

# **Members' Allowances Scheme 2011-15**

**For**

**Bristol  
City Council**

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**A Report by the**

**Independent Remuneration  
Panel**

**Mr Peter Leppard (Chair)**

**Mr Michael Cole**

**Mrs Julie Hart**

**Mrs Rosa Hui**

**Mr Julian Legg**

**Mr Robert Patterson**

**MARCH 2011**

## Introduction: The Regulatory Context

1. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)*. These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All Councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
2. The Panel was given general terms of reference to make recommendations to the City Council on the appropriate form and level of remuneration:
  - For all councillors (i.e. the basic allowance);
  - Special responsibility allowances;
  - Childcare and dependant's carers' allowances for councillors;
  - Travel and subsistence allowances;
  - Allowances for co-optees;
  - Any other issues covered by the 2003 regulations.
3. The Panel had regard to:
  - The roles which councillors were expected to fulfil and the differing roles and responsibilities of particular councillors;
  - The current method of local administration (in Bristol this is the Leader/ Cabinet arrangement);
  - Practice amongst other local authorities in the UK;
  - The current statutory framework for the remuneration of councillors and the scope which the council has to establish and vary its own arrangements, and any commentary on that (from the Audit Commission, Local Government Association, Local Government Management Board and other interested parties);
  - The previous recommendations made and the decision taken by the City Council in respect of the last review.

## The Panel

4. Bristol City Council appointed the following to its Independent Remuneration Panel, namely:

**Michael Cole**, Management Consultant, Justice of the Peace, Head of Branch Operation and Sales Force - Bradford and Bingley Bank (retired)

**Julie Hart**, Member Management Team, Lloyds TSB, Management (retired), Company Director.

**Rosa Hui**, Deputy Lieutenant of the City & County of Bristol and Director of Bristol and Avon Chinese Women's Group.

**Julian Legg**, Senior Business Consultant, Logica .

**Peter Leppard**, retired, formerly Assistant Director (Planning and Resources). The Open University in the South West. (CHAIR).

**Robert Patterson**, Director/General Manager Northcliffe Press (retired).

### **Background.**

5. This is the Panel's fifth report since its establishment in 2006 and its second 4 year review. The Panel's first 4 yearly review, published in May 2007, recommended a new Members' Allowances Scheme following a full review of the various allowances and included a recommendation for a stepped approach to remuneration for the Leader of the Council. The Panel continue to endorse their recommendations from their initial review of the Scheme.

### **Methodology**

6. The Panel met on 4 October 2010 where it received a presentation from Dr Declan Hall, independent adviser (Dr Hall had previously worked with the Panel to produce the original review in 2007). He reviewed the content and provisions of the current scheme and provided detailed up to date benchmarking information with comparator authorities.
7. The Panel identified minor anomalies in the current scheme and issues for further investigation and clarification and invited councillors to express their opinion on the current arrangements
8. A further meeting of the Panel took place on 15 November to consider matters raised at its initial meeting and the feedback which had been received from councillors. It noted that it was the unanimous view of those councillors who responded that in the light of the ongoing economic situation, there should be no general changes to the scheme.

### **Basic allowance**

9. Councillors who responded to the Panel stated that there should be no increases in allowances during the coming year. The Panel supports this view. The need for increases in the subsequent years covered by this review will be considered on an annual basis.

### **Leader's Indexation**

10. The Panel noted that 2011-12 will be the final year of the stepped indexation of the Leaders special responsibility allowance (SRA), which was agreed in the 2007 review. It is recommended that this be implemented.

### **Special responsibility allowances**

11. The Panel considers that the arrangements for paying special responsibility allowances continue to be appropriate and fit for purpose . This includes the SRA for assistant executive members and payment to members who sit on appeals committees. In the case of the latter, it is proposed that remuneration should be paid half yearly in future. No change in the current arrangements or rates for member SRA's is proposed. It was noted that the Council is currently reviewing its arrangements for scrutiny. The rates for the current scrutiny commissions should apply to the new standing scrutiny committees which are established by Council in May.
12. Longer term, it is noted that the implications of proposals for changes to council governance in the Government's Localism White Paper (in particular the elected mayor) could impact during the period of this review. The Panel will consider the implications of this for remuneration once the legislation is enacted and the time scales for any change have become clear.

### **Co-optees allowance**

13. In line with the approach in paragraph 9. above, no change in the rate for co-optee allowance is proposed.

### **Travelling and subsistence allowance**

14. No changes are proposed to the arrangements for travel allowances however the scheme has been clarified to ensure that members continue to be paid at the same rate as officers and that payment is based on Inland Revenue rates.
15. In relation to subsistence expenses for meals, the Panel noted that the Scheme currently permits payments at scale rates for breakfast, lunch, dinner etc without supporting receipts and in line with the officer scheme. Although no member had made use of the scale rates, the Panel felt strongly that a requirement to always submit receipts offered transparency and protection for all concerned, and should be a feature of the member remuneration arrangements in future.

### **Dependent care allowance**

16. The Panel considered it reasonable that those who are engaged to provide care for dependents would expect to be remunerated at the level of the statutory national minimum wage. Accordingly it is proposed that the rate for dependent care allowance should be increased to and maintained at that level .

### **ICT equipment, telephony and stationery allowances**

17. The Panel noted that all members of the Council are entitled to various ICT and telephone equipment and also stationery, yet the current Allowances

and Expenses Scheme makes no reference to this. The Panel felt that in the interests of openness and accountability it should do so and the new scheme has been amended accordingly.

18. During its investigation of this matter the Panel also learnt that councillors who wish to use their own broadband for Council business (as opposed to going onto the Council provided arrangements) may do so and may claim an allowance of up to £25 per month for this. The Panel questions the level at which this allowance is set, taking account of the reducing cost of personal broadband in recent years and the availability of complete packages combined with TV, phone etc, costing a similar amount. The Panel recommends that Council re-considers the level of this allowance and arrangements are put in place to monitor and audit the claims against this allowance which are submitted.

### **Implementation of Panel recommendations**

19. The Panel recommends that the new allowances scheme adopted by the Council arising from this allowances review be implemented from the start of the financial year 2011/12 ie 1 April 2011.