

**CITY OF BRADFORD METROPOLITAN COUNCIL**

**REPORT OF THE INDEPENDENT  
REMUNERATION PANEL**

**July 2003**

## REPORT OF THE INDEPENDENT REMUNERATION PANEL

### 1. Summary of Recommendations

#### 1.1 Basic Allowance and Special Responsibility Allowance (SRA)

That with effect from 1<sup>st</sup> October 2003 basic allowance and special responsibility allowance be adjusted in line with the annual Local Government pay settlement and thereafter be updated annually up to and including October 2005.

#### 1.2 Telephone Element within the Basic Allowance

That the telephone element within the basic allowance be increased to £900 per year.

#### 1.3 Education Appeals Panel

A Special Responsibility allowance be paid to the Chair of the Education Appeals Panel set at 20% of the Special responsibility Allowance paid to the Leader of the Council, backdated to 1<sup>st</sup> May 2003.

#### 1.4 Allowances for co-opted members

The scheme be amended to include a co-optees allowance payable only to statutory co-opted members on the Education Overview and Scrutiny Committee and Standards Committee. The following amounts are recommended:

##### Education Overview and Scrutiny Committee

Church and Parent Governor Representatives £500 p.a.

##### Standards Committee

Independent Chair of the Standards Committee £3,000 p.a.

Independent Chair of the Parish Panel £1,500 p.a.

Parish and Town Council Member £1,000 p.a.

#### 1.5 Travelling Allowance

Travelling allowances for members be linked to the officer scheme of travelling allowances, with the addition of the existing bicycle allowance of 14p per mile, and be adjusted annually in line with that scheme.

(Members travelling more than 50 miles outside the district be reimbursed at public transport rates. Members using a public transport pass be allowed to claim the fare they would have been charged had they not had a pass.)

#### 1.6 Subsistence and Overnight Allowances

Subsistence and overnight allowances for members be linked to the current officer scheme and be adjusted annually in line with that

scheme. Where accommodation is booked by the Council, then the Council should bear the cost.

(Subsistence should not be claimed for duties within district except in exceptional circumstances – e.g. medical condition.)

**1.7 Withdrawal of Allowances**

Where a member is suspended or partially suspended from his/her responsibilities or duties as a member of the authority in accordance with Part III of the Local Government Act 2000 or regulations under the Act, the Standards Committee should be empowered to order the withholding in whole or in part the payment of basic allowance, special responsibility allowance and travelling and subsistence allowance for the period to which the suspension relates.

**1.8 Pensions for members**

That all eligible members be entitled to join the local government pension scheme in accordance with a scheme made under section 7 of the Superannuation Act 1972 (a) ; and that both basic and special responsibility allowances be treated as amounts in respect of which such pensions are payable.

**1.9 Political Group Whips**

The Panel recognises the important role that political group whips play in the efficient management of the Council's decision making structure which goes beyond their political role. The Panel believes it appropriate that the position of Whip be eligible to receive a special responsibility allowance in respect of their management of Council business.

**1.10 Annual reports**

The publication of Annual Reports for members is welcomed.

**1.11 Mr David Wilkinson**

The Panel notes the decision of Mr David Wilkinson to retire from the Panel following the submission of this report. Rodney Brooke and Lorraine Clarke wish to place on record their appreciation of Mr Wilkinson's work both on the Panel and for his many years of public service within the district.

## **2. MEMBERSHIP AND REMIT**

2.1 The Independent Remuneration Panel (the Panel) was established by the Council in accordance with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2001. These Regulations require councils to establish and maintain an independent remuneration panel which will broadly have the functions of providing the local authority with advice on its scheme and the amounts to be paid. Local authorities must have regard to this advice.

2.2 The Panel established by the Council comprises three members. The Chair was appointed directly by the Council and two other members were appointed following an open recruitment exercise. The Panel members are:

Mr Rodney Brooke (Chair)  
Mrs Lorraine Clarke  
Mr David Wilkinson

2.3 The Panel submitted its first report in September 2002. The recommendations contained in that report were accepted by the Council on 22<sup>nd</sup> October 2002 and incorporated into an amended scheme of Members' Allowances which has been in operation since that date.

2.4 The purpose of this report is firstly to review the operation of the current scheme of allowances and make recommendations for changes to it and secondly to consider new regulations contained in The Local Authorities (Members' Allowances) (England) Regulations 2003.

2.4 The Panel has, through political group whips, sought the views of members and has received submissions from all four political groups.

### **3. BASIC ALLOWANCE AND SPECIAL RESPONSIBILITY ALLOWANCE**

- 3.1 The Government (The Local Authorities (Members Allowances) (England) Regulations 2003) requires that each local authority must make provision in its scheme of allowances for a basic, flat rate allowance payable to all members. The allowance must be the same for each councillor.
- 3.2 Basic allowance is intended to recognise the time commitments of all councillors, including not only attendance at committee meetings but such other inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes in connection with their duties.
- 3.3 The current rate of basic allowance is £10,650 p.a.. The allowance includes a telephone element of £650 which is intended to assist members with the costs of domestic telephone rental, call charges and equipment, rental and call charges for mobile telephones, rental charges for broadband connection.
- 3.4 Special responsibility allowance (SRA) may be paid to those members of the council who have significant additional responsibilities, over and above the generally accepted duties of a councillor.
- 3.5 Under the current scheme, special responsibility allowances are determined by reference to a percentage of the Special Responsibility Allowance paid to the Leader of the Council. A list of current special responsibility allowances is attached at Appendix 1.
- 3.6 Submissions received from political group whips indicated that members were generally satisfied with the levels of both the basic allowance and special responsibility allowance but that consideration should be given to up-rating the allowances on an annual basis to take account of inflation. The panel agrees that allowances should in general keep pace with inflation.
- 3.7 The Local Authorities (Members' Allowances)(England) Regulations 2003 allow the panel to make recommendations as to whether adjustments to the levels of allowances may be determined by reference to an index and if so which index and how long that index should apply. The Panel believes that the most appropriate index is the annual Local Government pay settlement, since this takes into account affordability as well as inflation. It also ensures that increases in members' allowances are in step with increases in staff salaries.

#### **Recommendation 1**

**That with effect from 1<sup>st</sup> October 2003 basic allowance and special responsibility allowance be adjusted in line with the annual Local**

**Government pay settlement and thereafter be updated annually up to and including October 2005.**

#### **4. Mobile Telephones and Broadband**

- 4.1 Following the last Independent Remuneration Panel report members are currently required to meet all of the costs of their personal telephony from their allowances, including the cost of business calls from mobile and home telephones and rental of broadband connections. Prior to this, between December 1999 and March 2003, for Executive members the cost of mobile telephone rental and business calls were met by the Council. Members who were not on the Executive could if they wished have a mobile phone supplied by the Council but paid for all calls including business calls. It should be noted that members have always paid the cost of business phone calls from their home telephone although the cost of using ICT systems from home was minimised by the use of a dial back facility.
- 4.2 The adequacy of the telephone allowance in covering all of the telephony costs facing members has been questioned especially when the majority of members will pay tax and National Insurance on the allowance. The Panel agreed that an increase in the telephone element to £900 per year would better reflect the cost of broadband rental and mobile telephone use.

#### **Recommendation 2**

**That the telephone element within the basic allowance be increased to £900 per year**

#### **5. Special responsibility Allowances**

- 5.1 Consideration was also given as to whether any positions should be added to or deleted from the list of special responsibility allowances. It is not proposed to delete any of the current posts eligible for SRA. A persuasive case was made by the political group whips for the payment of a special responsibility allowance to the Chair of the Education Appeals panel. It was noted that the Education Appeals Panel had met 36 times in the previous municipal year with the Chair attending 28 of these meetings. It was considered that the personal role of the Chair was essential to the efficient and effective operation of the panel and that this required a significant commitment of time.

### **Recommendation 3**

**A Special Responsibility allowance be paid to the Chair of the Education Appeals Panel set at 20% of the Special responsibility Allowance paid to the Leader of the Council, backdated to 1<sup>st</sup> May 2003.**

#### **6. Co-optees allowance**

6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 allows authorities to provide within their scheme payment of an annual allowance to co-opted members. The panel noted that the Council is required by statute to appoint co-opted members to the Overview and Scrutiny Committee (Education). Also that the Council is required to appoint independent persons and a parish/town council representatives to the standards committee. The Panel considers that these statutory co-opted members should receive an allowance. The role of co-opted members is however limited and cannot be directly compared to the broad range of work which Council members undertake. The allowances that the panel recommends are therefore modest.

6.2 The panel notes that it is also within various committees powers to appoint other co-opted members. If an allowance was attached to other non statutory co-opted positions there is a danger that it may be perceived that there is political patronage in the appointment to these positions. For this reason the panel does not recommend allowances for non-statutory co-opted members.

### **Recommendation 3**

**The scheme be amended to include a co-optees allowance payable only to statutory co-opted members on the Education Overview and Scrutiny Committee and Standards Committee. The following amounts are recommended:**

<b><u>Education Overview and Scrutiny Committee</u></b>	
<b>Church and Parent Governor Representatives</b>	<b>£500 p.a.</b>
<b><u>Standards Committee</u></b>	
<b>Independent Chair of the Standards Committee</b>	<b>£3,000 p.a.</b>
<b>Independent Chair of the Parish Panel</b>	<b>£1,500 p.a.</b>
<b>Parish and Town Council Member</b>	<b>£1,000 p.a.</b>

#### **7. Childcare and Dependent Carers' Allowance**

7.1 The panel does not propose any changes to the current scheme which provides for members to claim for the full cost of care of children and dependent relatives.

## **8. Travelling, Subsistence and Overnight Allowances**

- 8.1 The maximum rates of travelling, subsistence and overnight allowances were formerly set on an annual basis by the Secretary of State. The new Local Authorities (Members' Allowances) (England) Regulations 2003 now allows authorities to determine their own scheme in respect of travelling, subsistence and overnight allowances, including an allowance in respect of travel by bicycle or other form of non-motorised transport. The Panel believes that where reasonably possible the Council should book and pay directly for overnight accommodation for councillors.
- 8.2 The Panel considered alternatives to setting rates for mileage and subsistence including the payment of lump sums or the provision of public transport costs. However, it was concluded that alternative systems were either less fair or more costly than the existing scheme. The scheme of travelling allowances which applies to officers, which until recently the member scheme closely followed, provides a logical basis for a member scheme. A comparison of current officer and member schemes are attached as Appendix 2.

### **Recommendation 4**

**Travelling allowances for members be linked to the officer scheme of travelling allowances, with the addition of the existing bicycle allowance of 14p per mile, and be adjusted annually in line with that scheme.**

**(Members travelling more than 50 miles outside the district be reimbursed at public transport rates. Members using a public transport pass be allowed to claim the fare they would have been charged had they not had a pass.)**

### **Recommendation 5**

**Subsistence and overnight allowances for members be linked to the current officer scheme and be adjusted annually in line with that scheme.**

**Where accommodation is booked by the Council, the Council should bear the cost.**

**(Subsistence should not be claimed for duties within district except in exceptional circumstances – e.g. medical condition).**

## **9. Withholding of Allowances**

- 9.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 now give authorities power to specify within their scheme that where a member is suspended or partially suspended then, on the recommendation of the Standards Committee, the authority may withhold in whole or in part the basic, special responsibility, travelling and subsistence allowance for the period of the suspension or partial suspension. The Panel believes that this is potentially a useful tool which can support the Council's codes of conduct.

### **Recommendation 6**

**Where a member is suspended or partially suspended from their responsibilities or duties as a member of the authority in accordance with Part III of the Local Government Act 2000 or regulations under the Act, the Standards Committee be empowered to order the withholding in whole or in part the payment of basic allowance, special responsibility allowance and travelling and subsistence allowance for the period to which the suspension relates.**

## **10. Pensions for Members**

- 10.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 now give authorities power to specify within their which members of the authority are to be entitled to pensions and whether the basic allowance or the special responsibility allowance or both may be treated as amounts in respect of which such pensions are payable. The authority may only include someone who has first been recommended by the Independent Remuneration Panel
- 10.2 The panel considers that all eligible councillors should be entitled to have access to a local authority pension scheme (subject to their eligibility within the rules of the scheme) and that both basic allowance and special responsibility allowances should be treated as amounts on which pensions are payable.

### **Recommendation 7**

**That all eligible members be entitled to join the local government pension scheme in accordance with a scheme made under section 7 of the Superannuation Act 1972 (a) ; and that both basic and special responsibility allowances be treated as amounts in respect of which such pensions are payable.**

## **11. Political Group Whips**

- 11.1 The Panel noted that there had been debate as to whether the position of whip should be eligible for the payment of a special responsibility allowance given the fact that it is a political office. The

Panel also notes that the role of political groups is specifically recognised within the Local Government Acts 1972 and 1989 and considers that the role of whip is vital in ensuring the efficient operation of the group system and thereby the efficient management of the authorities political decision making process. The panel therefore believes that it is entirely appropriate for special responsibility allowance to be paid to the chief whips of groups which have over five members in respect of their responsibility for managing Council business.

### **Recommendation 8**

**The Panel recognises the important role that political group whips play in the efficient management of the Council's decision making structure which goes beyond their political role. The Panel believes it appropriate that the position of Whip be eligible to receive a special responsibility allowance.**

### **12. Annual Reports**

- 12.1 The panel noted that in accordance with the recommendations of the previous report the Council would be publishing on its Internet site an annual report for each member of Council.

### **Recommendation 9**

**The publication of Annual Reports for members is welcomed.**

### **13. Mr David Wilkinson**

- 13.1 Mr David Wilkinson has informed the panel of his decision to retire from the Panel following the submission of this report.

### **Recommendation 10**

**The Panel notes the decision of Mr David Wilkinson to retire from the Panel following the submission of this report. Rodney Brooke and Lorraine Clarke wish to place on record their appreciation of Mr Wilkinson's work both on the Panel and for his many years of public service within the district.**

**SPECIAL RESPONSIBILITY ALLOWANCES FROM OCTOBER 2002**

<b>Post</b>	<b>Percentage of Leaders SRA</b>	<b>Amount</b>
Leader of the Council	100%	£30,000
Deputy Leader of the Council	50%	£15,000
Leader 2 <sup>nd</sup> Group	70%	£21,000
Leader 3 <sup>rd</sup> Group	50%	£15,000
Executive Member (with Portfolio)	70%	£21,000
Executive Member (without Portfolio)	45%	£13,500
Chief Whips (1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> Groups)	35%	£10,500
Chair of Scrutiny Committees	45%	£13,500
Chair of Scrutiny Co-ordinating Committee	20%	£6,000
Chair of Regulatory Committee	35%	£10,500
Chair of Area Committees	35%	£10,500
Chair of Planning Panels	35%	£10,500
Chair of Private Hire & Hackney Carriage Panel	35%	£10,500
Chair of Licensing Panel	35%	£10,500
Chair of Housing and Council Tax Appeals Panel	20%	£6,000
Chair of West Yorkshire Pension Fund Investment Panel	20%	£6,000

## Appendix 2

### Travel and Subsistence Allowance

	Officer Rates	Current Member rates	Proposed rate
<b>Motor Car allowance</b>			
451 –999 cc	36.4p	34.6p	36.4p
1000 – 1199 cc	40.2p	39.5p	40.2p
1200cc and above	49.9p	48.5p	49.9p
<b>Motor cycle allowance</b>			
Up to 150 cc	10.4p (up to 125cc)	8.5p	10.4p
150 –500 cc	12.3 125 cc and above	12.3p	12.3p
500 cc and above		16.5p	16.5p
<b>Bicycle allowance</b>	14p	14p	14p
<b>Subsistence</b>			
Breakfast	£4.48	£4.92	£4.92
Lunch	£6.17	£6.77	£6.77
Tea	£2.43	£2.67	£2.67
Evening Meal	£7.64	£8.38	£8.38
<b>Accommodation</b>			
Out of London	£53.73	£79.82	£79.82
London	£67.17	£91.04	£91.04