



Hinckley & Bosworth  
Borough Council

**REPORT OF THE INDEPENDENT REMUNERATION PANEL**

1. A meeting of the Independent Remuneration Panel on Members' Allowances for Hinckley and Bosworth Borough Council was held on Monday, 24 July 2017. This is the report of the panel and its recommendations to the Council.

2. The members of the panel were:

Jessica Daly  
Stephen Knott  
Stuart Pemberton

Miss Daly and Mr Pemberton had served on the panel previously. Mr Knott was a member of Blaby District Council's remuneration panel, recruited to our panel due to the unavailability of two former members of our own panel. The panel was supported by the Democratic Services Officer.

The members of the panel appointed Mr Pemberton as chairman for the meeting.

3. The meeting had been convened in accordance with the recommendations of the Internal Auditor and with the intention of any recommendations, if approved by Council, being incorporated into discussions on the budget for 2018/19 onwards.

4. To assist in its deliberations, the panel was provided with the following information:

- The current Scheme of Members' Allowances ("the scheme")
- The terms of reference of council bodies
- A comparison of allowances paid in other local authorities
- A summary of question responses from Councillors during a recent survey
- Various pieces of background information including role descriptions for key councillor posts, the report arising from the last meeting of the panel and a minute extract from the meeting of Council when the report was considered.

5. During discussion, members of the panel made reference to the following:

- The low level of allowances in comparison with neighbouring authorities, despite the increase implemented in 2015
- The comparison with similar sized authorities (in terms of population and number of councillors) which showed that, in general, the allowances paid by HBBC were low (it was noted that HBBC councillors received an average 43% lower basic allowance than those in similar authorities)
- The average basic allowance for English districts in 2008 being £4,194 (Source: LGA Councillors Census 2008), obviously higher than that currently paid by HBBC

- The large increase that would be required to bring the HBBC allowances in line with other similar authorities
- Comments received by the panel from members of the public who, for the most part, assumed that councillors were either voluntary (rather than elected) or that they were paid far more than was the case in reality
- The difficulty in recruiting councillors which was perhaps linked to the low allowances paid and the time commitment, meaning that those who were of working age would struggle to live on the allowances payable or, should they continue to work, would not have the time to commit to being a councillor.

6. In formulating its recommendations, the panel gave consideration to and made comment upon:

#### 6.1 The basic allowance

The panel felt that the basic allowance (currently £4,000) should be gradually increased to help to bring it in line with similar authorities. To this end, they calculated a percentage increase of 20% in year one and 10% in years two and three. The panel envisaged that, by 2021, other authorities were likely to have increased their allowances again and HBBC would still be below the average, but would have closed the gap somewhat.

The panel also recommended that paragraph 5 of the scheme be amended to specify that the basic allowance also covers use of members' own IT, printer, paper and other consumables. This was because, whilst some other authorities paid additional allowances to cover this, this was not the intention at HBBC and the recommended increases would help to cover these expenses.

#### 6.2 Special responsibility allowances

It was noted that the scheme stated "no more than two special responsibility allowances (SRAs) should be paid to an individual member", which was generous compared to other similar authorities (many paid just one, and some paid a second at 50%). It was recommended that this be amended to allow one SRA to be paid to an individual member.

#### 6.3 The Leader & Deputy Leader

Particular concern was expressed that the Leader could claim an allowance as the Leader (currently £10,000), but also claim the Executive member allowance (currently £5,500), yet as Leader he was automatically also a member of the Executive. It was felt that the recommendation in the paragraph above to pay just one SRA would clarify this anomaly but that, if that should not be agreed by Council, it be specified that the Leader would not be eligible to receive both the Leader's and the Executive member's SRAs.

It was identified that there was no separate SRA for the Deputy Leader of Council, and that they received the same allowance as other Executive members yet had more responsibility, particularly under the revised constitution, when deputising for the Leader in their absence. It was therefore recommended that a new allowance of £7,500 be included for the Deputy Leader. As with the Leader, it was recommended the Deputy Leader would no longer receive an allowance as Executive member as they would only be able to receive one SRA (or, if not agreed by Council, it was recommended that it be specified that they would not be eligible to claim both).

It was recommended that the Leader's allowance be subject to the same increase as the basic allowance of 20% in year one and 10% in years two and three.

The panel recommended that it be specified in the scheme that, should the number of members of the Executive increase, the same overall allowance for Executive members be retained and 'shared out' amongst the larger membership, to avoid budgetary pressure in-year.

#### 6.4 Chairmen

There was some discussion about whether the chairman of the Planning Committee should be provided with a greater allowance than chairmen of other decision-making bodies due to the frequency of the meetings, additional briefings and site visits and the quasi-judicial nature of the Planning Committee. It was, however, acknowledged that the Licensing Committee had a similar quasi-judicial function and, whilst it did not meet frequently, the sub-committees were frequent and required a great time commitment including a great deal of preparatory work.

The allowance for the chairman of the Audit Committee was discussed, given that the body had recently been granted decision-making powers. It was recommended that the allowance be increased to £3,500 in line with the chairmen of the other decision making bodies.

It was recommended that the SRAs for all chairmen be subject to an increase of 20% in year one and 10% in years two and three.

#### 6.5 Childcare and dependent carer's allowance

It was acknowledged that this was not widely used. The panel felt that the wording and provision in paragraph 7 of the scheme was appropriate and did not require updating.

#### 6.6 Travel and subsistence allowances

The panel felt that the mileage rate of 45p per mile, in line with the HMRC rate, was appropriate, but that members should be reminded that the HMRC rate included fuel, wear and tear and any other associated expenses.

It was recommended that an allowance of 5p per mile be provided for carrying a passenger in light of the saving of expenses for a separate car journey and the reduction in environmental impact, subject to confirmation of the tax implications (whether the 5p per mile would be classed as 'profit' due to being over and above the 45p per mile rate) on this additional allowance.

It was recommended that paragraph 8.2 which referred to reimbursement of taxi or public transport costs should be amended to require prior agreement for taxi journeys to enable the Democratic Services Officer to raise a purchase order and book the taxi in accordance with financial procedure rules, where appropriate.

In relation to subsistence, the panel felt that the current rates for breakfast, lunch and evening meal were appropriate and were reassured that claims were rarely made for subsistence and the events for which they could be claimed were limited and closely scrutinised.

#### 6.7 The Mayor and Deputy Mayor

It was felt that the allowance for the Mayor and Deputy Mayor was appropriate and in line with other similar authorities and should therefore remain unchanged.

## 6.8 Independent Persons

The possibility of introducing an allowance (perhaps per meeting attended) for the Independent Person advising Ethical Governance and Personnel Committee and for members of the Independent Remuneration Panel was discussed but not supported.

## 6.9 Approved duties

It was identified that the approved duties did not include provision for the Mayor and Deputy to claim expenses whilst engaged in civic duties. It was recommended that paragraph 8.4 be amended to refer to payment of mileage and expenses to the Mayor and Deputy whilst on civic duties as specified in the guidance for mayoral expenditure.

## 6.10 Other

The possibility of introducing an attendance based allowance was discussed, however it was acknowledged that members undertook a lot of other work outside of formal meetings, for example working groups, outside bodies, ward and community work, so linking an allowance to attendance at formal meetings would be disproportionate. Discussion ensued on a two-tier scheme of allowances implemented at a nearby authority a few years ago whereby members commenced on a basic rate until they had achieved set development targets, at which point they would move to a higher rate of basic allowance. The panel recommended that this be discussed again by the Member Development Group to gauge appetite for such a scheme. It was also recommended that the role description for a ward councillor be updated to include the expectation that members attend all meetings to which they are summonsed and take a full part in them.

## 7. The panel made the following recommendations:

- (i) that the following allowances be implemented for the ensuing three years:

Role	Current allowance (£)	Proposed allowance 2018/19 (£)	Proposed allowance 2019/20 (£)	Proposed allowance 2020/21 (£)
Basic allowance	4,000	4,800	5,280	5,808
Mayor	8,000	8,000	8,000	8,000
Deputy Mayor	3,000	3,000	3,000	3,000
Leader of the Council	10,000	12,000	13,200	14,520
Deputy Leader	0	7,500	8,250	9,075
Member of the Executive	5,500	6,600	7,260	7,986
Opposition Leader(s)	3,500	4,200	4,620	5,082
Appeals Panel chairman	2,500	4,200	4,620	5,082
Audit Committee chairman	2,500	4,200	4,620	5,082
Ethical Governance & Personnel Committee chairman	2,500	3,000	3,300	3,630
Finance & Performance Committee chairman	2,500	3,000	3,300	3,630
Licensing &	3,500	4,200	4,620	5,082

Regulatory Committees chairman				
Planning Committee chairman	3,500	4,200	4,620	5,082
Scrutiny Commission chairman	3,500	4,200	4,620	5,082

- (ii) that paragraph 5 of the Scheme of Members' Allowances be amended to specify that the basic allowance also covers use of members' own IT, printer, paper and other consumables;
- (iii) that paragraph 6.3 of the Scheme of Member's Allowances be amended to read "one special responsibility allowance will be paid to an individual member";
- (iv) in the event that (iii) above is not supported, it be specified within the scheme that the Leader and Deputy Leader would not be eligible to receive both the Leader's / Deputy Leader's SRA and the Executive member's SRA;
- (v) it be specified in the scheme that, should the number of members of the Executive increase, the overall allowance for Executive members will remain the same and split equally between the members of the Executive;
- (vi) that an allowance of 5p per mile be provided for carrying a passenger;
- (vii) that paragraph 8.2 of the scheme be amended to require prior agreement for taxi journeys;
- (viii) that paragraph 8.4 be amended to refer to payment of mileage and expenses to the Mayor and Deputy whilst on civic duties as specified in the guidance for mayoral expenditure;
- (ix) that the Member Development Group be asked to consider adopting a two-tier scheme of allowances linked to development;
- (x) that the role description for a ward councillor be updated to include the expectation that members attend all meetings and take a full part in them;
- (xi) that the scheme shall have effect from 15 May 2018;
- (xii) that the panel next meets in July 2020 (unless requested by Council to review the scheme at any point within the intervening 36 months).

#### 8. Reasons for the recommendations

- to start to bring allowances in line with similar authorities
- to ensure "fair pay for fair work"
- to ensure the allowances do not act as a barrier in encouraging councillors from underrepresented communities or groups.

Stuart Pemberton (Chairman)  
 Jessica Daly  
 Stephen Knott  
 24 July 2017