

Members' Allowances Scheme 2011-15

For

**Bristol
City Council**

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 2012

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 sixth report since its establishment in 2006. The Panel's second four yearly review, published in May 2011, recommended only minor changes to the Members' Allowances Scheme following a full review of the various allowances.

6.The Panel considered a number of issues highlighted through attendance at regional training, and discussion points from previous years. These were:

- The Localism Act and affects on remuneration
- Councillors broadband allowance protocol
- Payment policy for Councillors around election time
- Invited councillors to express any suggestions for the scheme

Methodology

7. The Panel met on 19th January 2012.
8. The meeting was held in private session and both oral and written submissions from officers were carefully considered before the Panel reached their conclusions.

The Localism Act and affects on remuneration

9. It was noted that the provisions of the Localism Act had no direct bearing on current arrangements for and rates of member remuneration. It was unclear whether the remuneration for the proposed Elected Mayor (if agreed by a referendum) would be determined by the Panel or by the Secretary of State. The Panel would meet again after the referendum and once further guidance had been received.

ICT equipment, telephony and stationery allowances

10. During its investigation of this matter in 2011/12, the Panel learnt that councillors who wish to use their own broadband for Council business (as opposed to having Council provided arrangements) may do so and may claim an allowance of up to £25 per month for this. The Panel questioned 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.
11. Following advice from the Service Director, ICT, it was agreed by the Panel that the allowance should be reduced to £15 per month, to take account of

published UK average costs for broadband currently, acknowledgement of the falling costs of broadband since the £25 limit was established and the availability of broadband services as part of a household package, and the need for the for the rate of the allowance to be seen to be reasonable.

Statement of arrangements for payment of members special responsibility allowances

12. The Panel considered a proposed statement which clarifies and simplifies elements of payments of allowance particularly around the end of the municipal year. The revised arrangements, which are purely administrative in nature, propose that all payments of Special Responsibility Allowances cover the period up to Annual Council and then cease. Payments to relevant members will recommence in the June pay round with any adjustments, which will include back pay, being made at that time.

Councillor proposals for changes to the Scheme

13. It was the view of all of those councillors who responded to the Panel that in the light of the ongoing economic situation, there should be no general changes to the allowances scheme for 2012-13.

Implementation of Panel recommendations

14. 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 2012/13 ie 6 April 2012.

Appendices

Appendix A – Payment Policy for SRA around Election Time.

Appendix B - Schedule of Members Allowances 2011-15

STATEMENT OF ARRANGEMENTS FOR PAYMENTS TO MEMBERS

OUTGOING COUNCILLORS - Councillors who stand down at an election and those who lose their seats will be paid until 4 days after the election.

INCOMING COUNCILLORS - Where a Councillor is elected to office following an Annual Local Government Election, from the fourth day after the date of the election or the date of making the declaration of Acceptance of Office (57 LGA 1972).

For a Councillor elected to office at any other time, they commence from the date making the Declaration of Acceptance of Office.

PRO RATA PAYMENTS - Where a Councillor holds the office of Councillor for less than a full calendar month the allowance will be calculated on a pro rata basis by reference to the number of days entitlement to the allowance to the total number of days in that particular month.

If in the course of a year if a Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a Special Responsibility Allowance the schedule will be amended accordingly.

OVER PAYMENT - Where the payment of a monthly instalment of an allowance results in a Councillor receiving more than the amount entitled, the overpayment will be recovered subsequently through a deduction from other allowances due to that Councillor.

PAYMENT ARRANGEMENTS – SPECIAL RESPONSIBILITY ALLOWANCES

LEADER OF COUNCIL - The date of payment of the Leader will start from the date when elected at Council and continue for the duration of their term of office.

All other payments will run as per the Civic year (ie ending on the day before Annual Council):

GROUP LEADERS – The date of payment will normally start from the date of the Annual Council meeting and continue until the day before the next annual meeting

WHIPS - The date of payment of the Party Group Whips will start from the date on which the Proper Officer is informed that the appointment was made by the political group and will be renewed annually from the date of Annual Council unless or until change is notified to the Proper Officer by the group

EXECUTIVE MEMBERS - The date of payment of Executive Members will start from the date when the Leader announces their appointment (usually Annual Council) and will continue until the day prior the next Annual Council meeting

CHAIRS – The date of payment of committee chairs will start from the date that they are elected chair by their committee, with the exception of the chairs of scrutiny commissions, where payment will commence from the time that they are appointed by the annual meeting of the Overview and Scrutiny Management Committee. Payments will continue until the day prior to the next Annual Council meeting.

In all cases :

SRA payments received by members in their May payment, will be for the period up until the Annual Council meeting only.

SRA's which are renewed or started from the May annual council will be paid to members commencing in June, with retrospective payment covering the period between Annual Council and the end of May being made in that first payment.

Committee Chair's SRA's will usually commence in the month following the month of their appointment, with any retrospective payment due, being picked up in the first payment.