

Chelmsford City Council

14 November 2023

Review of Scheme of Members' Allowances

Report by:

Leader of the Council

Officer Contact:

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Purpose

To receive and pass to the Council the results of a review of the Members' Allowances Scheme carried out by the Independent Remuneration Panel.

Recommendations

That the Council, having considered the recommendations of the Independent Remuneration Panel on the latest review of the Members' Allowances Scheme, agree a scheme of allowances.

1. Background

- 1.1 An Independent Remuneration Panel convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 has made recommendations to the Council on a new scheme of Members' Allowances for Chelmsford City Council. All councils must review their allowances schemes at least every four years and must establish such a Panel before they make any changes to their schemes. They must pay regard to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 1.2 The terms of reference, composition and working arrangements of the Panel are described in its report, which is attached.

2. The Panel's Recommendations

2.1 In summary, the Panel's recommendations are as follows:

The recommendations of the Independent Remuneration Panel on its 2023 review of Chelmsford City Council's scheme of members' allowances are as follows:

That the following elements of the present scheme of members' allowances remain unchanged:

- a) the basic allowance; and
- b) the current list of approved duties

That the payment of special responsibility allowances (SRA) be confirmed or amended as follows:

- a) the SRAs for the Leader, Cabinet Members, Deputy Cabinet Members, Chairs and Vice Chairs, Leader of major opposition, Leader of smaller Political Group, Mayor and Deputy Mayor be unchanged and
- b) a payment representing 10% of the basic allowance (currently equating to £666 (rounded up)) be made to each Independent Person on the Audit and Risk Committee.

That the revision of basic and special responsibility allowances and the payment to the Independent Persons be linked to the annual local pay award for employees of the City Council and updated accordingly;

That the travel and subsistence allowances payable to councillors continue to be based on those paid to officers and harmonised with those arrangements where necessary and applicable.

That the payment of Child Care and Dependent Carer's Allowance be made on the basis of HMRC rates.

3. Conclusion

3.1 The final decision on the Panel's recommendations must be made by the Council, although it may take into consideration the views of the Cabinet. The Cabinet on 14th November 2023 had no comments to make on the recommendations, preferring that they be discussed and decided by the Full Council.

List of appendices:

Report of Independent Remuneration Panel

Background papers:

All papers submitted to the Independent Remuneration Panel

Corporate Implications

Legal/Constitutional:

The Council is required to establish an independent panel to review its scheme of members allowances at least every four years.

Financial: None

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: None

Equality and Diversity: None

Health and Safety: None

Digital: None
Other: None

Consultees:

All members of the Council, Chief Executive, Legal and Democratic Services Manager

Relevant Policies and Strategies:

None are relevant.

Review of the Scheme of Members' Allowances

Report of the Independent Remuneration Panel to Chelmsford City Council

The recommendations of the Independent Remuneration Panel on its 2023 review of Chelmsford City Council's scheme of members' allowances are as follows:

- 1. That the following elements of the present scheme of members' allowances remain unchanged:
 - a) the basic allowance; and
 - b) the current list of approved duties
- 2. That the payment of special responsibility allowances (SRA) be confirmed or amended as follows:
 - a) the SRAs for the Leader, Cabinet Members, Deputy Cabinet Members, Chairs and Vice Chairs, Leader of major opposition, Leader of smaller Political Group, Mayor and Deputy Mayor be unchanged and
 - b) a payment representing 10% of the basic allowance (currently equating to £666 (rounded up)) be made to each Independent Person on the Audit and Risk Committee.
- 3. That the revision of basic and special responsibility allowances and the payment to the Independent Persons be linked to the annual local pay award for employees of the City Council and updated accordingly;
- 4. That the travel and subsistence allowances payable to councillors continue to be based on those paid to officers and harmonised with those arrangements where necessary and applicable.
- 5. That the payment of Child Care and Dependent Carer's Allowance be made on the basis of HMRC rates.

1. Introduction

Regulatory background

1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to set up and maintain an Independent Panel to review and provide advice on Members' allowances. A council is required to convene its Panel before making any amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme. The Panel is required to meet at least every four years to review and make recommendations on the Council's scheme of allowances.

Terms of reference and composition of the Panel

- 1.2 The Panel advising this Council was requested to review the current scheme of allowances, with particular reference to
 - the amount of basic and special responsibility allowances that should be payable to members
 - the duties for which travelling and subsistence allowances should be payable and the amount of those payments
 - the level of payments for child care and support of dependant relatives
 - whether a co-optee's and Independent Person's allowance should be paid and the level payable
 - what index should be applied to the annual update of allowances

and to report and, if necessary, make recommendations to the Council on its findings.

- 1.3 The Panel must be truly independent of the Council and, with this in mind, three local people were asked whether they would be interested in taking part in the review, two of these had served on the Panel in 2019. The following three were appointed to the Panel as representative of the public, private and voluntary sectors:
 - Pippa Brent-Isherwood, Chief Executive of the Office of the Police, Fire and Crime Commissioner
 - Lorraine Jarvis, Chief Executive of the Chelmsford Council for Voluntary Service
 - Russell Everard, who had previously held Head of Service roles in Local Government elsewhere.

All agreed to act as members of the Panel and to review the scheme objectively and without favour to any individuals or political groups.

- 1.4 The Panel was supported by Nick Eveleigh, the Council's Chief Executive, and Dan Sharma-Bird, Democracy Team Manager,
- 1.5 The Panel would like to record its thanks to the Members of Chelmsford City Council who made known their views on the current allowances scheme and who spoke to the Panel and answered its questions. The Panel also noted the broad support for the current scheme that was

Appendix 1

detailed in the survey responses and felt this demonstrated the scheme had been well received by current Councillors.

The conduct of the review

- 1.6 The Panel met on three occasions between September and October 2023 and received from Council officers guidance, both written and oral, on its role and the operation of the Council's political structure. Councillor Robinson (Leader of the Liberal Democrat Group) spoke to the Panel in person on various aspects of the current scheme. Other group leaders and Councillors were offered the opportunity to address the panel but declined. A questionnaire was also sent to all members to assist the Panel in making an assessment of the roles and responsibilities of elected Members and to obtain their views on the current scheme. A summary of the questionnaire returns is at Annex 1. 34 of 57 Councillors completed the questionnaire, which whilst being a significant increase against 20 in 2019, was still felt to be disappointing by the panel.
- 1.7 In addition to obtaining the views of members, the Panel received background information on
 - the regulations and guidance concerning the review process
 - the structure of the Council's decision-making bodies
 - the roles and responsibilities of councillors
 - the allowances paid to members by other district councils in Essex and the eastern region which were used as comparators for this review
 - the ratio of councillors to population in each Essex district
 - the current scheme and its cost in 2022-23
- 1.8 The fact that the members' decision-making structure has not changed significantly since the last review of allowances four years ago, and that since then there had been no pressure to look in detail at the scheme, suggested to the Panel that there was no need to carry out a fundamental examination of the scheme.

2. The Status of Allowances

- One of the key messages arising from this review is that service as a councillor is a voluntary role and should not be regarded as a professional duty which attracts a living wage or salary. The Panel also felt this status was important when discussing whether the allowances should be pensionable and had helped them form the view, along with previous panels that they should not be pensionable.
- 2.2 The Panel received views from a small minority of members who feel that the level of allowances, particularly the basic allowance, should be much higher to reflect the time spent by councillors on their duties and to act as an incentive to a wider range of people in the community to stand for election.
- 2.3 Whilst the Panel recognised the validity of this view to an extent, it was mindful of the fact that the legislation providing for the adoption of Members' Allowances Schemes by local authorities envisaged that they should support councillors in the performance of their duties as elected

- representatives by reimbursing their costs. The role of a councillor should therefore not be regarded as a professional duty which attracts a salary.
- 2.4 In the Panel's view, financial incentives alone will not attract people to stand as councillors: political parties and groups have a role, as do employers and an individual's own sense of service to the community. Changing the basis on which councillors' remuneration is made will change the whole ethos of public service.

3. The Components of the Allowances Scheme

The general scheme

3.1 The Panel considered all of the comments received from the survey of councillors. The Panel was grateful that councillors took the time to contribute their views, many of which were original and provoked some detailed discussion among Panel members. Those are looked at under the appropriate heading below.

The basic allowance

- 3.2 When compared with the basic allowance paid by other councils, the allowance in Chelmsford is neither the highest nor the lowest but is comparable to other authorities of similar size. In that regard, the Panel felt that the allowance was about right and could be justified.
- 3.3 On balance, the Panel recommends no change either to the level of the current basic allowance or the scope of the expenditure and costs it is intended to cover.

Special responsibility allowances (SRAs)

- These are paid to councillors who take on significant extra responsibility over and above their normal duties as elected members. The current payments are set out at section 4 of this report. The Panel approached the question of SRAs with an open mind and paid close attention to the views of members expressed through the responses to the questionnaire and the opinions expressed by those who spoke in person to the Panel.
- 3.5 The majority of SRAs represent a percentage of the SRA of the Leader of the Council.
- 3.6 The Panel was of the view that SRAs should be based on two considerations: the level of responsibility attached to the role and the accountability associated with it. It concluded that the current SRAs were still suitable going forward. They only felt an addition should be made to provide a payment for the newly appointed Independent Persons on the Audit and Risk Committee, in line with the payments already in place for IP's on Governance Committee. The panel felt this role should receive the same payment of £666 per year and reflected the responsibility of this new role. The Panel also discussed whether co-opted members on the Governance Committee should receive an allowance. In line with the majority of comments from the City Councillor consultation, they felt that

the role of a Parish Councillor was more voluntary than a City Councillor and should not therefore have a payment. The Panel also felt that as there had been a good number of applicants for the role recently, there was clearly not an expectation or demand for this payment to be made.

Timing of changes:

The Panel recommends that any increases in SRAs should take effect from the next full calendar month.

Indexation of allowances

3.8 Over recent years the updating of the sums for basic and special responsibility allowances has been linked to the annual local pay settlement for employees of the City Council. All members who expressed a view as part of the survey supported this approach and the Panel believes that it would be sensible to continue that as the means of indexing the allowances scheme.

Carer's Allowance

The scheme provides for the reimbursement of expenditure incurred by members in providing child care arrangements for children for whom they have a parental responsibility, or for the care of dependants, to facilitate their attendance at approved duties of the Council. The Panel felt this was a valuable element of the scheme that would assist with attracting a diverse range of people to stand for election. The Panel believes that it would be sensible to continue to include these in the scheme.

Travel and subsistence allowances

3.10 These are paid in respect of approved duties performed by members and are linked to the HMRC rates paid to officers. The Panel noted that such claims represent a small fraction of the cost of the allowances scheme and it was the general view of members who replied to the questionnaire that no change is necessary to these payments. Accordingly, the Panel recommends that the system for these allowances remain unchanged but that the Council should authorise the Legal and Democratic Services Manager to make any adjustments to this aspect of the allowances scheme that may be necessary to harmonise the rates paid to members and officers and to align the arrangements applicable to such payments.

Approved duties

3.11 A definitive list of approved duties which would qualify for the payment of travel and subsistence allowances was drawn up and agreed by the Council several years ago. The survey of councillors indicated that the vast majority of councillors who replied believe the current list is reasonable, a view with which the Panel agreed.

4. <u>Financial Effects of the Changes</u>

	Current SRAs £	Proposed SRAs £	% of Leader's SRA
Leader of the Council	26,076	26,076	100
Deputy Leader of the Council	17,202	17,202	66
Cabinet Member	13,035	13,035	50
Cabinet Deputy	6,519	6,519	33
Chair of Planning Committee	8,604	8,604	33
Vice Chair of Planning Committee	4,302	4,302	16.5
Chair of Chelmsford Policy Board	8,604	8,604	33
Chair of Overview and Scrutiny Committee	6,519	6,519	25
Vice-Chair of Overview and Scrutiny Committee	3,258	3,258	12.5
Chair of Audit and Risk Committee	1,308	1,308	5
Chair of Governance Committee	1,308	1,308	5
Chair of Licensing and Regulatory Committee	6,519	6,519	25
Leader of major opposition political group	8,604	8,604	33

Leader of largest minority political	1,308	1,308	5
group			

4.1 The table above gives a summary of the SRAs. The cost of the complete scheme including basic allowances, based on the Panel's recommendations and current rates would be £565,485 annually, including the two new payments of £666 each for the Independent persons on the Audit and Risk Committee.

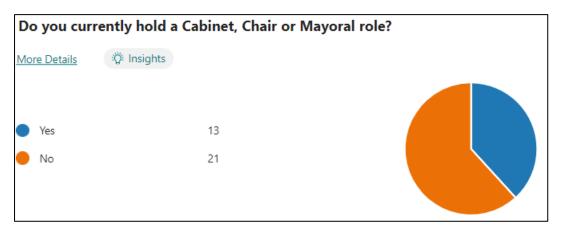
5. Conclusion

- 5.1 The recommendations in this report are those of the Independent Remuneration Panel and not those of the City Council. It is for the Cabinet to give initial consideration to this report and to pass any views it might have to the Council for it to consider when deciding whether to accept the recommendations.
- In general, the Panel has found the current scheme of allowances to be sound, fair and reasonable and the recommendations it has made are designed to reinforce that observation. Whilst aware of the financial pressures on the Council, the Panel has not concerned itself with the affordability of those recommendations that have budgetary implications: that is a matter for the Council to address.

Members Allowances Survey Results 2023

We have received 34 responses from our 57 Councillors. The following pages summarise the responses we had for each section of the survey. Some of the questions had follow up questions, depending on the initial answer and those responses are detailed underneath each summary.

Councillors position



Basic Allowance

2. Basic Allowance (BA) (currently £6,645)

This allowance is intended to cover the general expenses associated with the duties of a Councillor.

Do you think the current BA is reasonable and reflects fairly all the expenses you incur in your day-to-day duties?



Why do you believe the allowance should be higher or lower? Please indicate the level you think appropriate and your reasons.

I believe the BA should be lower as the Council must be mindful of saving taxpayers' money. I think £6,000 would be fine and this figure should be frozen for the foreseeable future.

Personally, the allowance is alright but it depends on how much time one spends. On occasion I can spend up to 8 hours a week dealing with residents and a further 2.5 hours extra dealing with PCs.

I've answered maybe because there is a wide range of different circumstances. For some, it may be too generous but for others it is clearly too low. Taken overall, I wouldn't change it by much, although I note that the value has diminished over the period since the last review due to the gap between inflation and staff pay rises so this may need looking at.

I believe allowances should be kept in line with inflation.

An increase in the allowance will attract younger people to join making it worthwhile for them financially too.

I think the cost of living and the increase in fuel costs have eroded its value. I think it should rise in line with inflation otherwise there is a risk that only independently wealthy individuals will put themselves forward to be councillors.

Slightly higher, around 7.5k

I believe it should be around £7100 at the current value to better reflect the impact on the time taken and the consequential reduction in the ability to earn other salary for those earning around the National Living Wage to encourage diversity in the people who are able to put themselves forward for the Council.

I can't speak for others, but I spend many hours on ward casework - and the amount of casework has increased noticeably recently and much of it is also more complex. That's besides the meetings we attend. (But I'm not complaining!)

Some people may drop a day's work to be a councillor. I suspect the allowance will be less than the salary forfeited. It needs to be affordable for younger working people to also be councillors.

While expenses associated with being a councillor are not high (for me), I don't think this fairly represents the time that goes into it. I don't think these roles should be considered as a hobby or voluntary work. It should be paid at a similar level to a part time job, otherwise we'll only ever attract people that can afford to give away that time for free / for very little money.

I feel if the local authority was to be represented by a multitude of people from all ages and backgrounds it needs to offer a remuneration for loss of income from your daily job. otherwise we will only ever get people that are retired or have understanding employers or have the means to be involved in the council. This is not a fair representation of the general public.

A fraction higher perhaps. (Inflation!)

I can see that this should be higher but now is not the time to increase this. residents cost of living crisis and Council budget pressures it would just look wrong. In my view at a future time in a few years a increase needs to reflect that the increase now was small or did not happen (Not now but catchup in the future)

I believe an increase in allowances for City Councillors is needed, primarily to acknowledge the extensive efforts they invest beyond their standard meetings in order to provide crucial support to residents. City Councillors play an indispensable role in their communities, often going above and beyond their official responsibilities to address the diverse needs and concerns of their constituents. Recognising their dedication with increased allowances not only validates their tireless commitment but also serves as an incentive for potential future Councillors. By offering a more competitive

compensation package, we can encourage wider participation in local governance, attracting individuals from diverse backgrounds and ensuring that our City Council remains representative of the entire community's needs and aspirations.

Special Responsibility Allowances

Special Responsibility Allowance (SRA)

These reflect the additional responsibilities of Cabinet Members, Deputies, Chairs, Opposition Group Leaders etc. The baseline for these allowances is the Leader's SRA, with the other SRAs being varying percentages of that sum.

Do you think the current SRAs are reasonable and fairly reflect the responsibilities of the individual posts?



Please provide details of any special responsibilities not currently in receipt of SRAs which should be? Conversely, are there any that you believe should not be continued? Should any individual percentages be adjusted, either higher or lower, and if so why and what should those percentages be?

I don't believe Committee Deputy Chairs should receive SRAs. In general, I think SRAs are too high and should be frozen for the foreseeable future.

I do not have an answer for this. Maybe this should include outside bodies and the numbers of hours spend.

I was a Cabinet Member for 4 years. The rates of allowance are far too low given the responsibility, the time commitment required and the difficulty we've experienced in persuading councillors who don't have private sources of income or wealth from taking on these roles. They cannot be done without creating space in your life which for most people will mean a reduction in income - the SRAs go nowhere near compensating for this and the effect is that most councillors who are not retired cannot afford to accept a role as a Cabinet Member.

More parochially, the Chair of TMISC should qualify for an SRA. I declare an interest as I am currently the Chair - but not a pecuniary interest as I also chair Governance so I would be no better off, however it seems like an anomaly that should be addressed for the future.

I think the allowance for the Deputy Mayor should be increased. It is a demanding role. Ideally, it would be 50% of the Mayor's allowance.

I believe that the 'ambassador' roles should attract a small allowance (similar to the allowance for independent members) to take into account the additional time, effort and personal resources involved

Cabinet Deputy allowance is less than that of some Chairs. Speaking from experience, I spent a lot of time on Cabinet Deputy work and I'm not sure the allowance I received fairly reflected that. (Again, I'm not complaining!)

Similar to my previous answer. The fact that being the leader of the council is paid at a similar lever to a newly qualified teacher is very underpaid in my opinion. It's a huge responsibility, but not remunerated as such.

I'm not sure on this.

I had said not to have increase now - (Basic Allowance) but the level of work for those with special responsibility is not in anyway reflected in what they are paid.

Furthermore, it is essential to consider a commensurate increase in allowances for City Councillors holding special roles. These individuals shoulder significant additional responsibilities and commit substantial time to the efficient functioning of our local Council, often participating in numerous meetings and decision-making processes. Recognising the elevated workload and dedication of these Councillors through increased allowances is not only a matter of fairness but also a means of attracting and retaining top talent in these vital positions. By offering a more competitive remuneration package, we can ensure that these key figures are adequately compensated for their efforts, which, in turn, fosters effective governance and bolsters our city's ability to address pressing issues and serve its residents optimally.

Indexing of BAs and SRAs

Indexing of BAs and SRAs

The annual revision of these allowances is linked to the annual pay increase for the Council's staff.

Do you think this is a fair basis for revision? If not, what other basis would you suggest?



The annual revision of these allowances is linked to the annual pay increase for the Council's staff.

Do you think this is a fair basis for revision? If not, what other basis would you suggest?

My view is that Council Staff should be receiving pay increases given the current cost of living concerns, however many Councillors are of retirement age and do not face the same financial pressures. My preference would be that the annual revision is linked to the overall financial health of the Council in some way. I am uncomfortable with Councillors receiving increases in their allowances when the Council is struggling financially or is failing in its financial oversight of a number of capital projects, as we have seen recently.

It seems logical but public sector pay is quite low and I fear that local democracy should not be the preserve of the rich. So index-linked pay would be preferable in my opinion.

I don't necessarily think it's fair to automatically align member's pay with annual increase of council staff. For many members, it's not their full time job - we are retired or receiving this as a second income. The council staff work hard every day at their jobs which can be very challenging. I feel that the member's revision should be a stand alone exercise or should be set at X% (i.e. 1% each year).

While inflation remains high I would think any increase for councillors' allowances could be less than that for staff.

I believe the increase is fair, but the allowance is not. Cabinet members spend a lot of time carrying out their duties, especially the leader and deputy leader and their allowance is below the minimum wage.

Yes this is fair once it is at the correct level.

One compelling argument in favor of linking increases in allowances for City Councillors to the annual pay increase for the Council's staff is that it promotes fairness and equity within the local government. When both Councillors and staff receive similar percentage increases, it ensures that the gap in compensation does not widen disproportionately over time. This approach aligns with principles of transparency and consistency, as it ties Councillors' financial benefits to the overall fiscal health of the Council and its ability to provide competitive salaries to all employees. Moreover, it discourages potential public resentment that may arise if Councillors' allowances increase at a significantly higher rate than the salaries of hardworking Council staff, fostering a sense of solidarity among all stakeholders in local governance. Conversely, such a linkage may create a potential conflict of interest where Councillors, who have control over staff salaries, could indirectly set their own compensation. This could lead to perceived or actual impropriety and could undermine public trust in the decision-making process. There needs to be a fair balance between acknowledging the work of Councillors and avoiding potential conflicts of interest.

Co-optees allowances

Co-optees allowances

The last review did not recommend its introduction, there having been no significant pressure for it either from members or existing co-optees. The only Committee which has co-optees is the Governance Committee, with three Parish Tier representatives. They are non-voting members but do regularly attend meetings of the Committee and one of the three is required to attend any standards hearing where a complaint against a Parish Tier Cllr is being considered.

Should the allowances scheme provide for payments to co-optees?



Please elaborate on your answer?

Co-optees, to be fair should get a small amount fpr the amount of time spent supporting the Governance Committee, they may not vote but can contribute to discussion on mattetrs.

its only fair if they are performing same duties as anyone else in the committee.

Well a small payment appears to be reasonable

some payment for expenses would be reasonable

I have held this co-optee role in the past. I did not feel the costs to attend meetings stopped my involvement in this committee. I live in Chelmsford town however, so others from a greater distance e.g.. SWF may have a different view.

I feel that they should be allowed to claim for mileage or travel costs if not already allowed.

I am very new to proceedings so not really qualified at this stage to base an opinion.

Not really sure how much their role entails.

Don't know

if there currently is no pressure for giving an allowance, I feel we don't need to offer due to the lack of budget at CCC. this should however be reviewed again in the future.

If these people are required, this should be discussed at least.

Given my lack of familiarity with the role and its associated requirements, I do not feel I have the required knowledge or context to offer informed commentary at this time.

What percentage of the basic allowance would be reasonable? Would, say 10% be reasonable?

10% is reasonable

Yes 10% would be reasonable

Yes, I agree with at least 10%.

yes

10% seems reasonable although I'm not sure how many attendances a co-opted might be expected to make.

Less than 10%, maybe 5%

10%

I feel 10% would be suitable

Why do you not feel co-optees should receive an allowance?

They are attending in their capacity as a parish councillor, which is a voluntary position. I therefore don't feel it is necessary for them to receive an "allowance" type payment. However, they could have their travel expenses reimbursed.

I would not introduce this if no one is calling for it.

Duties are not onerous and they are volunteers

Surely these are volunteers.

I think that co-optees should receive an allowance.

Parish councillors do not receive allowances and this is an extension of that role. I'd rather attract those who want to extend their current role than potentially those who might be attracted by the financial pull. (I know this seems potentially contradictory but these roles are different in scale and commitment from the Cabinet roles mentioned above.)

I don't believe it's appropriate.

As stated above, there has been no significant pressure for it.

While in an ideal world everyone would be compensated for everything they do, being a Parish Councillor is a voluntary role which is not currently remunerated. There are plenty of other roles that people take on that are also not remunerated (such as trustees for charities etc.). I do not think the role of a co-optee on the Governance Committee is a particularly onerous role and, especially given current financial pressures, I do not feel there is an urgent need to change the allowances scheme to provide for payments to co-optees.

It's normally am extension of other roles they are performing outside of the counci

They should receive an allowance.

There is no expectation that parish councillors would receive an allowance. Travel expenses should be paid.

I assume they can claim travel expenses. Their time is minimal. Non-payment encourages volunteers. Judging by the last applications, there is no shortage of people wanting to do the role.

I think *some* levels of government should be voluntary. (Parish).

They are non-voting members and it's part of their Parish Council role.

Travelling expenses claimed per meeting may be more prudent.

Unless we are struggling to find volunteers due to not receiving an allowance keep as is.

Allowances for Independent Persons on the Audit and Risk Committee

Allowances for Independent Persons on the Audit and Risk Committee

Should Independent Persons on the Audit and Risk Committee receive the same allowance as the Independent Persons on the Governance Committee. These are two positions, one of which has been filled and the other out for recruitment currently. At the last review in 2019 it was agreed that the Independent Persons on the Governance Committee should receive an allowance in addition to their ability to claim travel expenses. This was then also agreed by the Council and has been in place since. It is therefore suggested that the IP's on Audit and Risk Committee should receive the same, this is currently £600 per year.

Do you think this would be suitable?



I. Do you think the allowance should be the same as it is for IP's on the Governance Cttee?

More Details

Yes

No

3

Please elaborate on your answer

It feels only fair that they should receive same allowance if performing same duties.

I'm not sure whether the roles are comparable. I think they should both be remunerated, but I'm not sure whether the level of commitment in both roles is the same.

If it will allow better recruitment. Other wise travel expenses only.

I am very new to proceedings so not really qualified at this stage to base an opinion.

Again, not sure exactly what the role entails so I can't comment on the suitability of the allowance.

I don't know enough about their role to have a view

Don't know

Given my lack of familiarity with the role and its associated requirements, I do not feel I have the required knowledge or context to offer informed commentary at this time.

Subsistence Allowances

). Subsistence Allowance

This is paid in respect of approved duties outside the City on the basis of individual claims at the same rate as that paid to officers.

Do you think it should continue to be paid on that basis?



Please elaborate on your answer?

I'm not familiar with this allowance. I can see that it may be appropriate on the rare occasion that someone goes to an all-day meeting or even needs an overnight stay. But I wouldn't support substance payments for attending, say, an evening meeting in Chelmsford.

I think subsistance allowances are outdated.

Why do you not feel it should continue on that basis? Also what other basis would you suggest?

Outdated and unnecessary, surely we can afford to forego this

Not necessary

The current amounts do not reflect the costs of a reasonable meal in each case, even in Chelmsford and is most likely to be claimed when visiting areas which are more expensive.

I personally feel that subsistence should be paid by the individual as you would when you attend a workplace - it seems excessive to pay this when the Council is struggling for money.

Dependant Carer's Allowance

Dependant Carer's Allowance

This is currently paid at the hourly rate of the National Minimum Wage for child care (depending on the age of the carer) and £15 per hour for the care of a dependant relative, where the member has to make such arrangements in order to be able to perform their duties as a Councillor. The latter payment is linked to the same index used for BAs and SRAs.

Do you think this is still suitable?



Please elaborate on your answer?

I think it depends on the availability of childcare. It is not always easy to find someone at short notice.

I'm not sure if that reflects the current 'market rate' that a member may have to pay

I am not sure. I am out of touch regarding the cost of childcare or rates for carers but both of the current allowances seem a little low to me.

I have no idea if it is a suitable amount, but it does need to be paid, so we can include people with children. In my view I marvel at what they do with this balance. I do feel that maybe now is not the time for a large increase. (I see this as a welcomed privilege that is not there for people in the wider world)

Please explain why it is not suitable and suggest any alternatives?

people choose to be elected having thought about their domestic lives and the impact the role may have on their family.

Both should be paid at the higher index linked amount (currently £15) as each reflect that care is needed and the irregularity and potential short notice of meetings (in the case of extraordinary/rescheduled meetings or licensing panels) means that the minimum wage does not reflect a fair price for a carer's time

Pensions for Members

5. Pensions for Members

A previous review of the allowances scheme included a recommendation from the Independent Remuneration Panel that members should be eligible to join the Local Government Pension Scheme in respect of the BA and SRAs. The Council decided not to adopt that recommendation. If pensions were to be paid for both allowances to all members there would be a cost to the Council in the region of £60,000, based on the current allowances.

The last three panels recommended that members should not be eligible to join the Local Government Pension Scheme.

Do you believe that the allowances should be pensionable?



Please add any comments to your answer here

Whilst city councillors receive an allowance, the role is effectively voluntary and is not, in my view "paid employment" like other part/full time roles. Despite the auto enrolment regulations, I do not feel it is appropriate for councillor allowances to be pensionable. Councillors can of course choose to direct all/some of their allowance into a private pension if they so wish.

Allowances should not be pensionable to keep down costs to the Council.

A lot of elected members are beyond pension age.

The only basis on which I could vote for allowances to be pensionable would be if the rates were reduced to compensate, otherwise it would be a blatant back-door pay rise. If lower allowances were involved, I don't think members would be quite so keen on the idea!

Pension scheme adds to the overall attractiveness of the role. Younger people would appreciate it. No pension scheme means only older people with already sorted finance would be attracted to the job.

Councillor who are still working will be paying into a work based pension. Those that are retired can't pay into a pension anyway.

If in future it becomes difficult to recruit members, younger members especially might like to join the pension scheme.

I don't believe the cost can be justified.

Given current financial pressures, I do not believe this is something the Council can afford.

The role of councillor is not a hobby, it is a very responsible post with considerable sacrifices for members, if we want to attract and keep younger non retired people involved in local government then we should make allowances pensionable, but should allow an opt out if people don't wish to do this

Do not want additional costs.

There is insufficient justification at this time of financial squeeze

For some members, the allowances received reflect a significant portion of their income and as such, the lack of a suitable pension contribution on top of the fact councillor allowances already take into account that members choose to volunteer some of their efforts as a public service, may severly impact current and future members ability to take an active role on the council and may be preventing a more diverse and representative group of candidates from standing for council. Younger councillors should not have to choose between saving an adequate amount for retirement and being able to take part in public life.

I am very new to proceedings so not really qualified at this stage to base an opinion but based on the cost to the council, I would say no.

I wouldn't want that cost to the Council.

Where a member spends a lot of time on the role, it would impact their working career, and may impact the associated pension. It seems fair to compensate by making the allowance pensionable.

See my note on large roles such as leader of the council, I don't think someone performing that role would have a chance to have a significant other job. Therefore if this isn't pensionable, I don't see how they could save for retirement.

There has to be some perks to carrying out the role.

It would be too difficult and costly to administer with different SLA's changing as often as annually, with some Council terms having large gaps in being elected.

Due to the nature of the role, we receive an allowance, not a wage, and the assumption is that it's not the main source of Income for Councillors who will have workplace pensions outside of their Councillor role.

Not at this time so let this be asked again in future years.

Approved Duties

3. Approved Duties

A previous review of allowances resulted in the introduction of a definitive list of approved duties in respect of which travel, subsistence and other allowances can be claimed. That list is at Appendix 1 of the current scheme.

Do you think the list is reasonable?



Are there any duties which you feel ought to be added to or removed from the list?

There are some conferences where only one party group may be invited that still reflects an important opportunity to represent the interests of the Council. For instance, party conferences might not be a correct use of council monies but covering subsistance for international events where a member(s) of a particular political group are invited to share best practice (on engaging marginalised groups for example) is more likely to be a reasonable use of council resources.

I am happy with the list but if you are going to pay someone for the cost of meals then it should cover the cost these seem to be set far to low and in my view should be increased to reflect the true cost.

Other Comments

Do you have any other comments or suggestions to make?

I am very keen that SRAs and BAs are frozen for the foreseeable future given the current financial position.

My main view is for increases but not now. Yet in future time for this to be corrected. The payments for meals looked to low and if you are going to pay this it should be correct. I have said that those who do lots of work with Cabinet / Leader roles etc what is paid in no way reflects what they do, So for this group maybe a increase does need to higher now. (I know this is a bit contradictory but hope it makes sense)