

# **Councillors' Allowances 2017/18 – Recommendations of the Independent Remuneration Panel**

**Cabinet**

**Date: 16 June 2016**

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Author:	Chair of the Independent Remuneration Panel and the Director of Law and Democratic Services
Wards:	All
Locality Affected:	All
Parishes Affected:	All

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## **1. Purpose and Reasons**

- 1.1 To consider recommendations arising from a meeting of the Independent Remuneration Panel on the level of Councillors' Allowances in Swindon for 2017/2018 and future years.
- 1.2 To consider recommendations for a proposed amendment to the Councillor's Allowance Scheme for 2016/17 regarding Special Responsibility Allowances associated with the Health and Wellbeing Board.
- 1.3 The Council is required by the Local Authorities (Members Allowances) (England) Regulations 2003 to consider the recommendations of its Independent Remuneration Panel when making decisions relating to its Scheme of Councillors' Allowances. It is not required to adopt all or any of the Panel's recommendations. Decisions on the Scheme of Councillors' Allowances require the approval of full Council.

## **2. Recommendations**

Cabinet is recommended to:

- 2.1 Note the thorough and comprehensive review undertaken by the Independent Remuneration Panel, and thank the Panel Chair and members for their work.
- 2.2 Consider the recommendations of the Independent Remuneration Panel on Councillors' Allowances for 2017/2018 and future years, as set out in paragraph 3.5, and to refer these recommendations to the Council.
- 2.3 Consider the recommendations of the Independent Remuneration Panel on Councillors' Allowances for the 2016/17 year as set out in paragraph 3.7, and to refer these recommendations to the Council.
- 2.4 Authorise the Director of Law and Democratic Services to introduce a revised Councillors' Allowances Scheme for 2016/2017 and 2017/2018 and future years based on the recommendations of the Independent Remuneration Panel, as approved and adopted by the Council.

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## 3. Detail

### Background

- 3.1 The Independent Remuneration Panel for Swindon Borough Council was established in late 2001. It is currently made up of six members independent of the Council. One each is nominated by the Education, Business and Voluntary / Community Sectors, while three members are appointed following public advertisement. The Chair of the Panel is Mr Keith Strickland who will be attending the meeting to comment briefly on the Panel's recommendations.
- 3.2 The last extensive review of Councillors' Allowances took place in 2009. Following this, there were no changes made to Councillors' Allowances until the 2015/2016 Municipal Year when a 2.2% increase was agreed in line with the percentage pay increase agreed for officers. A further 1% increase has been applied for the 2016/2017 Municipal Year, again in line with the percentage pay increase agreed for officers.
- 3.3 The Panel is of the opinion that the Council should be seeking to raise its allowances to the average level for the authorities in its former Audit Commission 'Family Group'. However, the Panel has noted that trying to redress the deficit in a single financial year is likely to be problematic. The Panel advised Council at its meeting on 23 July 2015 of its intention to undertake an extensive review of Councillors' Allowances to inform a more comprehensive set of recommendations to the Council for 2017/2018 and future years. The Panel's final report and recommendations to Council are attached at Appendix 1.

### Review of Councillors' Allowances for 2017/2018 and future years

- 3.4 At its meeting on 5 October 2015, the Panel determined the scope of the review it wished to undertake, and the research and methodologies it wished to adopt and utilise. The review has involved:
- 3.4.1 *Benchmarking.* The Panel has considered the Basic Allowance (BA) and Special Responsibility Allowances (SRA) paid by other authorities whom it could be considered were part of the same 'family group' as Swindon Borough Council.
- 3.4.2 The Panel has also considered the levels of allowances paid in similar organisations across the Borough.
- 3.4.3 *Interviews.* The Panel has considered the Vision for Swindon which has been adopted by Council. The Panel invited the Leader of the Council and the Chief Executive for interview to answer the Panel's questions on the Vision and its associated Pledges, and how they believe it may affect Councillors' roles and responsibilities. The Leader of the Council and the

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Chief Executive were both unable to attend and sent deputies to represent them.

- 3.4.4 The Panel has interviewed Councillors from all parties who hold a range of responsibilities, and in particular those who hold posts where the Panel was specifically interested in the responsibilities associated with those posts.
- 3.4.5 *Survey.* The Panel considered the results of survey that was distributed to Councillors seeking their thoughts and views on the allowances paid at Swindon Borough Council, and other questions regarding their time spent on councillor duties.
- 3.5 The Panel's recommendations for Councillors' Allowances for 2017/2018 and future years are detailed in the Panel's report attached at Appendix 1. They are summarised below as:
- a) That the level of Basic Allowance is raised to £8,220 (the median level of the Council's 'family grouping') and that this increase is phased in over a two year period, with the Basic Allowance being set at £8,090 for 2017/2018 and at £8,220 for 2018/2019.
  - b) To index link the Basic Allowance payable to all councillors to any percentage increase in the Local Government Pay Settlement for a period of four years commencing in 2017/2018.
  - c) That a system of Basic Allowance multiplication is introduced to calculate the levels of Special Responsibility Allowances, using the proposed Basic Allowance of £8,220. Any increases to be phased in over a two year period (in line with the proposals for the Basic Allowance), but any proposed decreases to take immediate effect.

SRA Post	Proposed Multiplier
Leader of the Council	BA x 3
Deputy Leader of the Council	BA x 1.75
Cabinet Member	BA x 1.5
Chair of Audit	BA x 0.75
Chair of Overview	BA x 0.75
Chair of Scrutiny and Leader of the Opposition	BA x 1.5
Chair of Scrutiny if not Leader of the Opposition	BA x 0.75
Chair of Planning	BA x 0.75
Chair of Health and Wellbeing Board	BA x 0.75
Leader of the Opposition if not Chair of Scrutiny	BA x 0.75
Leader of Minority Group	BA x 0.25

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Chair of Licensing	BA x 0.75
Licensing Committee Members* (REMOVED)	-
Chair of Standards	BA x 0.75
Co-opted Standards members	BA x 0.15
Chair of Joint Swindon and Wiltshire Police and Crime Panel	BA x 0.75
Vice-Chair of Joint Swindon and Wiltshire Police and Crime Panel	BA x 0.25

- d) To reflect the common set of skills required for chairing, that all Committee Chair posts attract the same Special Responsibility Allowance amount.
- e) To address the disparity between allowances paid in relation to 'regulatory' committee responsibilities, that the Special Responsibility Allowance paid to members of the Licensing Committee be terminated with effect from the Annual Council Meeting in May 2017.
- f) To reflect the role and responsibilities associated with the position of Chair of the Health and Wellbeing Board, that a Special Responsibility Allowance be introduced for this post from the Annual Council Meeting in May 2017 and that this be set at the same rate payable to other Committee Chairs.
- g) To maintain the current arrangements for Travel Allowances and Subsistence Allowances as set out in the Scheme of Councillors' Allowances in the Constitution.
- h) To recommend that the rate for Dependant Care Allowance be set at £7.70 or the national minimum wage (whichever is greater).

- 3.6 Subsequent to the Panel forming its recommendations for 2017/2018 and future years, it received a request to consider bringing forward its recommendation regarding the position of Chair of the Health and Wellbeing Board to the current 2016/2017 Municipal Year, and the extension of the co-optees allowance (currently only paid to co-opted members of the Standards Committee) to include co-opted members of the Health and Wellbeing Board.
- 3.7 The Board had already determined that a Special Responsibility Allowance be introduced from the Annual Council Meeting in May 2017 and that this be set at the same rate payable to other Committee Chairs (Basic Allowance x 0.75 which translates to £6,165). The Board is supportive of the proposal to introduce this Special Responsibility Allowance with effect from May 2016. The Board has also determined to support the introduction of a co-optees allowance for co-opted members of the Health and Wellbeing Board (currently £1,032).

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## **4. Alternative Options**

- 4.1 There are no alternative options proposed. The Cabinet can decide to support all the Panel's recommendations to the Council, or it can decide not to support the Panel's recommendations and to make its own recommendations to the Council.

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

- 5.1 The total allocation for Councillors' Allowances and support for 2016/2017 is £683,500. From this, £453,663 is set aside for the payment of Councillors' Basic Allowances (£7,959 x 57) and the remainder is made available for Mayoral Allowances, Special Responsibility Allowances, and other Allowances (e.g. Travelling and Subsistence) as specified in the Scheme of Allowances.
- 5.2 Subject to the agreement and adoption by the Council of the Panel's recommendation to phase in increases over two years, the payment required for Councillors' Basic Allowances could increase from £453,663 in 2016/2017 to £468,540 in 2018/2019, and the payment for Special Responsibility Allowances could increase from £195,391 in 2016/2017 to £218,241 in 2018/2019. These figures do not account for any potential increases from index linking the Basic Allowance to the National Pay Round percentage increase for officers.

### Legal and Human Rights Implications

Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of the Independent Remuneration Panel are compatible with convention rights.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 There are no specific other implications arising from this report.

### Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment has not been undertaken as the report concerns implementation of national regulations and does not make any recommendations that affect services or employment. The Independent Remuneration Panel considered potential impacts on equality groups as part of their deliberations, and their proposals on the level of allowances reflect their considerations.

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## Risk Management

- 5.5 There are no specific risk implications. Decisions on Councillors' Allowances are often controversial in media terms and thus decisions may have a reputational risk for the Council.

## **6. Consultees**

- 6.1 The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

## **7. Background Papers**

- 7.1 None.

## **8. Appendices**

- 8.1 Appendix 1 – Report of the Independent Remuneration Panel on Councillors' Allowances for 2017/2018 and future years.

## **9. Key Decision/Decision in Cabinet Work Programme and Forward Plan**

- 9.1 This is not a Key Decision and is included in the Cabinet Work Programme and Forward Plan for March 2016.