

Cheltenham Borough Council

Council – 11 December 2023

Recommendations of the Independent Remuneration Panel (IRP) regarding Members' Scheme of Allowances

Accountable member: Leader of the Council, Councillor Rowena Hay

Accountable Officer: Corporate Director and Monitoring Officer, Claire Hughes

Accountable scrutiny committee:

Not applicable

Wards affected:

Not applicable

Key Decision: No

Executive Summary:

The Local Authorities (Members' Allowances) England Regulations 2003 requires that Members' schemes of allowances are reviewed annually and where they are linked to some form of automatic indexation, there must be a full review once in every four years. Before an authority can review its scheme of allowances it must first have considered a report from an Independent Remuneration Panel (IRP). The last full review of allowances at Cheltenham Borough Council was carried out by the IRP in 2019 and its recommendations were approved by Council in [December](#) that year. The IRP have been convened at several points since then to consider specific issues.

In September 2023, the IRP was convened to conduct a full 4 year review in preparation for the budget setting 2024/25 and their findings and recommendations are summarised in this report with the full report attached as appendix 2.

The Council is now required to consider the recommendations of the IRP and, if acceptable, to resolve to adopt them. If the Council rejects the recommendations, then the current scheme will remain in place.

Recommendations:

That the Council consider the findings of the IRP and determine whether to accept the recommendations as follows :

- 1. That the Council endorses the broader understanding of the purpose of the Basic Allowance as outlined in paragraphs 11-13 of the IRP report.**
- 2. That the Basic Allowance for 2024/25 be set at £6,645**
- 3. That the Basic Allowance for 2025/26 and beyond be reconsidered by the panel in/or around September 2024.**
- 4. That the principle that a member may only claim one Special Responsibility Allowance be continued, with the exception of the Mayor who may claim both the SRA for their role as Civic Head and Chair of the Council.**
- 5. That the Special Responsibility Allowance for the Leader of the Council be set at £21,154 for 2024/25**
- 6. That the Special Responsibility Allowance for the Deputy Leader of the Council be set at £18,745 for 2024/25.**
- 7. That the Special Responsibility Allowance for the Mayor as Civic Head be set at £7,935 and as Chair of Council £595 for 2024/25.**
- 8. That the Special Responsibility Allowance for the following roles be as shown for 2024/25 :**
 - Cabinet Member - £17,853**
 - Planning Committee - £5,207**
 - Licensing Committee - £5,207**
 - Overview and Scrutiny Committee - £4,463**
 - Audit, Compliance and Governance Committee - £1,785**
 - Standards Committee - £1,190**
 - Appointments and Remuneration Committee - £397**
 - Independent Members of Standards Committee - £397**
- 9. That the Special Responsibility Allowance for a Group Leader remains a flat structure, regardless of size, and be £793 for 2024/25.**

10. That the Special Responsibility Allowance for Vice Chairs of the following Committees be as follows for 2024/25 :

Planning Committee – £2,083

Licensing Committee - £1,770

Overview and Scrutiny Committee - £1,517

11. That no change be made at the present time to the travel and subsistence provisions of the Scheme.

12. That no change be made at the present time to the dependent care provisions of the Scheme, and that all councillors be urged to recognise their entitlement to such expenses.

1. Implications

1.1 Financial, Property and Asset implications

The proposed increases in members allowances is £31,000 representing a 7% increase on the budget, this increase will be included in the proposed draft budget that will go to Cabinet in December 2023.

Signed off by: Gemma Bell, Director of Finance and Assets,
gemma.bell@cheltenham.gov.uk

1.2 Legal implications

The Council must have regard to the views of the Independent Remuneration Panel when considering changes to the scheme of allowances.

Signed off by: One Legal - legalservices@onelegal.org.uk

1.3 Environmental and climate change implications

There are no direct environmental or climate change implications arising from this report.

Signed off by: Claire Hughes, Corporate Director and Monitoring Officer

1.4 Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Being a more modern, efficient and financially sustainable council

1.5 Equality, Diversity and Inclusion Implications

An equality impact assessment is not required for this report.

2. Background

- 2.1 The Local Authorities (Members' Allowances) England Regulations 2003 sets out the framework within which local authorities can establish and amend schemes providing for the payment of allowances to Elected and Co-opted Members of their councils. In particular the regulations provide that schemes which are linked to an index to determine annual increases in allowances must be reviewed at least once in every four years.
- 2.2 When reviewing its scheme a council may not adopt a new scheme or re-adopt an old scheme without first having considered the recommendations of an Independent Remuneration Panel (IRP) established for that purpose.
- 2.3 The existing scheme of Members' allowances has been in place since 2007 and was last reviewed in 2019. It is based on a formulaic approach which the IRP remains committed to. It provides basic allowances for all elected Members, special responsibility allowances (SRAs) paid in respect of identified roles and responsibilities, and travel and dependent carers payments. In September of each intervening year, the Democratic Services Team Leader liaises with the Chair of the IRP to decide if there are any issues which require the panel to meet.
- 2.4 Following an open recruitment process led by the Monitoring Officer, three new Panel Members were appointed in Spring 2023 to bring the membership up to 5.
- 2.5 Since 2017, increases in the basic and special responsibility allowances have been linked to the staff pay settlement. However, in 2022/2023 employee pay awards comprised a flat rate figure, repeated again in 2023/24. In considering how a flat rate should be applied to Members' Allowances, the Executive Director Finance and Assets proposed that increases to Members' Allowances be based on the average mean officer salary increase, weighted by full time equivalent. In consultation with the IRP, increases of 6.5 % and 6.1 % were awarded in 2022/23 and 2023/2024 respectively.

3. Alternative options considered

- 3.1 The review undertaken by the IRP constitutes a thorough and reasoned analysis of the allowance rates applicable to Councillors and those co-opted to serve the council. In reaching its conclusions it has taken advice and gathered a range of information and considered a range of options which are detailed in their report.

4. Consultation and feedback

- 4.1 Detailed in the IRP report.

4.1 Reasons for recommendations

The recommendations from the IRP for 2024/25 and the rationale for them are set out in the IRP report in Appendix 2 and summarised in the Executive Summary of this report.

4.2 If the panel's recommendations are accepted the new allowances will be as follows:

	Current	Proposed
Councillor – Basic Allowance	6550	6,645
Special Responsibility Allowances (SRAs)		
Leader	20,447	21,154
Deputy Leader	No current SRA	18,745
Cabinet Member	16,093	17,853
Chair of Planning Committee	4,294	5,207
Vice-Chair of Planning Committee	2,163	2,083
Chair of Licensing Committee	1,016	5,207
Vice-Chair of Licensing Committee	677	1,770
Chair of Overview & Scrutiny Committee	3,389	4,463
Vice-Chair of Overview & Scrutiny Committee	1,694	1,517
Chair of Audit, Compliance and Governance Committee	847	1,785
Chair of Appointments and Remuneration Committee	0	397
Chair of Standards Committee	375	1,190
Group Leaders	754	793
Independent Members of Standards Committee	373	397
Mayor (Chair of Council)	566	595
Mayor (Duties of Civic Head)	8,812	7,935
Deputy Mayor	1,646	1,587

5. Alternative options considered

6.1 The review undertaken by the IRP constitutes a thorough and reasoned analysis of the allowance rates applicable to Councillors and those co-opted to serve the council. In reaching its conclusions it has taken advice and gathered a range of information and considered a range of options which are detailed in their report.

6. Key Risks

6.1 As outlined in Appendix 1

Report author:

Bev Thomas, Democratic Services Team Leader
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Appendices:

1. Risk Assessment
2. IRP Report

Background information:

[Part 6 CBC Constitution – Members' Scheme of Allowances](#)

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If some provision is not made for increasing the basic allowance and SRAs then new councillors may not be attracted to stand for the role or existing members may step down.	Chief Exec	2023	3	2	6	Reduce	The views of existing Councillors should continue to be fed back to the IRP and they should be made aware of any difficulties in attracting future councillors.	Dec 2023	Corporate Director and Monitoring Officer	
	If Members Allowances are increased there is a risk that public perception will be that councillors are receiving an increase during financially challenging times.	Chief Exec	2023	2	2	4	Accept	Recent Increases in basic and special responsibility allowances have been based on the average mean officer salary increase, weighted by full time equivalent and as detailed in the report. Members can forgo any element of their allowance should they wish to do so.	Dec 23	Corporate Director and Monitoring Officer	