.1. The Panel's original terms of reference as set by the Borough Solicitor and Monitoring Officer were;

To make recommendations to Council on the appropriate level and nature of allowances payable to Borough Council Councillors in Cheltenham under the scheme of allowances for implementation from 1 April 2007 which

- conform to the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003
- recognise the duties and levels of responsibility which fall upon them
- are clear, unambiguous, easy to administer, explain and justify to the local community.

3. History to date

- 3.1. The Independent Remuneration Panel (IRP) carried out a 4 yearly full review of Members Allowances in 2014 as required under the regulations. At its meeting in December 2014, Council accepted the IRP recommendation to increase the Basic Allowance by 1% from April 2015. They decided that this should not be applied to SRAs which remained at their 2014/15 levels.
- 3.2. When Council considered the IRP report as part of the budget report on 12 February 2016 they decided that they would award a 1% increase to be in line with the salary increase given to staff. They also wished to apply this increase to all SRAs and the civic allowances.

- 3.3. In 2017, the IRP recommended that the scheme be changed to adopt Council's preferred method of indexation i.e. the increase should be in line with that given to staff rather than the % increase in the median gross weekly earnings for the South West which had been adopted by the panel previously. This was agreed by Council and the Members Allowance Scheme in the Constitution was amended accordingly. All basic allowances, SRAs and Civic Allowances were increased by 1% from April 2017 in line with the increase given to staff.
- 3.4. The budget strategy that went to Cabinet in October did not make any specific reference to Members Allowances but for interim budget modelling, a 1% increase in staff pay was assumed with a contingency held in general balances for an amount equivalent to a further 1%.

4. Consultation

- 4.1. The Democratic Services Manager wrote to all elected Members via e-mail on 31 October 2017 asking for any issues that Members may wish to be considered by the panel to be notified by Friday 10 November. We received responses from 5 Members.
- 4.2. The responses can be summarised as follows:
- *Any increase should not exceed that of our staff*
 - *No issues with the level of the allowance*
 - *a suggestion that purchased permits for Members be usable on all CBC managed car parks*
 - *no significant changes in duties that impact the allowances*
 - *there should be equity in the way that travel expenses are treated for attending duties outside the borough with regard to claims for mileage and public transport*
 - *No significant issues on the monetary amounts*
 - *The signing up arrangements for members' ICT, and receiving iPads need to be reviewed*
- 4.3. We felt the car parking and ICT procedures were outside the scope of our review but include them here for completeness and the other points are covered in this report.

5. Licensing Committee

- 5.1. We were informed that a review of the Licensing Committee had taken place and as a result from September 2017, in addition to the main committee, two sub committees were set up with Members of the main committee split between the two and a chair of each sub-committee elected on a permanent basis. We understand the Chair and Vice Chair of Licensing Committee would each take the chair of one of the sub-committees. Licensing Committee agreed the new structure and requested that the IRP should review the SRAs when they next met.
- 5.2. We understand that in September, the current chair requested that the SRA be split equally between the chair and vice chair to reflect the additional responsibilities for chairing one of the sub-committees. This was implemented on an informal basis.

- 5.3. As the new structure has only been in place for 3 months, it is not yet bedded in and there is as yet insufficient evidence as to how the changes may have affected the factors determining the SRA i.e. time, responsibility and risk, and skills and experience and how the allowance should be split between the chair and vice-chair. In addition following the resignation of the current chair in September, Licensing has been without a chair since that date.
- 5.4. The IRP had a similar request regarding Planning Committee in the past and we opted to recommend that the informal arrangement of sharing the allowance between the chair and vice-chair on a 2/3:13 basis should be continued until more evidence was available.
- 5.5. We recommend that a similar approach is adopted for the Licensing Committee and would recommend an interim 60/40 split to reflect the additional responsibilities of the vice-chair in chairing a sub-committee but also reflecting the additional responsibilities for the chair of the main committee.
- 5.6. When we meet in September 2018 we can review this again. At that point we would request information on the numbers of meetings of the main committee and sub-committees that have taken place in the first year of operation and details about the workload involved for the Chair and Vice-chair. With this evidence we would also be in a position to assess whether the overall work load for these roles had increased and the relative split of work and therefore whether the SRAs needed adjusting. We would ask the chair and vice-chair keep a note of their time spent during the coming year to assist us in this review.

6. ICT provision

- 6.1. We would remind Members that we included an additional £100 p.a. in the basic allowance to cover the cost of home ICT provision and this will receive a proportionate increase when the basic allowance increases. We feel it is important to make sure any newly elected members are made aware of this provision in their basic allowance as part of their induction.
- 6.2. No other points have been raised and so there are no specific points for the panel to consider in relation to ICT.

7. Travel Expenses

- 7.1. In 2010 we were requested to review an issue raised by a member concerning travel outside the borough on council business. When claiming mileage for such a journey the scheme at that time required members to deduct the first 5 miles of any journey. We felt that it was appropriate for members to cover mileage within the borough from their basic allowance for ward business and travelling to the municipal offices etc. However if they are required to travel outside the borough on approved duties, we recommended that members should be able to claim the mileage from home to the destination where they are carrying out council business and the same for the return journey.
- 7.2. We recommended that **When Members are travelling outside the borough on council business the mileage claimed should be home to their destination and the same for their return journey** and this was adopted in the scheme.
- 7.3. We said at the time that we would we also encourage members to use more sustainable travel wherever possible, particularly train travel for longer distances.

- 7.4. A Member highlighted to us the slight discrepancy in the scheme in that a member cannot currently claim for public transport within the borough when attending approved duties outside the borough. For example if they were travelling by train from Cheltenham, for which they could claim expenses, but incurred additional expenses in travelling to the station then those expenses should also be eligible for them to claim. In this way equity would be achieved with expenses for car travel and travel by public transport would be encouraged.
- 7.5. We fully support this principle and would therefore recommend that the appropriate wording is included in the scheme and guidance notes as appropriate.

8. Other changes to the Scheme

- 8.1. There were no other changes that we were asked to consider.

9. Our recommendations

1. **To increase the basic allowances, SRAs and Mayoral Allowance from April 2018 by the same % awarded to staff i.e. in line with the anticipated employee annual pay award as set out in the indexation method in the scheme.**
2. **That the allowance for the Licensing Committee Chair be split between the Chair and Vice-Chair on a 60/40 basis until a full evidence based review can be carried out as part of the next full review in September 2018.**
3. **That when travelling to approved duties outside of the borough using public transport all travel costs incurred within the borough can be included subject to the requirement to use the most cost effective form of travel for all journeys.**

Appendices	1. Current scheme
Background papers	None
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