

GOSPORT BOROUGH COUNCIL
SCHEME OF ALLOWANCES FOR MEMBERS
2020/21

BASIC ALLOWANCE	£6700.77
SPECIAL RESPONSIBILITY ALLOWANCES	
Leader of the Council	£14852.53
Chairman of Economic Development Board	£4756.79
Chairman of Community Board	£4756.79
Chairman of Regulatory Board	£4756.79
Chairman of Climate Change Board	£4756.79
Chairman of Housing Board	£4756.79
Opposition Group Leaders	
Liberal Democrat Group Leader	£6108.10
Labour Group Leader	£872.59
TRAVEL ALLOWANCE (for travel outside the Borough on approved duties)	40.9 p per mile
CHILD CARE AND DEPENDENT CARERS' ALLOWANCES (for attendance at formally approved meetings only. Payment is based on the lower of time at 2 meetings in any week or 8 hours subject to maximum of £2000 per year)	National Minimum Wage hourly rate up to a maximum of £2000 per year

ADDITIONAL PROVISIONS

1. The Basic Allowance and Special Responsibility Allowance should be subject to an annual adjustment equal to percentage increase in Gosport Borough Council Staff pay;
2. Where a Councillor is suspended or partially suspended, the Basic Allowance; Special Responsibility Allowance; and Travel Allowance payable in respect of the period of suspension or partial suspension should be withheld;
3. Any amendment which affects an allowance payable for the year in which the amendment is made shall apply with effect from 1 April of the year in which the amendment is made;

4. Claims for Child Care and Dependent Carers' Allowances and Travel Allowance must be made within 3 months of expenditure being incurred;
5. Payment of Basic Allowance and Special Responsibility Allowance is made by 12 equal monthly instalments.

Board/Committee:	COUNCIL
Date of Meeting:	16 DECEMBER 2015
Title:	REVIEW OF SCHEME OF ALLOWANCES FOR MEMBERS – REPORT OF INDEPENDENT REMUNERATION PANEL
Author:	BOROUGH SOLICITOR AND DEPUTY CHIEF EXECUTIVE
Status:	FOR DECISION

Purpose

To consider the report and recommendations of the Independent Remuneration Panel and agree any changes to the current Scheme of Allowances for Members.

Recommendations

A. That the Council agrees each of the following recommendations from the Independent Remuneration Panel as set out in their report dated December 2015:

1. In line with the current Scheme, no more than 50% of Members of Gosport Borough Council are to receive Special Responsibility allowances at any one time;
2. The Basic Allowance be paid at £5,862.00 per annum which has been calculated by reference to the work involved and no provision has been included for other out of pocket expenses;
3. No Member should be entitled to receive more than one Special Responsibility Allowance;
4. Special Responsibility Allowances should be paid for the following roles and in the following amounts:

Leader of the Council: £13,620.00

Chairman of Service Boards, Regulatory Board and Licensing Board: £4,362

Chairman of Overview and Scrutiny Committee: £3,270

Chairman of the Standards and Governance Committee: £3,270

Opposition Political Group Leaders Special Responsibility Allowance be calculated in accordance with the formula set out in paragraph 36 of the Independent Remuneration Panel's Report and paid in the following amounts:

Liberal Democrat Group Leader: £2,383.50

Labour Group Leader: £2,383.50

5. Vice Chairmen of Boards do not receive a Special Responsibility Allowance;
 6. Deputy Leader does not receive a Special Responsibility Allowance;
 7. Travel Allowance should only be paid for travel outside of the Borough on approved duties at 40.9 pence per mile;
 8. The Basic Allowance and Special Responsibility Allowance should be subject to an annual adjustment equal to percentage increase in the pay of Gosport Borough Council Staff and implemented in April each year;
 9. Child Care and Dependent Carers' Allowances should be retained and paid at the hourly rate for the National Living Wage for attendance at formally approved meetings only (not constituency work). The number of hours to be paid per week is the lower of the total time spent at no more than 2 meetings in that week or 8 hours subject to a maximum allowance, per Councillor, of £2,000 per year;
 10. A Co-optees Allowance is not paid;
 11. Where a Councillor is suspended or partially suspended, the Basic Allowance: Special Responsibility Allowance; and Travel Allowance payable in respect of the period of suspension or partial suspension should be withheld;
 12. In accordance with the 2003 Regulations where the term of office of a Member begins or ends otherwise than at the beginning of the year, or the Member does not have any responsibilities to entitle them to a special responsibility allowance, their entitlement, or special responsibility allowance shall be to payment of such part of the basic allowance or special responsibility allowance as bears to the whole same proportion as the number of days during which their term of office as Member or the number of days during which they hold a special responsibility allowance subsists bears to the number of days in that year; and
 13. Any amendment which affects an allowance payable for the year in which the amendment is made shall apply with effect from 1 April of the year in which the amendment is made.
- B. That the Council agrees that the current provisions relating to payments set out in paragraph 2.3 and 2.4 continue.

1.0 REVIEW OF SCHEME OF ALLOWANCES FOR MEMBERS

- 1.1** At its meeting on 15 July 2015 the Council agreed the composition of the Independent Remuneration Panel (the Panel) to carry out a review of the current Scheme of Allowances for Members.
- 1.2** The Panel has now submitted their report which is attached as Appendix A. Notice of receipt of this report has been advertised and a copy has been made available for public inspection at the Town Hall and placed on the Council's website.
- 2.0 Report**
- 2.1** The Council must now decide what changes if any should be made to the current Scheme of Allowances for Members and must have regard to the recommendations of the Panel.
- 2.2** The Council's scheme must provide for payment of a basic allowance to each member which must be the same amount irrespective of the number of Boards and Committees a member serves on or their attendance at training or other meetings.
- 2.3** The Council's scheme should also specify the time limit for claims for Childcare and Dependent Carers' Allowance and Travel Allowance to be made. The current scheme requires these claims to be made within 3 months of expenditure being incurred.
- 2.4** The current scheme also provides that payment of the Basic Allowance and any Special Responsibility Allowance is by way of 12 equal monthly instalments.
- 2.5** It is suggested that these 2 provisions are not changed.
- 3.0 Conclusion**
- 3.1** Once the Council has considered the Panel's report and agreed any changes to the Scheme of Allowances a further notice will be published in the newspaper and on the website.

SUPPORTING INFORMATION

Financial Services Comments:	If the recommendations of the Independent Remuneration panel are accepted in full this would require an additional budgetary provision in this year of £4087
Legal Services Comments:	As indicated in Section 2
Crime and Disorder:	Nil
Equality and Diversity:	Nil
Service Improvement Plan	Nil

implications:	
Corporate Plan:	Nil
Risk Assessment:	Nil
Background Papers:	Report to Council 15 July 2015
Appendix A:	Report of the Independent Remuneration Panel December 2015 (including Appendices)
Report Author/Lead Officer:	Linda Edwards, Borough Solicitor and Deputy Chief Executive

**A REVIEW OF MEMBERS' ALLOWANCES
FOR
GOSPORT BOROUGH COUNCIL**

**A REPORT BY THE
INDEPENDENT MEMBERS REMUNERATION PANEL
DECEMBER 2015**

The Panel

1. The Independent Members Remuneration Panel consisted of:
 - Richard Kelly: Head Teacher of Brune Park Community School
 - Suzanne Pepper: Public Representative
 - John Jeffs: Community Representative, Gosport Voluntary Action.

Terms of Reference for the Panel

2. To review the current Members' Allowances scheme, which was introduced in July 2002 and last reviewed in May 2011.

Legal Requirements

- 3.1 The Panel has produced its report in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003 and sets out its recommendations in relation to:-
 - 3.1.1 the amount of basic allowance which should be payable to elected members and whether it should be withheld if a member is suspended or partially suspended;
 - 3.1.2 the roles and responsibilities for which a special responsibility allowance should be payable and the amount of such allowance;*
 - 3.1.3 travelling and subsistence allowance; Co-Optees allowance and the amount of such allowances;
 - 3.1.4 whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependents and the amount of this allowance;
 - 3.1.5 whether allowances may be backdated where an amendment to the scheme is made after 1 April and before 31 March of the next calendar year; and
 - 3.1.6 whether adjustments to the level of allowances may be determined according to an index and which index should be used (this is subject to a maximum of 4 years before its application is reviewed).

Methodology

- 4.1 The Panel met on five occasions (see appendix one). Sessions were private and were held at Gosport Borough Council's offices.
- 4.2 The Panel was provided with a copy of the current scheme of Member Allowances and documents detailing the composition of the Council as well as the Member Allowance Schemes and the budgets of three other Local Authorities and the Members Allowance Scheme of two neighbouring Local

Authorities (see appendix two).

- 4.3 *The Panel were advised that although changes had been made to the Standards regime the 2003 regulations still require this to be addressed in the scheme of allowances
The Panel was grateful to Lisa Young, Senior Democratic Services Officer, who provided a record of the meetings and general assistance throughout the review.
- 4.4 The Head of Legal Services, Head of Payroll and the Borough Treasurer were requested to attend an early meeting to outline the current scheme and answer Panel Members' questions.
- 4.5 All Members of the Council were invited to complete a questionnaire (see appendix three).
- 4.6 The Panel invited Group Leaders, Chairmen of all the Council's Service Boards and the Chairmen of Overview and Scrutiny Committee and Standards and Governance Committee for interview.

Table: Summary of Recommendations

Post	Number	Basic Allowance	Special Responsibility	Total Allowance per Member
Basic Allowance to all Councillors	34*	£5,862.00	£0.00	£5,862.00
Leader of the Council^	1	£5,862.00	£13,620.00	£19,482.00
Deputy Leader of the Council	1	£5,862.00	£0.00	£5,862.00
Chairman of Service Boards Regulatory Board and Licensing Board	4	£5,862.00	£4,362.00	£10,224.00
Chairman of Overview and Scrutiny Committee	1	£5,862.00	£3270.00	£9,132.00
Chairman of the Standards and Governance Committee	1	£5,862.00	£3270.00	£9,132.00
Vice – Chairman	6	£5,862.00	£0.00	£5,862.00
Opposition Group Leader based on 6 Members	1	£5,862.00	£2,383.50	£8245.50
Opposition Group Leader based on 6 Members	1	£5,862.00	£2,383.50	£8245.50
Budget Required		£199,308.00	£42,375.00	£241,683.00
Childcare and Dependent				£2,000
Travel Allowance paid at 40.9 pence per mile				

Notes

*Total number of Councillors

^ The Leader of the Council chairs the Policy and Organisation Board for which the post receives the Leaders allowance only

Recommendations

5. The Independent Members Remuneration Panel recommends that:
- 5.1 in line with the current Scheme, no more than 50% of Members of Gosport Borough Council are to receive Special Responsibility Allowances at any one time;
- 5.2 the Basic Allowance be paid at £5,862 per annum which has been calculated by reference to the work involved and no provision has been included for other out of pocket expenses;
- 5.3 no Member should be entitled to receive more than one Special Responsibility Allowance;
- 5.4 Special Responsibility Allowances should be paid for the following roles and in the following amounts:
- 5.4.1 Leader of the Council: £13,620
- 5.4.2 Chairman of Service Boards, Regulatory Board and Licensing Board: £4362
- 5.4.3 Chairman of Overview and Scrutiny Committee and Standards and Governance Committee: £3270 (75%, rounded down) of the remuneration of the Chairmen of the Service Boards, Regulatory Board and Licensing Board)
- 5.4.4 Opposition Political Group Leaders Special Responsibility Allowance be calculated in accordance with the formula set out in paragraphs 36 and 38 and paid in the following amounts:
 Liberal Democrat Group Leader: £2,383.50
 Labour Group Leader: £2,383.50
- 5.5 Vice Chairmen of Boards do not receive a Special Responsibility Allowance;
- 5.6 Deputy Leader does not receive a Special Responsibility Allowance;
- 5.7 Travel Allowance should only be paid for travel outside of the Borough on approved duties at 40.9 pence per mile;
- 5.8 The Basic Allowance and Special Responsibility Allowance should be subject to an annual adjustment equal to the percentage in pay increase received by Gosport Borough Council staff and implemented in April each year;
- 5.9 Child Care and Dependent Carers' Allowances should be retained and paid at the hourly rate for the National Living Wage for attendance at formally approved meetings only (not constituency

work). The number of hours to be paid per week is the lower of the total time spent at no more than 2 meetings in that week or 8 hours subject to a maximum Allowance, per Councillor, of £2000 per year.

- 5.10 A Co-optees Allowance is not paid;
- 5.11 Where a Councillor is suspended or partially suspended, the Basic Allowance: Special Responsibility Allowance ;and Travel Allowance payable in respect of the period of suspension or partial suspension should be withheld;
- 5.12 In accordance with the 2003 Regulations where the term of office of a Member begins or ends otherwise than at the beginning of the year, or the Member does not have any responsibilities to entitle them to a special responsibility allowance, their entitlement, or special responsibility allowance shall be to payment of such part of the basic allowance or special responsibility allowance as bears to the whole same proportion as the number of days during which their term of office as Member or the number of days during which they hold a special responsibility allowance subsists bears to the number of days in that year; and
- 5.13 Any amendment which affects an allowance payable for the year in which the amendment is made shall apply with effect from 1 April of the year in which the amendment is made.

Benchmarks

6. *Benchmark Remunerated Days*
The last Independent Members Remuneration Panel indicated that Councillors worked 87.25 days a year on Council related work. The Panel recommended that this should remain the same.

The Panel recommends that the benchmark remunerated days should remain at 87.25 days.

7. *The Voluntary Principle – or Public Service Ethos*
The Panel agreed that the Voluntary Principle, the notion that an important part of being a Councillor is the desire to serve the public and therefore not all of what a Councillor does should be remunerated, should be retained in the Members Allowance Scheme. The Panel felt that this was an important principle in deciding the remuneration packet for Councillors, and decided that the current level of 40% was adequate. This was reflected in the questionnaires received back from Councillors, as 67% of responses believed that the voluntary discount was sufficient.

The Panel recommends that the Voluntary Principle be retained at the current rate of 40%.

Setting the Basic Allowance

8. The Panel noted that the previous panel had undertaken an extensive review of the Scheme of Allowances and accepted that the calculations previously undertaken with regard to daily remuneration rate, number of days, and increases applied to the allowance were still acceptable and were happy to set the allowance at the existing rate.
9. The Panel therefore calculated that the Basic Allowance should remain at the existing rate of £5862. Based on the calculations of the previous panel.
10. **The Panel recommends a Basic Allowance of £5862 for 2015/16.**

Setting the Basic Allowance – Attendance at Meetings

11. Throughout the Panel's investigations into the current Members Allowance Scheme, many Councillors had suggested that some Councillors worked more hours than others. It was expressed that this should be reflected in the Members Allowance Scheme. The Panel felt strongly that those who worked more should be rewarded for their efforts.
12. However the Panel are advised that legally, the Council's scheme of allowances must provide for payment of a basic allowance which is the same for each member. It was agreed that the additional application of extra allowances other than the Special Responsibility allowance based upon hours worked would be complex and costly to implement and therefore not practicable.

Setting the Special Responsibility Allowance

13. The Panel recommends that Councillors who perform extra duties, such as being Chairman of a Service Board, Regulatory Board and Licensing Board should be remunerated for their extra work. Councillors should only be entitled to receive one special allowance. It was agreed that there would not be a voluntary discount added to the Special Responsibility Allowance.
14. The questionnaire specifically asked for Councillors views on the current level of Special Responsibility Allowances. 53% of responses indicated that this allowance should stay at its current level.
15. The Panel agreed that the current level of Special Responsibility Allowance was adequate for the Chairmen of the Boards referred to above, but gave extensive consideration to the allowance paid to the Chairman of the Overview and Scrutiny Committee and Standards and Governance Committee following the change in its Chairmanship. The Panel also gave extensive consideration to the allowance paid to Opposition Political Group Leaders.

16. **The Panel recommends that no Member should be entitled to more than one Special Responsibility Allowance.**

Setting the Leader of the Council's Allowance

17. The Panel interviewed the current Leader of the Council. It was clear to the Panel that the current Leader of the Council worked a full week in their capacity as Leader.
18. The Panel felt that the allowance for the Leader of the Council should remain the same.
19. **The Panel recommends a special responsibility allowance of £13,620 for the Leader of the Council for 2015/16.**

Setting the Deputy Leader's Allowance

20. The Panel agreed with the conclusion of the previous Independent Remuneration Panels in 2002 and 2011, which recommended that the Deputy Leader should not receive a Special Allowance in that role.
21. **The Panel recommends that no special responsibility allowance be paid to the Deputy Leader of the Council in that role.**

Setting the Chairmen of Service, Regulatory and Licensing Boards Allowance

22. The Panel was satisfied with the current level of Special Responsibility Allowance for the Chairmen of Service Boards, Regulatory Board and Licensing Board. The Panel recognised the work and extra duties that these Chairmen had, but agreed that the current amount of £4,362 was adequate.
23. **The Panel recommends a special responsibility allowance of £4,362.00 to the Chairmen of the Service Boards; Regulatory Board; and Licensing Board for 2015/16.**

Setting the Chairman of Overview and Scrutiny Committee Allowance

24. The Panel was advised of the work of the Overview and Scrutiny Committee.
25. After consultation with Councillors and an interview with the current Chairman of Overview and Scrutiny Committee, the Panel felt that the current level of special allowance was sufficient. It was felt that the allowance for the Chairman of the Overview and Scrutiny Committee should remain at 75% of the allowance paid to Chairmen of Service Boards.
26. The Panel therefore calculated that the Special Responsibility Allowance

for the Chairman of Overview and Scrutiny Committee should remain as £4,362 multiplied by 0.75 which rounded down equates to a sum of £3,270.00.

27. **The Panel recommends a special responsibility allowance of £3,270.00 to the Chairman of the Overview and Scrutiny Committee**

Setting the Chairman of Standards and Governance Committee Allowance

28. The Panel were advised of the changes in the Chairmanship of the Standards and Governance Committee since the 2011 Panel. The Panel discussed extensively the role of the within Council and sought Councillor's views.

29. The Panel felt that the Chairman of the Standards and Governance Committee should be remunerated at the same rate received by the Chairman of the Overview and Scrutiny Committee.

30. **The Panel recommends a special responsibility allowance of £3270.00 to the Chairman of the Standards and Governance Committee.**

Setting the Vice-Chair of Boards Allowance

31. The Panel agreed with the conclusion of the previous Independent Members Remuneration Panels in 2002 and 2011, which recommended that Vice - Chairmen should not receive a Special Responsibility Allowance in that role.

32. **The Panel recommends that no special responsibility allowance be paid to the Vice Chairmen of the Service Boards, the Regulatory Board, Licensing Board and Overview and Scrutiny Committee.**

Setting the Opposition Political Group Leaders Allowance

33. The political make up of the Council is slightly different from that in 2011. The Conservative Party still hold a majority, but the Panel recognised the important role in the Council that opposition political groups have and on this basis believed it important that they receive a Special Responsibility Allowance.

34. The Panel were advised that to be a Political Group requires two or more Councillors.

35. The Panel agreed with the previous report, whereby all opposition political group leaders receive a Special Responsibility Allowance.

36. The Panel believed that since the Conservative group have a majority,

the Special Responsibility Allowance for opposition group Leaders should not be arrived at by assuming that the Leader of opposition political groups was equivalent to a half of the Leaders role. The Panel suggested that the allowance should be calculated by calculating the number of opposition Councillors in political groups on the Council as a percentage of the total number of Councillors (34). There are 12 opposition Councillors in political groups on the Council, rounded down, this is 35% of the Council. Therefore, the collective opposition group Leaders' allowance was calculated as $£13,620 \times 35\% = £4,767$.

37. The Panel then calculated the individual opposition political group Leaders' Special Responsibility Allowance by expressing it as a proportion of £4,767.00 based on the number of Councillors each opposition political group had in relation to the total opposition political group Councillors. The Panel have used the numbers of Councillors elected on 7th May 2014 for the calculation.
38. **The Panel recommend that the Opposition Political Group Leaders be paid a Special Responsibility Allowance calculated as follows: Number of Councillors in opposition political group divided by the total number of opposition councillors in political groups on the Council multiplied by (the Leaders Allowance multiplied by the percentage of the Council made up by opposition Councillors in political groups)**
39. *Liberal Democrats Group*
Special Responsibility Allowance equals 6 Councillors divided by 12 total opposition Councillors in Political Groups x (Leaders allowance x percentage of opposition Councillors in Political Groups) = £2,383.50.
40. *Labour Group*
Special Responsibility Allowance equals 6 Councillors divided by 12 total opposition Councillors in Political Groups x (Leaders allowance x percentage of opposition Councillors in Political Groups) = £2,383.50.

Expenses

41. The Panel agreed with the recommendation in the report from 2011 that the only business expense that should be reimbursed is travel on Council business outside of the Borough. This would be reimbursed at the same rate as Council Officers currently 40.9p per mile.
42. The Panel noted that Members were able to be able to claim up to £25 a month for Broadband on production of a valid bill.
43. **The Panel recommends that Travel Allowance should only be reimbursed for travel outside of the Borough for approved duties and should be reimbursed at the same rate as paid to Council**

Officers 40.9 pence per mile.

Index Linking

44. Currently the allowances are linked to rises in the national average daily salary as published in January of each year in the New Earnings Survey and implemented in April of each year. The Panel felt that this should be amended and that any increase paid to Councillors should be in line with any percentage increase in the pay of Gosport Borough Council staff.
45. **The Panel recommends that the Basic and Special Responsibilities allowances be linked to any percentage increase in the pay of Gosport Borough Council Staff.**

Childcare and Dependent Carers' Allowance

46. The Panel agreed that it was important to include an allowance for childcare and dependent carer's so as not to prevent people standing as Councillors, or preventing elected Councillors from performing their duties. This was despite the fact that the allowance had not been used for some years.
47. The Panel agreed that the allowance should be paid at the hourly rate for the National Living Wage per hour, for attendance at formally approved meetings only (not constituency work). The number of hours to be paid per week is the lower of the total time spent at no more than 2 meetings in that week or 8 hours subject to a maximum allowance of £2000 per year.

The Panel also requested that details of the Child Care and Dependent Carers' Allowance be made known to Councillors when they are elected to the Council.

48. **The Panel recommends Child Care and Dependent Carers' Allowances be paid at the hourly rate for the National Living Wage for attendance at formally approved meetings only (not constituency work). The number of hours to be paid per week is the lower of the total time spent at no more that 2 meetings in that week or 8 hours subject to a maximum Allowance of £2000 per year.**

Co Optees Allowance

49. The current scheme does not include provision for payment of a Co Optees Allowance and the Panel did not consider that this should change.

Suspension*

50. The Panel agreed that where a Councillor is suspended or partially suspended, any allowance payable in respect of the period of suspension

or partial suspension should be withheld.

51. **The Panel recommends that where a Councillor is suspended or partially suspended, the Basic Allowance, Special Responsibility Allowance, and Travel Allowance payable in respect of the period of suspension or partial suspension should be withheld.**

Amendments to Scheme

52. Allowances are paid in respect of the Scheme in operation on 1 April each year. Where amendments are made to the scheme after that date then the Scheme can make provision for that amendment to apply from the beginning of the year i.e. 1 April (changes are backdated).
53. **The Panel recommends that any amendment which affects an allowance payable for the year in which the amendment is made shall apply with effect from 1 April in the year in which the amendment is made.**

Pension

54. The Panel recognised that the Local Government Pension Scheme for Councillors had been updated in 2014 and that the Councillors who were Members of the Local Government Pension Scheme on the 31 March 2014 were permitted to pay pension contributions and build up pension benefits until the term of office which they were in on the 31 March 2014 finished. At that point they cease to become a member.

The scheme would no longer be available to newly elected Members, or existing Members on conclusion of the term of office they were in on 31 March 2014.

*See note at 3.1.2

The Panel therefore acknowledged that they would not need to determine which Members were to be entitled to pensions and whether basic, special or both allowances are to be treated as amounts in respect of which pensions are payable, as the LGPS Scheme for Councillors had been updated and superseded this requirement.

Responsibility of the Political Group Leaders

55. The Panel recognised that Councillors felt strongly that there was disparity in the work level undertaken by individual Councillors. They accepted that legally a variation could not be made to the basic allowance. The Panel felt that Political Group Leaders, as part of their duties for which they receive a Special Responsibility Allowance should hold some responsibility for ensuring that their Members attend meeting and training opportunities and carry out their duties diligently.

Future Independent Members' Remuneration Allowances Panel

56. The Current Panel were nominated to stand on the Independent Members Remuneration Panel on 15th July 2015. The term of office is currently 4 years.