

**COPELAND BOROUGH COUNCIL**  
**INDEPENDENT REMUNERATION PANEL**  
**REPORT FOR FINANCIAL YEAR 2017/18**

## **EXECUTIVE SUMMARY**

The Independent Remuneration Panel (IRP), in determining its recommendations, has recognised the budgetary constraints current being applied to the council and notes that there has been some change within the council staff organisation. The IRP has attempted to be sensitive to these changes, whilst at the same time being determined to apply fairness to the councillor allowances scheme. In doing this, it has sought details of neighbouring council's schemes and utilised these to provide a set of balanced recommendations.

The recommendations of the Independent Remuneration Panel are:

- The IRP will return annually to review allowances as the maturity of the local authority organisation increases
- Basic Allowance – no change (£3,093.87).
- Elected Mayor Salary – no change (£50,000.00).
- Special Responsibility Allowance(s)
  - Deputy Mayor allowance – no change (£15,000.00).
  - Executive membership responsible for portfolios – no change (£6,358.68 each).
  - Political group leaders – no change (£7,000.00 on a sliding scale).
- Chairman Roles
  - Chair of Audit & Governance committee - £2,000.00 (increase from £400.00)
  - Chair of Planning - £2,000.00 (previously not remunerated)
  - Chair of Overview and Scrutiny - £2,000.00 (previously not remunerated)
  - Chair of Licensing & Taxi/general licensing to share allowance of £2,000.00 (previously not remunerated)
  - Chair of Council – no change (£2,000.00).
  - Deputy Chair of Council – no change (£500.00).
- Travel and Subsistence
  - Allowances in accordance with HMRC guidelines for mileage rates, with the exception of passengers (no claim for passengers).
  - Breakfast allowance – no change.
  - Lunch allowance – no change.
  - Tea allowance – no change.
  - Evening meal allowance – no change.
  - Absent overnight from their usual place of residence - no change.
  - Broadband allowance to be removed (change from £18/month per councillor).
- Children and Dependents Allowance – no change.
- Pension Arrangements – no change.
- Co-optees Allowance – no change.
- Allowances (verbatim to the recommendations) may be backdated, although it is not expected this will need to be the case.

## INTRODUCTION

1. The Independent Remuneration Panel (IRP) met on Friday 13th January 2017, and Wednesday 18<sup>th</sup> January 2017.
2. The appointment of an IRP is a requirement of the Local Authorities (Members' Allowances) (England) Regulations 2003. The IRP consists of 3 independent individuals; Mr Richard Askew, Mr Phil Robinson and Mr Keith Teasdale.
3. The role of the IRP is to make recommendations in relation to
  - 3.1.1. The amount of basic allowance that should be paid to elected members;
  - 3.1.2. A salary for the directly elected Mayor of Copeland and allowance for their Deputy;
  - 3.1.3. The duties or responsibilities which should lead to the payment of a special responsibility allowance and the amount of such allowance(s)
  - 3.1.4. The duties for which a travelling and subsistence allowance can be paid and as to the amount of such allowance(s);
  - 3.1.5. Co-optees' allowance;
  - 3.1.6. Whether the Councils allowances scheme should include an allowance in respect of the expenses for arranging for the care of children and dependants and, if it does make such a recommendation, the amount of any such allowance and the means by which it is determined;
  - 3.1.7. Whether any allowance should be backdated to the beginning of the financial year in the event of the scheme being amended;
  - 3.1.8. Whether annual adjustments of allowance levels may be made by reference to an index and, if so, for how long such a measure should run;
  - 3.1.9. Which members of the Council are entitled to pensions, in accordance with a scheme made under Section 7 of the Superannuation Act 1972;
  - 3.1.10. Whether basic allowance and special responsibility allowance should be treated as amounts in respect of which pensions are payable.

## SCOPE OF REVIEW

4. In the previous IRP report for 2016/17, the panel made it clear that they would return annually to review allowances, as the organisational structure developed and portfolios became clearer. **There is no intention by this panel to make reference to an index.**
5. The recommendations made by the IRP for 2016/17 were adopted by CBC, and the panel welcomes the acceptance of their recommendations.

## BASIC ALLOWANCE

6. Basic allowance is provided as recognition of the time and incidental costs expended by councillors in the undertaking of their council duties. It is a *statutory* flat rate payment applicable to all councillors and as such cannot be awarded in part, nor can it vary between councillors, irrespective of the contributions made. It should also be noted that the allowance recognises that some part of the time a councillor spends in fulfilling their duties is voluntary.
7. The panel noted that the basic allowance for 2016/17 is £3,093.87. This was increased by 1% during the last review. At the time of writing this report, there are no planned budgetary increases for the council staff, and therefore the panel determined that it would be imprudent to increase councillor basic allowance during the forthcoming financial year.

8. The panel uses comparative figures from other local councils, both within Cumbria and without, in order to gauge the appropriateness of the basic allowance set. The panel was satisfied that the current basic allowance at CBC remains comparable with other councils.

9. **The IRP recommends that no change is applied to the basic allowance, resulting in the annual allowance remaining at £3,093.87.**

**SALARY FOR THE ELECTED MAYOR OF COPELAND (AND ALLOWANCE FOR DEPUTY)**

10. The panel notes that the recommendations put forth by the 2016/17 IRP report were accepted, and is pleased that the council accepted these recommendations. The panel believes that both the elected mayor salary, and the deputy elected mayor allowance recognise the status and responsibilities associated with those roles.

11. The IRP recommends that the **salary for the elected mayor remains at £50,000.00 per annum.**

12. The IRP recommends that the **allowance for the deputy elected mayor remains at £15,000.00 per annum.**

13. Recommendation remains that both the Mayor and Deputy Mayor will be limited to this salary or special responsibility allowance only, regardless of the division of portfolio accountabilities, and as such is not entitled to any part of the executive member's allowance.

**SPECIAL RESPONSIBILITY ALLOWANCE(S)**

14. **The IRP recommends that the SRA remain at £6,358.68 per executive member.** This allowance is independent of the Elected Mayor salary, and it is not expected that the Mayor receives this allowance. Equally the Deputy Mayor is not expected to receive this allowance whilst a member of the executive.

15. **The IRP recommends that the political group leaders allowance remains at £7,000 on a sliding scale across all parties.** The sliding scale values are to remain the same, as described below.

15.1.	5 – 9 members	£2,000.00
15.2.	10-14 members	£3,000.00
15.3.	15 or more members	£4,000.00

16. As was stated in last year's panel report, the allowances for Chairmanship roles within CBC presented a significant departure from other local authorities within Cumbria, and the IRP was unable to find a convincing argument to support this position. The IRP recommended in 2015/16 that a better understanding of the roles be gained in order to make a reasoned recommendation. The panel felt that some level of allowance for the respective chairmanship roles would be appropriate, in line with other councils in the county, and they would be prepared to review the roles and make recommendations independent of this report if required during 2016/17. This review has subsequently taken place.

17. The panel has used comparative figures from other local councils, both within Cumbria and without, in order to determine a suitable allowance for chairmanship roles. The panel feels that the allowances being recommended take into account comparisons with other councils, but are reflective of the budgetary constraints the council faces moving forward.

18. **The IRP recommends that the Audit & Governance Committee Chair receives an allowance of £2,000 per annum.** This represents an increase from £400.00 per annum previously.

19. **The IRP recommends that the Chair of Planning receives an allowance of £2,000 per annum.**

20. **The IRP recommends that the Chair of Overview and Scrutiny receives an allowance of £2,000 per annum.**
21. **The IRP recommends that the Chairs of Licensing and Taxi/general licensing receive a collective allowance of £2,000 per annum. This allowance to be shared equally between both chairs.**
22. **The IRP recommends that the chair of the council and deputy chair of the council allowances of £2,000 and £500 respectively remain unchanged.**

#### **TRAVEL AND SUBSISTENCE ALLOWANCES**

23. **The IRP recommends that the mileage allowances defined by the HMRC are adopted by the local authority and should be adjusted if the HMRC rates change within the financial year 2017/18. The panel reiterates that the entitlements also apply to individuals who have a disability that prevents them from driving and as such are necessarily a passenger in a vehicle, and would otherwise be discriminated against in terms of ability to claim driving allowances.**
24. **The IRP continues to recommend that no allowance is made for passengers.**
25. **The IRP recommends that no changes are made to subsistence allowances.** Claims for subsistence must always be supported by a receipt for the transaction, and the local authority should support payment up to the following limits:
- 25.1. A breakfast allowance of £5.00 taken before 1100hrs (where a member is absent from home for more than 4 hours before 1100hrs).
- 25.2. A lunch allowance of £7.00 taken between 1200hrs and 1400hrs (where a member is absent from home for more than 4 hours including the period between 1200hrs and 1400hrs).
- 25.3. A tea allowance of £2.00 taken between 1500hrs and 1800hrs (where a member is absent from home for more than 4 hours including the period between 1500hrs and 1800hrs).
- 25.4. An evening meal allowance of £ 10.00 taken after 1900hrs (where a member is absent from home for more than 4 hours ending after 1900hrs).
26. **The IRP also continues to recommend that where a member is absent overnight from their usual place of residence, an upper limit of £100.00 be payable and when a member is absent overnight in London or attending an annual conference of a Local Government Association (LGA) the upper limit be increased to £115.00**
27. **In determining the conference allowance, the IRP saw no reason to provide further reimbursement over and above meal allowance and overnight subsistence allowances. Therefore the IRP continues to recommend that no conference allowance is payable.**

#### **CHILDREN AND DEPENDANTS ALLOWANCES**

28. **The IRP continues to recommend that claims for child care and dependant care are provided at 100% of cost, and that these costs must be supported by qualifying receipts. The IRP continues to recommend that a weekly cap of 8 hours care per week be reimbursable.**
29. **The IRP continues to believe that, regardless of the actual use of this allowance, the child and dependant allowance supports equality and fairness.**

## **PENSION ARRANGEMENTS**

30. The current pension scheme administered by the local authority is for employees only<sup>1</sup> and to establish a scheme for members would be likely to incur significant costs to the local authority to set up and administer.

31. The IRP continues to recommend that **no member pension scheme is established**.

## **BROADBAND ALLOWANCE**

32. **The IRP recommends that the allowance for broadband services is removed.** The panel recognises that in the majority of cases, broadband is now a utility service that most homeowners would expect to use irrespective of being a councillor. Whilst this opinion may not be entirely indisputable, the panel feels it is sufficiently robust to make the recommendation. The panel also argues that the basic allowance can be used to provide broadband services if required.

## **BACKDATING OF ALLOWANCES**

33. The recommendations herein are determined to take effect for the financial year 2017/18 and are not intended to be retrospective any other year. They are also intended only to apply to 2017/18, as it is the intention of the IRP to review performance against the recommendations prior to making recommendations for 2018/19 and onward.

34. Should the recommendations not be in force at the start of financial year 2017/18 for whatever reason, it is reasonable to **apply them retrospectively to the start of the financial year, where the recommendations were approved by council**.

## **CO-OPTEE'S ALLOWANCE**

35. There are currently no co-optees within Copeland Borough Council and therefore the IRP continues to recommend that **no provision is made for a co-optees allowance**.

## **RENUNCIATION OF ALLOWANCES**

36. A councillor may by notice in writing given to the proper officer of the authority, elect to forego any part of his or her entitlement to an allowance under this scheme.

## **PART YEAR SERVICE**

37. Where the term of office of a member begins or ends otherwise than at the beginning or end of a financial year, their entitlement shall be to payment of such part of the basic allowance, special responsibility allowance and co-optees allowance as bears to the whole the same proportion as the number of days during which their term of office as member subsists to the number of days in that year.

## **MEMBERSHIP OF OTHER AUTHORITIES**

38. Where a member of an authority is a member of another authority also, the member shall not receive allowances from more than one authority in respect of the same duties.

## **CLAIMS AND PAYMENTS**

39. Claims for dependants' carers allowance, travel and subsistence allowances and co-optees allowances shall be made by the claimant within 90 days of their entitlement to the claim.

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<sup>1</sup> No other Cumbrian local authorities have member pension schemes.