

Bath & North East Somerset Council		
MEETING	Council	
MEETING	23 March 2017	
TITLE:	Report of the Independent Remuneration Panel on Members Allowances.	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1. Report of the Independent Remuneration Panel on Members Allowances		

1 THE ISSUE

- 1.1 To consider the report of the Independent Remuneration Panel on Members Allowances.

2 RECOMMENDATION

- 2.1 The Council is recommended to note the report of the Independent Remuneration Panel on Members Allowances and to agree the following recommendations from the report:
 - (1) that Members use the HMRC-approved Travel and Subsistence rates on the B&NES on-line claims system, bringing Members Travel and Subsistence in line with those of Officers and representing a slight reduction against the current rates.
 - (2) that the Incidental cost add-on to Basic Allowance, which covers “expenses”, is set at £900 per annum.
 - (3) that any uplifts or changes to Members’ Allowances be implemented on the same date and by the same amount as officers’ salaries are adjusted, and in line with National Joint Conditions.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The increase proposed to the Incidental cost add-on to Basic Allowance is mitigated by the reduction in the amount paid in mileage rates and the savings in efficiency from the use of the on-line claims system. There will therefore be no change to the existing budget as a result of this recommendation.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Local Authorities (Members Allowances) (England) Regulations 2003 constitute the legal framework for councillors' allowances. The Council must establish an Independent Panel to advise on these and the Council is required to have regard to the advice and recommendations of the Panel when it decides on the allowances that councillors are paid.
- 4.2 The Council's existing Scheme of Allowances remains in force until it is amended by any changes approved at this meeting following consideration of the Panel's report.

5 THE REPORT

- 5.1 The Independent Remuneration Panel has submitted its report on its review of the allowances which it recommends to be paid to councillors by the Council from the current financial year. The Independent Remuneration Panel is also requested to make recommendations to the Avon Pension Committee as to remuneration of its Chair and members. The allowances are paid to the Chair and members by the constituent councils, who are then reimbursed at year end by the Pension Fund. This misunderstanding has now been clarified.
- 5.2 This report recommends that the following recommendations are agreed:
- 5.3 **Travel subsistence.** The report states: "Recommendation 3. Members continue to be entitled to claim Travel, Subsistence (T&S) and Incidental Expenses (IE). However we recommend that B&NES should use the HMRC-approved T&S and IE rates for Members, to bring them into line with officers' rates and that Members, like officers, use the B&NES on-line claims system, so abolishing the current duplication of systems. Adopting the HMRC rates would entail a small reduction for Members, and the increase in both their Basic Allowance and non-accountable allowance is intended, in part, to offset this reduction." As the current scheme is not compliant with HMRC approved rates, tax is paid on these. This will be remedied by bringing the rates into line with the officers scheme and enable the use of the on-line claims system, making the process more efficient.
- 5.4 **Incidental cost add-on to Basic Allowance.** The Independent Remuneration Panel reports states: "Recommendation 2. In addition to their Basic Allowance Members receive a Non-accountable allowance to cover "expenses", such as use of their home as an office and related expenses. We recommend this be increased to £900 per annum, (from £649 p.a.). This ... takes account of several

Members' evidence that these expenses had increased significantly over the past years."

5.5 Link with NJC. The report states: "Recommendation 6. We recommend that, henceforth, in normal circumstances, any uplifts or changes to Members' Allowances be implemented on the same date and by the same amount as officers' salaries are adjusted, and in line with National Joint Conditions." This has been included in the budget setting process.

5.6 There are currently several new factors which might impact the scope and work of councillors and their allowances. The effect of the newly formed West of England Combined Authority on Members' workload is unclear, as is the outcome of the Local Government Boundary Commission for England's review, which will determine the size of the Council in 2019. In view of these factors, it is suggested that Council do not implement any of the other recommendations at this time. Once the impact of the West of England Combined Authority becomes more defined and the outcome of the LGBCE's review is known, a full review of all the allowances required for 2019 can be undertaken. This timescale will also allow for the development of role descriptions for the range of responsibilities undertaken by councillors.

6 RATIONALE

6.1 The report of the Independent Remuneration Panel sets out several recommendations with their rationale for these.

7 OTHER OPTIONS CONSIDERED

7.1 None.

8 CONSULTATION

8.1 None.

9 RISK MANAGEMENT

9.1 A risk assessment was not required.

Contact person	<i>Maria Lucas, Head of Legal & Democratic Services, Council Solicitor and Monitoring Officer (01225) 395171</i>
Background papers	<i>None.</i>
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