

Leicester  
City Council

Democratic and Civic  
Support  
City Hall  
115 Charles Street  
Leicester  
LE1 1FZ

9 March 2016

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 17 MARCH 2016 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

**Monitoring Officer**

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**AGENDA**  
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- 1. LORD MAYOR'S ANNOUNCEMENTS**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES OF PREVIOUS MEETINGS**

The minutes of the following meetings are available to view at:

- a) 21 January 2016  
<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?CId=81&MId=7049&Ver=4>
- b) 24 February 2016  
<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?MId=7050&x=1>

Copies are also available from Democratic Support on (0116) 454 6350 or  
[committees@leicester.gov.uk](mailto:committees@leicester.gov.uk)

**4. STATEMENTS BY THE CITY MAYOR/EXECUTIVE**

**5. PETITIONS**

- Presented by Members of the Public
- Presented by Councillors

**6. QUESTIONS**

- From Members of the Public
- From Councillors

**7. MATTERS RESERVED TO COUNCIL**

7.1 Pay Policy Statement 2016/17

7.2 Independent Remuneration Panel Report

**8. EXECUTIVE AND COMMITTEES**

- To note any changes to the Executive
- To vary the composition and fill any vacancies of any Committee of the Council

**9. NOTICES OF MOTION**

**10. ANY OTHER URGENT BUSINESS**

**Fire & Emergency Evacuation Procedure**

- The Council Chamber Fire Exits are the two entrances either side of the top bench or under the balcony in the far left corner of the room.
- In the event of an emergency alarm sounding make your way to Town Hall Square and assemble on the far side of the fountain.
- Anyone who is unable to evacuate using stairs should speak to any of the Town Hall staff at the beginning of the meeting who will offer advice on evacuation arrangements.
- From the public gallery, exit via the way you came in, or via the Chamber as directed by Town Hall staff.

## **Meeting Arrangements**

- Please ensure that all mobile phones are either switched off or put on silent mode for the duration of the Council Meeting.
- Please do not take food into the Council Chamber.
- Please note that Council meetings are web cast live and also recorded for later viewing via the Council's web site. Tweeting in formal Council meetings is fine as long as it does not disrupt the meeting. Will all Members please ensure they use their microphones to assist in the clarity of the web-cast.
- The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. In accordance with government regulations and the Council's policy, persons and press attending any meeting of the Council open to the public (except Licensing Sub Committees and where the public have been formally excluded) are allowed to record and/or report all or part of that meeting. Details of the Council's policy are available at [www.leicester.gov.uk](http://www.leicester.gov.uk) or from Democratic Support. If Members of the public intend to film or make an audio recording of a meeting they are asked to notify the relevant Democratic Support Officer in advance of the meeting to ensure that participants can be notified in advance and consideration given to practicalities such as allocating appropriate space in the public gallery etc.

The aim of the Regulations and of the Council's policy is to encourage public interest and engagement so in recording or reporting on proceedings members of the public are asked:

- ✓ to respect the right of others to view and hear debates without interruption;
- ✓ to ensure that the sound on any device is fully muted and intrusive lighting avoided;
- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.



## MATTERS RESERVED TO COUNCIL

### **7.1 PAY POLICY STATEMENT 2016/17**

A report is submitted that seeks approval of the Council's Pay Policy Statement for 2016/17, as required by Section 38 of the Localism Act 2011.

Council is asked to approve the Pay Policy Statement for 2016/17.

### **7.2 INDEPENDENT REMUNERATION PANEL REPORT**

The final report of the Independent Remuneration Panel is submitted.

Council is asked to consider the recommendations made for the revised Members' Allowances Scheme for the period 2015/16 to 2019/20.

**Sir Peter Soulsby  
City Mayor**



# Council Report

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## **Pay Policy Statement 2016/17**

Decision to be taken by: Full Council on 17 March 2016

Lead director: Miranda Cannon

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**City Mayor**

## Useful information

- Ward(s) affected: None
- Report author: Miranda Cannon, Director of Delivery, Communications and Political Governance
- Author contact details: 37 0102
- Report version number: 1

### 1. Summary:

Section 38 of the Localism Act 2011 places a requirement on all local authorities to prepare and publish a Pay Policy Statement for each financial year in order to achieve public accountability, transparency and fairness in the setting of local pay. The Statement must be approved by Full Council and published by 1 April each year.

This report seeks approval of the Council's Pay Policy Statement for 2016/17.

### 2. Recommendations:

That Council approves the Pay Policy Statement for 2016/17.

### 3. Supporting information including options considered:

The Pay Policy Statement is required to focus on the pay of senior staff and to set this in the context of the pay of the wider workforce. The Statement must cover the Council's approach to a number of elements of pay for senior staff including salary scales, any performance related pay, bonuses or additional elements of pay, termination payments and approach to pensions. Similar information must be included in relation to the wider workforce and the remuneration of the lowest paid employees must be specified.

After approval by Full Council in March each year, the Pay Policy Statement must be published on the Council's website for public scrutiny. The intention is to ensure that Members consider how they pay their senior staff and can justify their policy on senior pay in the light of potential public scrutiny.

### 4. Details of Scrutiny

The document is essentially a statement of existing policy. Pay Policy Statements from previous years remain available for public scrutiny on the Council's website.

### 5. Financial, Legal and Other Implications

#### 5.1 Financial Implications



The Pay Policy Statement sets out the framework for the Council's employees' pay with a particular focus on senior staff (Head of Paid Service and Directors) in the context of the wider workforce. There are no new financial implications arising from this report, the funding of pay having been considered as part of the 2016/17 budget.

Jon King  
Accountant  
Ext: 374043

## 5.2 Legal Implications

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. This document must set out the Council's approach to the remuneration of chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of chief officers and employees who are not chief officers. In preparing a Pay Policy Statement local authorities must have regard to any guidance issued or approved by the Secretary of State. Guidance was issued by the Department for Communities and Local Government initially in November 2011 and supplementary guidance was issued in February 2013. Each year's Pay Policy Statement must be approved by Full Council before it comes into force.

Paul Atreides  
Principal Solicitor, Employment Law  
Ext 29 6368

## 5.3 Climate Change and Carbon Reduction Implications

No climate change implications.

## 5.4 Equality Impact Assessment

No equality impact assessment has been carried out on the Pay Policy Statement itself as it is a statement of existing policy.

## 5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply.)

No other implications.

## **6. Background information and other papers:**

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'

'Localism Act: Pay Policy Statements – Guidance for Local Authority Chief Executives'

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act – Supplementary Guidance'

**7. Summary of appendices:**

Proposed Pay Policy Statement 2016/17

**8. Is this a confidential report? (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)**

No.

**9. Is this a “key decision”?**

No.

# Leicester City Council

## Pay Policy Statement 2016/17

### 1 Introduction and Purpose

- 1.1 Section 38(1) of the Localism Act 2011 requires all local authorities in England and Wales to produce and publish a Pay Policy Statement for each financial year from 2012/13 onwards. The principle behind this requirement is to increase transparency and accountability in local approaches to public sector pay, particularly in respect of senior staff by enabling public scrutiny.
- 1.2 As specified in the Act, this requirement does not extend to schools and therefore, the Statement does not include school based employees. Leicester City Council's Pay Policy Statement is set out in accordance with the mandatory requirements of the Localism Act and also takes account of The Local Government Transparency Code 2015.
- 1.3 It sets out information on the council's Pay and Conditions of Service for its chief officers and the wider workforce.
- 1.4 The Pay Policy is designed to enable communities to access the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. In addition, it helps to ensure that policies on pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.
- 1.5 The Act recognises that each local authority has the right to determine its own policy towards pay in order to address local priorities, the local market place and its own economic circumstances. However the requirement for the Pay Policy Statement to be approved by Full Council, and encouragement to councils to set up Remuneration Committees to oversee pay policy, involve councillors having a significant role in determining pay. At Leicester City Council, decisions on terms and conditions are made by Employees Committee or the Executive. The Employees Committee serves as the Remuneration Committee.

## **Context**

- 2.1 Leicester City Council is a unitary authority serving the largest city in the East Midlands region with a population of 329,839<sup>1</sup>. It is the largest employer in the city with a current total workforce of 11,433 full time equivalents and a headcount of 15,333. The Council operates under a Mayoral model of governance.
- 2.2 The Council provides a comprehensive set of local authority services to the population of the city encompassing social services, environmental services, highways, economic regeneration, planning, libraries, museums, revenues and benefits, housing, parks and open spaces amongst others.
- 2.3 Five years of budget reductions have seen the Council's grant from central government fall by £86m per year (37 percent in real terms). This had led to cuts of £100m per year being made to the Council's services. By 2019/20, total cuts are estimated to rise to £123m per year since 2010/11 (53 percent in real terms).
- 2.4 In 2013/14, the Council became responsible for the delivery of public health services. The statutory transfer placed a new duty on local authorities to promote the health of their population and as a result, 24 Public Health staff transferred to the Council. These employees continue to be employed on NHS terms and conditions which differ to those of the Council. For this reason some or all of this pay policy statement may not apply to those public health staff.
- 2.5 Although the Leicester and Leicestershire Enterprise Partnership (LLEP) is a separate legal entity, Leicester City Council is the employing body on behalf of that entity. The Director of the LLEP is employed by the Council on the same conditions of service as its Strategic and Divisional Directors, and the LLEP Director and its staff are covered by this Pay Policy Statement.
- 2.6 A key requirement of the Act is to set senior pay in the context of pay of the wider workforce, and specifically its lowest paid staff. The pay of most staff covered by this Pay Policy is governed primarily by a pay structure and associated terms and conditions of service which were implemented in March 2011 for all staff covered by the National Joint Council for Local Government Services (circa 6,119 staff by headcount).

## **3 Scope and Definitions**

- 3.1 This Pay Policy Statement covers all Leicester City Council employees except those employed in schools, apprentices, casual workers, and those employed on NHS terms and conditions (see paragraph 2.4).
- 3.2 The Statement includes policies on:

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<sup>1</sup> Source: Office of National Statistics Census 2011

- a) The level and elements of remuneration for Chief Officers
  - b) The remuneration of lowest paid employees
  - c) The relationship between the remuneration of Chief Officers and other officers
  - d) Other aspects of Chief Officer remuneration
- 3.3 Remuneration in the context of the Localism Act is defined widely to include salary, bonuses, performance related pay, allowances, fees, benefits in kind and contractual arrangements relating to any possible future severance payments.
- 3.4 The definition of chief officer includes head of paid service<sup>2</sup>, strategic directors and divisional directors (ie, directors employed on grade UCOC/T, and the director of public health).
- 3.5 In line with the local government transparency code 2015, the Council publishes a senior management structure chart on their website.

<http://www.leicester.gov.uk/your-council/how-we-work/data-protection-and-foia/transparency-and-open-data>

## **4 Senior Pay**

### Head of Paid Service

- 4.1 Under the mayoral model, the Council retains a statutory role of head of paid service. The salary range for this post is £124,463 - £128,760 pa (two incremental points). There are no additional performance, bonus or ex gratia payments applicable to this role.

### Strategic and Divisional Directors

- 4.2 Appendix one details each chief officer's substantive salary range and current salary. At the time of updating this statement the pay scale for Chief Officers remains the same as 2015/16.
- 4.3 The conditions of service for strategic and divisional directors are in accordance with the joint negotiating committee for chief officers agreement and the local terms and conditions which apply to other staff. Directors do not receive performance related pay, bonuses, benefits in kind or any other additional payments. Those who so wish may have access to workplace car parking at a cost of £870 pa, paid through a salary sacrifice arrangement.
- 4.4 Officers at this level are expected to work those hours necessary to fulfil their duties without additional pay. They receive no additional payments for overtime, standby etc.

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<sup>2</sup> The Council does not have a post of Chief Executive but is still legally required to have a Head of Paid Service.

### Placing on Grades and Incremental Progression

- 4.5 Appointments to both strategic and divisional director grades are normally made on the minimum point of the salary range, unless an appointee is already on a higher salary in which case placing on the grade will reflect this. The only other factor normally taken into account is market forces where necessary. However, market supplements above the grade of the post are not normally awarded at this level. Decisions on placement within the grade are normally taken by the most senior manager involved in the selection process, who may consult the relevant member of the Executive if required.
- 4.6 Progression through the grade is by one increment on 1 April each year, subject to satisfactory performance, until the maximum of the grade is reached.

### Fees

- 4.7 The only chief officer who receives fees is the returning officer who receives payment in line with the guidelines supplied by the electoral commission. The returning officer is the director of delivery, communications and political governance.

### Termination Payments

- 4.8 The Council's policy on termination payments is the same for all staff.
- 4.9 Redundancy payments are based on the number of weeks' pay staff are entitled to in accordance with statute, with reference to their age and length of service, using an actual week's pay. The Council does not pay enhanced redundancy payments for any staff under the discretionary payments regulations.
- 4.10 In terms of early retirement, the Council's normal position is not to top up pension benefits but it will consider requests to do so on a case by case basis. This approach applies to all staff – there are no special arrangements for senior staff. However, the Council reserves the right to enter into settlement agreements for staff in exceptional circumstances.
- 4.11 Where the cost of redundancy pay plus the capital cost associated with the early release of pension is £60k or more, early retirement is subject to approval by the head of paid service and the director of delivery, communications and political governance in consultation with the City Mayor.
- 4.12 The Council has provisions for flexible retirement and for early retirement on compassionate grounds where the employee needs to provide care for a family member for two years or more. The Council does not award additional membership under regulation 12.

- 4.13 The government announced in 23 May 2015 that it is their intention to cap public sector exit payments to a maximum of £95,000, at the time of writing this report these proposals are still in draft form.

#### Value for Money

- 4.14 One of the key issues underlying the requirement to produce a Pay Policy Statement is consideration of whether senior pay levels represent value for money. What do officers provide in return for these levels of remuneration?
- 4.15 Both Strategic and Divisional Directors have significant responsibilities for the delivery of the services under their control using the workforces and budgets they are responsible for. They advise the City Mayor and elected members on council decisions and on the future direction of the authority, guide major projects, plan and deliver a wide range of council services, are responsible for the effective performance of their service area, lead on complex changes, make tough day to day decisions on 'doing more with less' in an extremely challenging economic environment of cut-backs, and commission services from others.
- 4.16 Most are responsible for large numbers of staff or manage highly complex technical areas with smaller staff complements. The numbers of staff managed are included in appendix one. Some senior roles hold statutory responsibilities, such as the head of paid service, section 151 officer role (in charge of the council's finances), electoral registration officer, local returning officer and the monitoring officer role, or responsibilities for safeguarding vulnerable adults or children.
- 4.17 Strategic directors, with the City Mayor and the executive, are responsible for setting out a strategic vision for the way forward for the service areas under their control and providing clear leadership to the organisation. Strategic directors also provide effective management for their departments. Some senior roles focus around partnership working and relationship management with external partners to integrate strategy, maximise effective use of resources or to facilitate or deliver shared agendas.
- 4.18 Strategic directors are responsible for overseeing large departments and divisional directors manage the divisions within departments. The size of budgets varies according to the nature of the service. Details of divisional budgets are attached at appendix two.
- 4.19 The job descriptions for all these roles are available on the Council's website  
<http://www.leicester.gov.uk/your-council/how-we-work/performance-and-spending/senior-salaries-and-job-descriptions/>
- 4.20 The management competencies for divisional directors are set out in appendix three.

## **5 The Wider Workforce**

- 5.1 Senior pay needs to be set in the context of the pay policy in relation to the rest of the workforce. The Council's current pay structure for all staff covered by the national joint council for local government services and the joint negotiating committee for local authorities craft and associated employees results from a pay and grading review which was implemented in March 2011, with effect from 1 July 2010. The grading of jobs is determined through job evaluation, using a scheme which is compliant in terms of equal pay for equal value principles.
- 5.2 The structure, which covers the majority of non-schools staff including heads of service, has 15 grades – see appendix four. Each grade has four increments apart from grade one, which has six. Employees are normally appointed to the minimum point of the grade and progress through the grade by one increment on 1 April each year, subject to satisfactory performance, until the maximum of the grade is reached. Sometimes, for market reasons, employees are appointed above the minimum point. Accelerated increments may also be awarded for exceptional performance.
- 5.3 At the time of writing this report agreement has not been reached on the local government pay award for 2016/17. Therefore the structure remains the same as in 2015/16, with a top salary £63,116pa, and lowest salary - the minimum point of grade one - £13,500pa<sup>3</sup>.
- 5.4 The Council has made a positive commitment to support lower paid staff and their families, as such on 1 April 2013 the Council adopted the 'UK Living Wage'<sup>4</sup>, to provide a better standard of living for lower paid employees. The rate has risen each year, and is currently set at £8.25. This is paid via a supplement to all employees on points 2 to 9 of the pay scale, approximately 700 by headcount.
- 5.5 The following local provisions for staff are in place for certain posts:
- Overtime payment at plain time or time and a third
  - Payment at time and a third for work at night, on Saturday and on Sunday
  - Payment at time and a third plus time off in lieu for work on a bank holiday
  - Standby allowance of £100 per week
- 5.6 The Council offers a wide range of training courses and post-entry qualification training to assist staff to progress in their careers. Managers are encouraged to

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<sup>3</sup> In the absence of the national joint council (NJC) reaching a pay agreement to be implemented in time for 1 April 2016, from the 1 April 2016 employees paid on SCPs 2, 3 and 4 will have their basic pay increased in accordance with the 'national living wage' bringing the minimum salary to £13,891, or £7.20 per hour until such a time the NJC finalises a pay agreement.

<sup>4</sup> The UK living wage is an hourly rate set independently and updated annually by The Living Wage Foundation, which Leicester City Council has signed-up to on a voluntary basis. It is different to the 'national living wage', which was announced by the Chancellor in the 2015 budget and comes into effect on 1 April 2016, set at £7.20 per hour for workers aged 25 and over.



develop career ladders linked to achieving relevant competencies, work of the relevant level and financial provision being available. The staff and management competencies are attached at appendix three.

### Market Pay

- 5.7 Sometimes job evaluation results in a salary range which is below the market rate for a particular role. Where there is significant difficulty with recruitment and retention because of this Directors may put forward a business case to the Market Pay Working Group which considers both this and independent market pay data in determining whether it is appropriate to award a market supplement. Market supplements are based on lower, median or upper quartile market pay data figures (or a level between these values) depending on the evidence and are reviewed every two years.
- 5.8 In addition to those staff covered by the pay and conditions described above a small proportion of the non-schools workforce is covered by national pay scales for teachers, educational improvement professionals; educational psychologists, young people's/community service managers and youth and community workers.

## **6 Relationship of Senior Pay to the Pay of the Wider Workforce**

- 6.1 The Hutton report on fair pay recommended that local authorities should publish the ratio of top earner to the median earner in the authority (excluding schools staff and apprentices). At Leicester City Council the ratio, based on the top earner's salary of £127,485 and a median salary of £22,212, was 5.74:1 in 2015/16. The ratio remains the same for 2016/17 however it is likely to be affected by any pay award when agreed. The Council monitors and updates this ratio each year in its Pay Policy, and publishes it on the website.

## **7 Pension**

- 7.1 All staff belonging to the Local Government Pension Scheme (LGPS) make contributions to the scheme based on their salary level as illustrated below:

LGPS Contribution Band	Salary Range	Contribution Rate
1	£0 - £13,600	5.5%
2	£13,601 - £21,000	5.8%
3	£21,201 - £34,400	6.5%
4	£34,401 - £43,500	6.8%
5	£43,501 - £60,700	8.5%
6	£60,701 - £86,000	9.9%
7	£86,001 - £101,200	10.5%
8	£100,201 - £151,800	11.4%
9	More than £151,801	12.5%

- 7.2 At the time of writing this report the Council makes employer's contributions to the scheme at a rate of 20.7 percent, this is set to increase to 21.7 percent on 1 April 2016.
- 7.3 The Council's approach to termination payments is set out in paragraphs 4.8 to 4.13 and is the same for staff at all levels.
- 7.4 If a former employee in receipt of a pension re-joins the council, their pension is not normally abated. The only exception is when added years were awarded when the member previously retired. In this case, if new earnings plus existing pension exceed previous salary, then abatement applies.

## **8 Review**

- 8.1 The Pay Policy Statement will be updated annually as required by the Localism Act.

## Appendix 1 - Chief Officers Salaries

		Salary Range		Employees (FTE)		
Name	Post Title	Minimum	Maximum	Central	Schools	Current Salary
Head of Paid Service						
Andrew Keeling	Chief Operating Officer	123,231	127,485	5706	5628	127,485
Strategic Directors						
Frances Craven	Strategic Director Childrens Services	110,484	118,983	1406	5628	114,735
Francis Jordan	Strategic Director City Dev & N'Hoods	110,484	118,983	2557		118,983
Steven Forbes	Strategic Director Adu Soc Care & Health	110,484	118,983	831		110,484
Divisional Directors						
Andrew Leach	Director of Local Services & Enforcement	81,268	87,287	494		81,268
Andrew Smith	Director Planning Transport & Econ Dev	81,268	87,287	370		87,287
Ann Branson	Director of Housing	81,268	87,287	937		87,287
Corin Crane	Director of LLEP	81,268	87,287	21		81,268
Elizabeth Blyth	Director Culture & Neighbourhood Serv'	81,268	87,287	397		87,287
Mark Lloyd	Director of Investment	81,268	87,287	239		87,287
Ruth Lake	Director of Adult Social Care & Safeguarding	81,268	87,287	552		87,287
Tracy Rees	Director Care Services & Commissioning	81,268	87,287	233		87,287
Alison Greenhill	Director of Finance	81,268	87,287	478		87,287
Kamal Adatia	City Barrister & Head of Standards	81,268	87,287	76		70,773
Miranda Cannon	Director Delivery Comms & Political Gov	81,268	87,287	175		87,287
Ruth Tennant	Director of Public Health	96,284	96,284	182		77,027
Interim cover	Interim Director of Children, Young People and Families	81,268	87,287	735		N/A

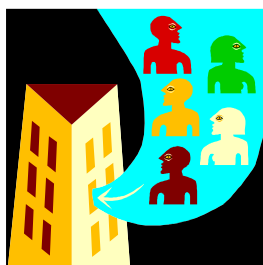
\* the Leicester and Leicestershire Enterprise Partnership (LLEP) is a separate legal entity, however, Leicester City Council is the employing body on behalf of that entity.  
The Director of the LLEP is employed by the Council on the same conditions of service as its Strategic and Divisional Directors



## APPENDIX 2 - DEPARTMENTAL/DIVISIONAL BUDGETS

	Budget Ceiling 2016/17
<b><u>City Development &amp; Neighbourhoods</u></b>	
Local Services and Enforcement	£ 26,832.30
Culture & Neighbourhood Services	£ 15,937.70
Planning, Transportation & Economic Development	£ 18,090.30
City Centre	£ 322.70
Investment	£ 7,803.40
Housing Services	£ 4,858.70
Departmental Overheads	£ 896.20
Fleet management	-£ 264.70
<b>DEPARTMENTAL TOTAL</b>	<b>£ 74,476.60</b>
<b><u>Adults</u></b>	
Adult Social Care & Safeguarding	£ 84,425.20
Care Services & Commissioning	£ 18,893.40
City Public Health & Health Improvement	£ 19,855.70
Public Health grant income	-£ 28,200.70
<b>DEPARTMENT TOTAL</b>	<b>£ 94,973.60</b>
<b><u>Education &amp; Children's Services</u></b>	
Strategic Commissioning & Business Support	£ 1,470.20
Learning Quality & Performance	£ 8,661.70
Children, Young People and Families	£ 52,057.60
Departmental Resources	-£ 4,179.10
<b>DEPARTMENTAL TOTAL</b>	<b>£ 58,010.40</b>
<b><u>Corporate Resources Department</u></b>	
Delivery, Communications & Political Governance	£ 5,711.60
Financial Services	£ 11,780.60
Human Resources	£ 3,501.00
Information Services	£ 10,006.10
Legal Services	£ 1,983.50
<b>DEPARTMENTAL TOTAL</b>	<b>£ 32,982.80</b>
<b>Subtotal Service Budget Ceilings</b>	<b>£ 260,443.40</b>
<b>Housing revenue account</b>	<b>£ 84,900.00</b>
<b>Total Service Budget Ceilings</b>	<b>£ 345,343.40</b>





## Leicester City Council Staff Competencies

1. Driving Out Inequalities	4. Having a Customer Focus
<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>1.1 Recognises the contribution that a diverse workforce makes to the business</li> <li>1.2 Values the views and opinions of all colleagues.</li> <li>1.3 Treats others fairly and with respect</li> <li>1.4 Recognises and reports all forms of discrimination</li> <li>1.5 Ensures that all needs of all individuals are appropriately prioritised</li> </ul>	<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>4.1 Puts the customer at the centre of the business</li> <li>4.2 Learns from own and others' experiences and from customer complaints</li> <li>4.3 Presents a positive image of self and the Council</li> <li>4.4 Uses plain and simple language in all situations</li> <li>4.5 Communicates in ways that helps others understand</li> <li>4.6 Gives customers timely and correct information</li> </ul>
2. Delivering Quality Services	5. Joining up What We Do
<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>2.1 Works flexibly and adapts to accommodate the pace of change</li> <li>2.2 Delivers services 'right first time'</li> <li>2.3 Develops service in response to customer feedback</li> <li>2.4 Contributes ideas for service improvement</li> <li>2.5 Works actively to develop skills and knowledge</li> </ul>	<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>5.1 Works collaboratively with service users, partners and colleagues</li> <li>5.2 Keeps up to date with Council developments and changes to policies and procedures</li> <li>5.3 Commits to supporting own manager by working to agreed objectives</li> <li>5.4 Identifies opportunities for working more effectively together</li> <li>5.5 Challenges traditional ways of working</li> </ul>
3. Delivering Outcomes	6. Being Sustainable in Everything We Do
<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>3.1 Takes responsibility for own performance.</li> <li>3.2 Understands own contribution to delivering council priorities</li> <li>3.3 Demonstrates effective team working in order to achieve objectives</li> </ul>	<p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> <li>6.1 Embraces personal environmental responsibility</li> <li>6.2 Works to support carbon reduction initiatives</li> <li>6.3 Actively challenges unnecessary consumption of resources</li> </ul>



## The LCC Management Competencies

The principles applied to the Staff Competencies are also to be found in the application of the Management Competencies.

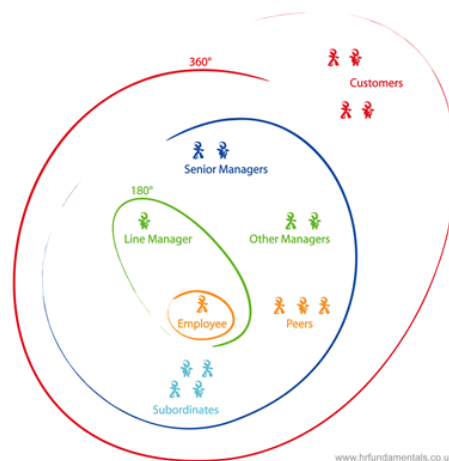
The managerial competencies are more detailed reflecting their role in the Council and their impact upon staff. These competencies are cumulative, with senior managers expected to meet competencies at their own level and below.

The general range statement on the left is further illustrated by the three different levels of management. These are indicative statements. and assessment should be made in the round.

Discretion by the reviewing manager allows him/her to bring a focus to the discussion, by concentrating on those aspects of the individual's observed performance that demand attention, rather than systematically addressing every item in the respective lists of performance criteria. This approach allows the full set of competencies to be **tailored** to each individual, whilst still applying the same framework performance standards.



# Management Competencies



Competency Framework for Leicester City Council Managers	Team Manager (All operational managers)	Head of Service (inc. Service Managers)	Divisional Director
Competency description	Performance criteria within a team	Performance criteria within a service	Performance criteria across a division
<b>M1 Managing people performance</b> <ul style="list-style-type: none"> <li>• Manages individual and team performance to achieve objectives</li> <li>• Understands and consistently applies all HR and organisational policies and procedures</li> <li>• Ensures a fair, equal and consistent approach towards all people</li> </ul>	<ul style="list-style-type: none"> <li>• Establishes performance objectives for the team</li> <li>• Informs, listens, supports and motivates the team</li> <li>• Gives due praise and reward for good performance</li> <li>• Empowers others</li> <li>• Guides and develops team members</li> <li>• Supports and evaluates their learning</li> <li>• Responds positively to differences between team members</li> <li>• Challenges inadequate performance or unacceptable behaviour</li> <li>• Takes unpopular decisions in the interests of the organisation</li> <li>• Provides stimulating, lively and enthusiastic approach to work.</li> <li>• Manages time effectively</li> <li>• Delegates effectively and appropriately</li> </ul>	<ul style="list-style-type: none"> <li>• Promotes equality and diversity policies and contributes to equality review processes</li> <li>• Uses devolved authority, delegation of work and special projects to develop and motivate staff</li> <li>• Takes responsibility for handling more complex people problems</li> <li>• Guides his/her managers in handling more complex people issues</li> <li>• Ensures that HR policies are applied fairly and consistently</li> <li>• Ensures conflicts between staff are tackled appropriately</li> <li>• Manages his/her managers and staff effectively to maximise performance against objectives</li> <li>• Sets example of effective leadership to his/her team</li> </ul>	<ul style="list-style-type: none"> <li>• Builds an effective management team through cohesive relationships</li> <li>• Provides clear direction and inspiration to managers and staff to facilitate achievement of results</li> <li>• Engenders positive culture of responsibility and accountability</li> <li>• Uses power and authority fairly and equitably</li> <li>• Sets example of collaborative working across divisional boundaries to achieve corporate goals</li> <li>• Ensures corporate approach within division</li> <li>• Ensures effective communications within division</li> </ul>
<b>M2 Delivering service excellence</b> <ul style="list-style-type: none"> <li>• Challenges and improves ways of working in the commissioning context - Analyse, Plan, Do, Review</li> <li>• Plans service delivery, sets and monitors performance targets and manages risks</li> <li>• Manages business processes to ensure</li> </ul>	<ul style="list-style-type: none"> <li>• Translates Service Plans into team plans, using these to manage and monitor work</li> <li>• Collaborates with other services. Identifies and implements customer focused improvements.</li> <li>• Ensures team understands and works</li> </ul>	<ul style="list-style-type: none"> <li>• Contributes to divisional service plan and develops plan for own operational area.</li> <li>• Drives joined up working process and performance improvements</li> <li>• Takes ownership of service performance</li> </ul>	<ul style="list-style-type: none"> <li>• Provides a strategic commissioning lead</li> <li>• Leads service planning process, ensuring alignment to corporate and community priorities</li> <li>• Ensures compliance with corporate planning and budget timetable.</li> </ul>

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efficiency and effectiveness. <ul style="list-style-type: none"> <li>• Understands cost, time and value for money principles and practice</li> <li>• Sets and works to agreed budgets</li> <li>• Manages assets effectively</li> <li>• Manages information to achieve the best outcomes</li> </ul>	to support corporate activities <ul style="list-style-type: none"> <li>• Ensures team members capture and share information appropriately</li> </ul>	<ul style="list-style-type: none"> <li>• Anticipates issues and the likely impact on the service</li> <li>• Promotes customer-focused culture</li> <li>• Turns strategic goals into service and team plans</li> <li>• Ensures the availability of quality information to services</li> </ul>	<ul style="list-style-type: none"> <li>• Challenges service(s) in context of emerging/best practice</li> <li>• Applies value based approach to work</li> <li>• Sets clear and consistent priorities for division and delivery expectations</li> <li>• Provides strategic direction for the management of information across divisions</li> </ul>
<b>M3 Managing money and resources</b> <ul style="list-style-type: none"> <li>• Manages resources to optimise delivery of services</li> <li>• Understands, and works within LCC Financial and EMAS regulatory framework</li> <li>• Recognises the responsibility associated with the use of public finance</li> <li>• Appreciates the reasons for focussing on driving down costs</li> </ul>	<ul style="list-style-type: none"> <li>• Manages effectively within reduced budgets</li> <li>• Controls budgets and the financial implications of other resources</li> <li>• Understands value and cost and uses budgetary information to make good financial decisions</li> <li>• Evaluates costs, benefits and risks when making decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Plans change, taking account of impact on organisation</li> <li>• Assesses and manages risks</li> <li>• Delivers service to budget</li> <li>• Reviews and evaluates 'whole life' costs of projects</li> <li>• Demonstrates commercial awareness and associated business acumen</li> </ul>	<ul style="list-style-type: none"> <li>• Applies financial rules and sets budget</li> <li>• Provides critical challenge to test financial integrity and sustainability of key projects</li> </ul>
<b>M4 Leading change</b> <ul style="list-style-type: none"> <li>• Leads, manages and implements sustainable change directly or through the effective use of others</li> </ul>	<ul style="list-style-type: none"> <li>• Promotes and implements change positively and realistically</li> <li>• Influences changes in others by being a role model</li> <li>• Understands the needs of the job</li> <li>• Secures co-operation from the team</li> <li>• Understands reactions to change and</li> </ul>	<ul style="list-style-type: none"> <li>• Determines priorities during period of change</li> <li>• Plans the change in line with organisational protocols</li> <li>• Ensures benefits of change are realised</li> </ul>	<ul style="list-style-type: none"> <li>• Leads on complex change</li> <li>• Champions and sponsors change</li> <li>• Sets a clear compelling vision and purpose for change</li> <li>• Demonstrates ability to lead and complete difficult and unpopular changes in the interests of the</li> </ul>

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	<ul style="list-style-type: none"> <li>responds with empathy.</li> <li>Keeps staff involved during change</li> </ul>		organisation, as needed
<b>M5 Engaging with the community</b> <ul style="list-style-type: none"> <li>Actively listens, influences and works positively with colleagues, Councillors, partners, community groups and the general public to achieve the Council's objectives</li> <li>Makes a positive impact and gains agreement by using a variety of methods to convey information, advice or concepts</li> </ul>	<ul style="list-style-type: none"> <li>Communicates in a way that is easily understood by others</li> <li>Listens to feedback from individuals and community groups</li> <li>Uses appropriate ways to convey information to diverse audiences</li> <li>Encourages others to communicate effectively</li> </ul>	<ul style="list-style-type: none"> <li>Identifies and engages with hard to reach groups</li> <li>Engages with community leaders on matters of policy</li> <li>Manages within a strategic framework for community involvement ensuring appropriate resources are available</li> </ul>	<ul style="list-style-type: none"> <li>Balances the needs of hard to reach groups with that of the wider community</li> <li>Responds effectively to identified community needs within available resources</li> <li>Predicts future needs of the community</li> <li>Presents logical and well-structured arguments on complex topics to wide audiences, influencing and handling challenges confidently</li> <li>Ensures essential messages passed to elected members appropriately</li> </ul>
<b>M6 Develops talent</b> <ul style="list-style-type: none"> <li>Acquires, applies and provides guidance to others on relevant functional knowledge.</li> <li>Utilises expertise in others effectively</li> <li>Keeps up to date with changes in area of expertise and continuously develops own functional knowledge and skills</li> </ul>	<ul style="list-style-type: none"> <li>Provides regular supervision and appraisal</li> <li>Coaches effectively where appropriate</li> <li>Uses the full potential of staff</li> <li>Seeks out ways to improve own learning and that of others</li> </ul>	<ul style="list-style-type: none"> <li>Promotes a learning culture</li> <li>Ensures the practical resourcing of development across the service</li> <li>Actively supports all appropriate forms of development e.g. mentoring, coaching etc</li> <li>Demonstrates an organised commitment to developing talent</li> </ul>	<ul style="list-style-type: none"> <li>Champions the development of staff</li> <li>Seeks innovative ways to improve learning.</li> <li>Responsive to the development needs of hard to reach groups within the organisation</li> <li>Sponsors effective talent management within division</li> </ul>
<b>M7 Working with partners</b> <ul style="list-style-type: none"> <li>Understands, sets up and manages a</li> </ul>	<ul style="list-style-type: none"> <li>Supports the Council's approach and culture of partnering as a way to</li> </ul>	<ul style="list-style-type: none"> <li>Seeks opportunities for partnering and promotes them to management and</li> </ul>	<ul style="list-style-type: none"> <li>Leads on development of key partnerships where needed</li> </ul>

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<p>variety of ways of delivering service through others, such as procurement, informal and formal partnerships, joint ventures and outsourcing</p> <ul style="list-style-type: none"> <li>Collaborates with external organisations to deliver mutually beneficial outcomes</li> </ul>	<p>improve and deliver services</p> <ul style="list-style-type: none"> <li>Develops working relationships with partners</li> <li>Contributes to development of practices that support partnership working</li> <li>Promotes partnership internally</li> </ul>	<p>others</p> <ul style="list-style-type: none"> <li>Manages and works collaboratively with partners to meet mutual objectives</li> <li>Uses influence and authority to drive partnering activities forward.</li> <li>Negotiates with partners to achieve a win/win solution</li> <li>Looks for opportunities to work with other services</li> </ul>	<ul style="list-style-type: none"> <li>Maintains market awareness of market and possible partnering opportunities</li> <li>Maintains overview of divisional activities and the interactions with partners</li> <li>Seeks strategic partnerships and exploits them to meet Council objectives.</li> <li>Engages the trust and confidence of partners in the achievement of corporate priorities</li> </ul>
<p><b>M8 Solving problems and being creative</b></p> <ul style="list-style-type: none"> <li>Takes appropriate initiatives, anticipates and resolves problems systematically by fact finding, analysis and considering options to come up with realistic and achievable solutions</li> <li>Thinks laterally, using flair and imagination to develop and implement improvements</li> <li>Makes informed decisions, engaging and involving others as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Identifies cause, generates options and makes decisions</li> <li>Encourages discussion and is open to new ways of working</li> <li>Learns from mistakes</li> <li>Provides feedback and encourages others to contribute ideas</li> </ul>	<ul style="list-style-type: none"> <li>Breaks down complex situations into achievable components and effective solutions</li> <li>Demonstrates original thinking to develop ideas</li> <li>Encourages innovation and is open to ideas from all</li> </ul>	<ul style="list-style-type: none"> <li>Makes difficult decisions on strategic/corporate matters and deals with implications with confidence</li> </ul>
<p><b>M9 Strategic working and political awareness</b></p> <ul style="list-style-type: none"> <li>Develops and applies the strategic agenda of the council and/or</li> </ul>	<ul style="list-style-type: none"> <li>Applies corporate governance policies</li> <li>Understands and applies basics of</li> </ul>	<ul style="list-style-type: none"> <li>Manages issues of trust between officers, members and partners</li> <li>Thinks ahead to avoid pitfalls and</li> </ul>	<ul style="list-style-type: none"> <li>Considers wider influences at all times</li> <li>Manages politically sensitive situations with tact and diplomacy, responding to</li> </ul>

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Competency description	Performance criteria within a team	Performance criteria within a service	Performance criteria across a division
<p>service by understanding the bigger picture and through joined up working</p> <ul style="list-style-type: none"> <li>• Understands and manages the expectations of, and is accountable to Councillors and customers</li> <li>• Understands the role of politics and politicians</li> </ul>	<p>officer and member codes of conduct</p> <ul style="list-style-type: none"> <li>• Relates to service and corporate aims of the authority</li> <li>• Ensures activities are within scope of responsibility of position held</li> <li>• Liaises in appropriate and timely ways with colleagues and elected members, to ensure shared and accurate knowledge</li> </ul>	<p>ensure senior mgt. is kept informed</p>	<p>and supporting members</p> <ul style="list-style-type: none"> <li>• Relates to national and local strategic drivers, using these to formulate corporate thinking</li> <li>• Regularly makes effective decisions that involve political considerations.</li> </ul>
<p><b>M10 Project and programme management</b></p> <ul style="list-style-type: none"> <li>• Organises own work and that of others to meet project and/or programme objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Manages small work-based projects</li> <li>• Understands recommended LCC standards for small projects</li> <li>• Plans ahead, taking responsibility through to completion</li> <li>• Sets priorities and allocates tasks to team effectively</li> <li>• Monitors work and progress</li> </ul>	<ul style="list-style-type: none"> <li>• Co-ordinates multiple small work based projects and ensures their effective management</li> <li>• Represents service effectively on programme and project boards</li> <li>• Understands LCC Programme and Project Management standards and ensures these are applied in practice</li> <li>• Deals effectively with problems/obstacles affecting successful completion of projects</li> <li>• Monitors plans and prepared to change direction if needed</li> </ul>	<ul style="list-style-type: none"> <li>• Owns and directs medium and major programmes and projects.</li> <li>• Leads and chairs programme and Project Boards</li> <li>• Understands LCC programme and project management standards and ensures these are applied in practice.</li> <li>• Understands project interdependencies and their impact</li> <li>• Evaluates results and shares learning</li> <li>• Sponsors and leads service and corporate projects</li> </ul>
<p><b>M11 Using technology</b></p> <ul style="list-style-type: none"> <li>• Utilises technology for own work</li> <li>• Supports others in their use of technology</li> <li>• Harnesses the potential of technology to improve service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Guides and trains others on the use of all appropriate technology</li> <li>• Recommends the use of technology to improve service.</li> <li>• Ensures online information is up to date and accurate</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures the strategic application of technology to improve the service</li> <li>• Sets the standard across the service for ICT usage</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures divisional strategies are consistent with ICT standards</li> <li>• Ensures self and HOS are aware of ICT standards</li> <li>• Promotes e-government agenda in organisation</li> </ul>







LG Band	SCP	NJC SCP	Annual £	Monthly £ p	Hourly Rate £ p
1	3	6	£13,614	1,134.50	7.0565*
	4	7	£13,715	1,142.92	7.1088*
	5	8	£13,871	1,155.92	7.1897*
	6	9	£14,075	1,172.92	7.2954
2	7	10	£14,338	1,194.83	7.4318
	8	11	£15,207	1,267.25	7.8822
	9	12	£15,523	1,293.58	8.0460
	10	13	£15,941	1,328.42	8.2626
3	11	14	£16,231	1,352.58	8.4130
	12	15	£16,572	1,381.00	8.5897
	13	16	£16,969	1,414.08	8.7955
	14	17	£17,372	1,447.67	9.0044
4	15	18	£17,714	1,476.17	9.1816
	16	19	£18,376	1,531.33	9.5248
	17	20	£19,048	1,587.33	9.8731
	18	21	£19,742	1,645.17	10.2328
5	19	22	£20,253	1,687.75	10.4977
	20	23	£20,849	1,737.42	10.8066
	21	24	£21,530	1,794.17	11.1596
	22	25	£22,212	1,851.00	11.5131
6	23	26	£22,937	1,911.42	11.8889
	24	27	£23,698	1,974.83	12.2833
	25	28	£24,472	2,039.33	12.6845
	26	29	£25,440	2,120.00	13.1862
7	27	30	£26,293	2,191.08	13.6284
	28	31	£27,123	2,260.25	14.0586
	29	32	£27,924	2,327.00	14.4738
	30	33	£28,746	2,395.50	14.8998
8	31	34	£29,558	2,463.17	15.3207
	32	35	£30,178	2,514.83	15.6421
	33	36	£30,978	2,581.50	16.0567
	34	37	£31,846	2,653.83	16.5066
9	35	38	£32,778	2,731.50	16.9897
	36	39	£33,857	2,821.42	17.5490
	37	40	£34,746	2,895.50	18.0098
	38	41	£35,662	2,971.83	18.4846
10	39	42	£36,571	3,047.58	18.9557
	40	43	£37,483	3,123.58	19.4284
	41	44	£38,405	3,200.42	19.9063
	42	45	£39,267	3,272.25	20.3531
11	43	46	£40,217	3,351.42	20.8455
	44	47	£41,140	3,428.33	21.3240
	45	48	£42,053	3,504.42	21.7972
	46	49	£42,957	3,579.75	22.2658
12	47	50	£44,050	3,670.83	22.8323
	48	51	£45,145	3,762.08	23.3999
	49	52	£46,234	3,852.83	23.9643
	50	53	£47,331	3,944.25	24.5329
13	51	54	£48,523	4,043.58	25.1508
	52	55	£49,721	4,143.42	25.7717
	53	56	£50,910	4,242.50	26.3880
	54	57	£52,107	4,342.25	27.0084
14	55	58	£53,413	4,451.08	27.6854
	56	59	£54,728	4,560.67	28.3670
	57	60	£56,046	4,670.50	29.0501
	58	61	£57,354	4,779.50	29.7281
15	59	62	£58,732	4,894.33	30.4424
	60	63	£60,158	5,013.17	31.1815
	61	64	£61,620	5,135.00	31.9393
	62	65	£63,116	5,259.67	32.7147





Leicester  
City Council

**WARDS AFFECTED**  
**All Wards**

**COUNCIL**

**17<sup>th</sup> MARCH 2016**

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## **INDEPENDENT REMUNERATION PANEL REPORT**

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### **REPORT OF THE DIRECTOR OF DELIVERY, COMMUNICATIONS AND POLITICAL GOVERNANCE**

#### **1. PURPOSE OF REPORT**

To present to Council the final report of the Independent Remuneration Panel (IRP).

#### **2. RECOMMENDATIONS (OR OPTIONS)**

Members are recommended to:

1. consider the content and recommendations of the Independent Remuneration Panel's Report on Members' Allowances.
2. Indicate the extent to which they wish to adopt or otherwise amend the proposals to formulate the revised Members' Allowances Scheme for the period 2015/16 to 2019/20 utilising the indexing specified in the Independent Remuneration Panel's report.
3. If minded to adopt the recommendations contained within the Independent Remuneration Panel report, to approve an implementation date of the provisions of 1 April 2016.

#### **3. REPORT**

##### **3.1. Background**

Under the Local Authorities (Members' Allowances) (England) Regulations 2003 (section 19.1), all councils must make a scheme providing for the payment of allowances to Members (ie Councillors and Elected Mayors) and before a Council makes or amends such a Members' Allowances Scheme, it must publish and have regard to a report and recommendations made by its statutory Independent Remuneration Panel (IRP).

Section 21 of the Regulations defines that the IRP report must make recommendations on the responsibilities or duties in respect of:

- special responsibility allowance (SRA);
- travelling and subsistence allowance; and

- co-optee's allowance
- the amount of such allowances and the amount of basic allowance;
- whether dependent carers' allowance should be payable and the amount;
- whether payments can be backdated when a scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made and;
- whether changes to allowances are decided according to an index and, if so, which index and for how long that index should apply, (a maximum of four years), before its application is reviewed.

At the Council meeting on 8 October 2015 it was agreed to set up an IRP to conduct a review for Leicester. The IRP invited views from all elected Members and undertook a series of meetings and has now presented its final report (attached at Appendix A). A summary of the representations and evidence received by the IRP is detailed in the IRP report and its appendices.

The determination of the Council's Scheme of Members' Allowances is a matter reserved to full Council. The Independent Remuneration Panel's report is such that its contents and recommendations can, if the Council so wishes or subject to any variation Council may decide, form the Members' Allowances Scheme for the current Municipal year. A draft Members' Allowances Scheme in those terms is, therefore, also attached at Appendix B.

### **3.2 Publicity for the Recommendations of the Panel**

As required Local Authorities (Members' Allowances) (England) Regulations 2003 in addition to publishing the report on the Council's website ([www.leicester.gov.uk/allowances](http://www.leicester.gov.uk/allowances)), a copy was made available in the Council's Customer Services Centre on Granby Street and a notice placed in the Leicester Mercury (7 March 2016). As the IRP is independent of the Council, officers are unable to respond to comments concerning the report. However an email address has been created [allowances.review@leicester.gov.uk](mailto:allowances.review@leicester.gov.uk) and members of the public have been requested to forward any comments to this email address by 5pm on 16 March 2016 in order to allow comments to be collated and made available to Members at this meeting.

### **3.3 Context**

The last IRP held by Leicester City Council was in 2011 with the findings reported to the meeting of Council held on 29 March 2012 (min 46 refers). Since that time a number of changes have occurred in the context of Members Allowances.

As referred to in the IRP report the Panel were asked to consider its recommendations in the light of the Council's worsening financial situation. The full financial impact of the changes within the recommendations can be difficult to map accurately as they will reflect individual claims and Council decisions regarding Member positions. For example the impact of changes such as dependent care

allowances will depend on Members personal and professional circumstances and require individual claims. However if the recommendations are implemented as published it will result in an estimated annual saving of around £17,306 against the current budget. Additionally, whilst it is hard to judge the full impact prior to implementation, the recommendations should result in greater efficiencies and a reduction in the level of staffing resource required to administer the allowances scheme.

The report recommends that the basic and special responsibility allowances are indexed to the end of the Municipal year 2019/2020 (ie May 2020) in accordance with the annual percentage pay increase given to Leicester City Council staff which is agreed each year by the relevant national pay body (with other allowances also linked to relevant indices).

As indicated in the IRP report, the link which was created between the City Mayor allowance and an MP's salary by the Council decision of 29 March 2012 (min 46 refers) has broken and as reported to Council on 18 September 2014 (min 29 refers) following a decision by Government in 2014 Elected Members in England are no longer eligible to become members of the Local Government Pension Scheme with membership terminated at the end of the term of office (ie at the City Council elections in May 2015 for Elected Members in Leicester). The option of becoming a member of such a scheme remains open for Councillors in other home nations of the UK and for MPs and Police and Crime Commissioners. As referred to in the report this loss of access to the LGPS represents a major reduction in the benefit available to Members. An illustration of the impact of these changes is shown below:

Role	<b>2012</b> Allowance / salary plus pension benefit	<b>2016</b> Allowance / salary plus pension benefit
MP	£65,738 + £13,411 = <b>£79,149</b>	£74,962 + £9,670 = <b>£84,632 Note (a)</b>
Police & Crime Commissioner	£75,000 + £11,400 = <b>£86,400</b>	£75,000 + £12,525 = <b>£87,525 Note (b)</b>
City Mayor	£65,738 + £11,833 = <b>£77,571</b>	£67,856 + £0 = <b>£67,856 Note (c)</b>
Councillor	£9,829 + £1,769 = <b>£11,598</b>	£10,146 + £0 = <b>£10,146</b>

**Note (a)** - Exchequer's pension contribution for MPs from 1 April 2015 is 12.9%, 11.7% for accruing benefits and 1.2% to fund the deficit and was 29% in 2012, 20.4% for accruing benefits and 8.6% to fund the deficit.

**Note (b)** - The Police and Crime Commissioner role was created in November 2012, but the figures reflect the pension benefit for the full year. The post-holder remains eligible to be a member of the LGPS should they choose to be. The employer contribution to this fund for 2016/17 will be 16.7% and was 15.2 in 2012 (figures taken from The OPCC for Leicestershire Annual Financial report 2012/13).

**Note (c)** –The City Mayor role and Councillors were eligible to be members of the LGPS and in 2012 the employer contribution rate was 18%. Legislation removed the ability for elected members including the City Mayor to be in the LGPS from 2014.

The Panel recommends that the current Members' Support Package arrangement comes to an end and is replaced by a flat-rate Telecommunications & Support package which would cover all of the aspects previously covered by the Support Package.

The current Support Package is a covering term for a range of claimable allowances including home phone, broadband and other costs. Items purchased under the Support Package remain the property of the Council and ownership does not pass to the Member. The Panel noted in the report that the amounts and nature of the package reflect the potential costs when the Support Package was last reviewed, (drawing attention to evidence identifying changes in home broadband costs), and the costs in staff time of administering a complicated claims based system (and thus the burden on Members in making claims). This complexity is perhaps also reflected in the wide variation in take up of aspects of the Support Package by Members.

The Telecommunications & Support Package as proposed would be available at the same rate to all Members and remove the need for claims to be made and processed and define a maximum ceiling of costs to the Council at a lower level than if the full amounts as defined in the current support package were claimed.

### **3.4 Implementation**

Should an implementation date of 1 April 2016 be agreed it is anticipated that following that date Members will be allowed 90 days to submit any claims for expenses covering the period up to and including 31 March 2016.

## **4. FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

### **4.1. Financial Implications**

The annual budget for Members allowances covered by the IRP for 2015/16 was set at £1,129,700. If the proposals are accepted as detailed within the report the anticipated cost of the proposals (calculated as if over the full Municipal year 2015/16) is £1,112,394 giving a saving of £17,306 against the 2015/16 budget.

The report recommends that Allowances are indexed to the end of the Municipal year 2019/20 to pay awards received by local authority staff. Assuming there is no further change to allowances in that period and that the Council's financial position allows inflation rating of budgets it should mean that the £17,000 annual saving is maintained.

Colin Sharpe  
Head of Finance

#### **4.2 Legal Implications**

The 2003 Regulations are cited in Section 3 of this report and this appropriately covers the statutory requirements to commission a Panel, publish its report, have due regard to its recommendations and formulate a Scheme. The contents of the final Scheme itself is for Council to decide. Regulation 10 makes provision for the approved Scheme to allow for 'indexing' for a period of four years before such time as a new Panel will have to be re-commissioned to consider Allowances afresh.

Kamal Adatia  
City Barrister and Monitoring Officer

#### **4.3 Climate Change**

There are no climate change implications associated with the report.

Louise Buckley  
Senior Environmental Consultant – Climate Change

### **5. OTHER IMPLICATIONS**

<b>OTHER IMPLICATIONS</b>	<b>YES/NO</b>	<b>Paragraph References Within the Report</b>
Equal Opportunities	n	There are no specific implications relating to this covering report. The IRP report identifies the key principles taken into account in paragraphs 12 - 20 of the report.
Policy	n	
Sustainable and Environmental	n	
Crime and Disorder	n	
Human Rights Act	n	
Elderly/People on Low Income	n	
Corporate Parenting	n	
Health Inequalities Impact	n	

### **6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972**

None

### **7. CONSULTATIONS**

Kamal Adatia, City Barrister & Monitoring Officer

### **8. REPORT AUTHOR**

Miranda Cannon  
Director of Delivery, Communications & Political Governance





## **A Review of Members' Allowances**

**For**

**Leicester City Council**

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**A Report by the  
Independent Remuneration Panel**

**Dr Declan Hall (Chair)**

**Dennis Allum**

**Lee Barron**

**Stephanie Brown**

**Andrew Watterson**

**March 2016**

## Foreword

This latest review of the Leicester City Council Scheme of Member Allowances has taken place against a background of the need for all local authorities to continue to find savings. This fact has been recognised in the remit given to the Panel in that it has been specified in the terms of reference that there will be "a general expectation that the recommendations will be met within the existing budget envelope available."

It has therefore been of paramount importance for the Panel to avoid any recommendations which would make it even more difficult for the Council to manage within its limited resources. Our recommendations on the Basic Allowance and Special Responsibility Allowances in particular reflect the limited scope for change available to us.

Despite this narrow remit the Panel has sought to simplify Members Allowances and support in order to make them more transparent by moving away from an outdated and administratively burdensome expenses culture towards one that the public can more readily understand and which the Panel is keen to stress, if adopted, would yield savings, particularly in relation to administrative costs.

It is acknowledged that Allowances serve to support the roles and responsibilities undertaken by Members and, should these be seen as a barrier to public service, then the Panel is failing in its core objective. This is brought into relief when considering that most Members' Allowances have been frozen since 2010 and the fact that built into the Basic Allowance is the concept of public service, i.e. not all a Members' workload is remunerated.

In addition, the withdrawal by Government in 2014 of the ability of Members to participate in the Local Government Pension Scheme (LGPS) means that Members now have to make their own pension provision. The impact of the loss of access to the Scheme is significant for Members both in terms of access to a statutorily guaranteed scheme and future remuneration. This can affect an individual's decision of whether to devote time to Council work at the expense of employment that offers access to the benefits of an employer pension. This applies particularly to those senior members where their role, including the City Mayor, requires a full-time commitment.

As such the Panel's recommendations may well have been different if we had a blank sheet of paper to start from. Allowances for Leicester Members have not kept pace with changes to modern ways of working or the demands of the Executive Mayor form of governance. We remain mindful of the fact that the previous report, due to the controversial nature of the recommendations, was rejected in its entirety. To make changes to the Scheme to adequately reflect this shifting emphasis however means that money will in time have to come from somewhere else within the Scheme. Thus the Panel hopes that this more moderate approach, which can be built upon by subsequent panels in light of the rolling out of Combined Authorities and local government devolution, is a first step in arriving at a Leicester City Council Members' Allowances Scheme that better reflects the changed circumstances.

Finally the Panel is keen to emphasise its independence, none of the Panel Members have any direct association with the Council and all apart from the Chair (whose role was to take the lead in relevant Panel preparation, research and the writing of this report) were not remunerated by the Council<sup>1</sup>.

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<sup>1</sup> See Appendix 1 for any declarations of interest by Panel Members

## EXECUTIVE SUMMARY

Schedule of Allowances	Nos. Rec'd	Recommended 1 April 2016	Recommended Total per Member	Recommended Sub Total
<b>Basic Allowance<sup>2</sup></b>	55	£10,146		£558,030
<b>Special Responsibility Allowances - Executive</b>				
City Mayor	1	£57,710	£67,856	£57,710
Deputy City Mayor	1	£40,747	£50,893	£40,747
Assistant Mayors Band I <sup>3</sup>	6	£16,997	£27,143	£101,982
Assistant Mayors Band II	1	£13,597	£23,743	£13,597
Assistant Mayors Band III	1	£10,198	£20,344	£10,198
<b>Scrutiny</b>				
Chair Overview Select Committee	1	£9,613	£19,759	£9,613
Vice Chair Overview Select Committee	1	£2,403	£12,549	£2,403
Chairs Scrutiny Commissions	7	£8,011	£18,157	£56,077
Vice Chairs Scrutiny Commissions	7	£2,003	£12,149	£14,021
<b>Regulatory</b>				
Chair Planning & Development Control	1	£8,011	£18,157	£8,011
Vice Chair Planning & Development Control	1	£2,003	£12,149	£2,003
Chair Licensing & Public Safety	1	£8,011	£18,157	£8,011
Vice Chair Licensing & Public Safety	2	£2,003	£12,149	£4,006
Chair Audit & Risk	1	£5,874	£16,020	£5,874
Chair Standards	1	£2,857	£13,003	£2,857
<b>Group Positions</b>				
Minority Group Leader	0	£1,068 + £267 p/mbr	£1,068 + £267 p/mbr	£0
Majority Group Whip	1	£8,011	£18,157	£8,011
<b>Sub Total -- Basic Allowance</b>	<b>55</b>			<b>£558,030</b>
<b>Sub Total -- SRAs</b>	<b>34</b>			<b>£345,121</b>
<b>Sub Total -- Total BA + SRAs</b>				<b>£903,151</b>
<b>Civic Allowances</b>				
Lord Mayor	1	£16,556	£26,702	£16,556
Deputy Lord Mayor	1	£5,073	£15,219	£5,073
High Bailiff	1	£1,775	£11,921	£1,775
<b>Sub Total -- Civic Allowances</b>				<b>£23,404</b>
<b>Co-optees' Allowances</b>				
Standards	5	£508	£508	<b>£2,540</b>
Children, Young People & Schools Scrutiny	3	£508	£508	<b>£1,524</b>
<b>Sub Total -- Co-optees' Allowance</b>	<b>8</b>			<b>£4,064</b>
<b><u>Total</u></b> <b>(BA + SRAs + Civic + Co-optees)</b>				<b>£930,619</b>

<sup>2</sup> In accordance with legislation for the purposes of Allowances the City Mayor is counted as a Councillor.

<sup>3</sup> For the costing purposes this assumes six Assistant Mayors at Band I, one Assistant Mayor at Band II and one Assistant Mayor at Band III. It will be for the City Mayor to allocate Assistant Mayors to the relevant bands.

**The Panel also recommends:****Extending the 1-SRA only rule**

The Council adopt an across the board '1-SRA only' rule, in that regardless of the number of remunerated posts a Member may hold (including Civic posts) they are only able to receive 1 SRA (including Civic Allowances).

**The In-Council Travel & Subsistence Allowance**

There is no change to the annual £1,205 In-Council Travel and Subsistence Allowance.

**The Out of Council Travel & Subsistence Allowance**

The conditions and maximum rates under the Out of Council Travel and Subsistence Allowance are maintained.

**The Dependants' Carers' Allowance (DCA)**

The DCA is maintained but changed to specify that the weekly cap be set at 20 hours per week. In addition, that in the statutory annual publication of allowances and expenses received by Members of Leicester City Council that a separate column for the DCA is added to distinguish any claims made under this allowance from other expenses claims.

**Telecommunications and Support Allowance**

The current Support Package is discontinued from 1 April 2016 or any date thereafter the Council decide to implement the new scheme and replaced with a Telecommunications and Support Allowance paid to all Members at £25 per month as a contribution to Council related costs for use of telecommunications at a Members' home (including any private mobile phone costs) and miscellaneous items which a Member feels necessary to support their role as an elected Member.

The Panel also recommends that the current direct provision of a standard Council contracted mobile phone/call package and standard specification ICT package is maintained.

**Issues arising - Severance**

The Panel explored this issue but was advised that there is no provision in the 2003 Regulations to make such payments. Therefore the Panel is making no recommendation regarding severance payments for Members.

**Confirmation of indexing**

The following allowances are indexed for 4 years from 2016/17 to 2019/20 the maximum period permitted by legislation, without reference to the Panel as follows:

- **Basic Allowance, SRAs, Co-optees, Civic Allowances and the Telecommunications and Support Allowance:** updated annually in line with the annual percentage pay increase given to Leicester City Council

employees (and rounded to the nearest £ as appropriate) as agreed for each year by the National Joint Council for Local Government Staff

- **Out of Council area Mileage Allowance:** indexed to the HMRC AMAP (Authorised Mileage Allowance Payments) approved mileage rates.
- **Out of Council area other travel and subsistence:** reimbursement of actual costs taking into account the most cost effective means of transport and/or accommodation available and the convenience of use with the maximum rates indexed to the same periodic percentage increase that may be applied to Officer Travel and Subsistence Allowances.
- **Dependants' Carers' Allowance:** the maximum hourly rates to be indexed to the government's national living wage applicable to the age of the carer (childcare) and Council's own hourly rate for a Home Care Assistance (care of other dependants).

The Panel is not recommending that the In-Council Travel and Subsistence Allowance is indexed.

### **Implementation**

The new scheme of allowances based on the recommendations contained in this report is adopted from 1 April 2016 or any date thereafter as agreed by the Council.

# **Independent Remuneration Panel: A Review of Members' Allowances**

**For**

**Leicester City Council**

**March 2016 Report**

## **Introduction: The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel ('IRP' or 'Panel') appointed by the Leicester City Council to advise the Council on its Members' Allowances Scheme.
2. *The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) (the 2003 Regulations). These regulations, arising out of the relevant provisions in the Local Government Act 2000, require all local authorities to maintain an independent remuneration panel to review and provide advice on the Council's Members Allowances. This is in the context whereby full Council retains powers of determination in setting Members' Allowances, including both levels and scope of remuneration and other allowances/reimbursements.*
3. In particular the Panel was convened in accordance with a resolution adopted by Council on 8 October 2015 in which it was agreed to hold a full review to report back to Council<sup>4</sup>.

## **Terms of Reference**

4. The Panel was given the following terms of reference, namely to make recommendations on:
  - I. The amount of Basic Allowance that should be payable to elected Members and the expenses it should include

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<sup>4</sup> The Council report in October originally gave a completion date of January 2016 but in additional recommendations the Council acknowledged that the requirement to appoint 'citizen' representatives to the Panel would delay completion of review to a revised date.

- II. The categories of Members who should receive a Special Responsibility Allowance (SRA) and as to the amount of such an allowance
- III. Those Co-optees who should receive a Co-optees' Allowance and as to the amount of such an allowance
- IV. The Civic Allowances
- V. The scope and level of travel and subsistence allowances and the terms and conditions by which this may be paid
- VI. The scope and level of the Dependents' Carers' Allowance
- VII. Arrangements for addressing other Council related costs including telecommunications and provision of other items necessary to support Members in carrying out their roles and which are currently provided via a 'support package'
- VIII. The application of indices to allowances payable and if so what the relevant indices should be
- IX. The implementation date for the new Schemes of Members' Allowances
- X. Any other issues that are brought to the Panel's attention

In undertaking the review, the Panel would be expected to take into account

- Allowances schemes from authorities that are comparable to Leicester City Council which may include other mayoral authorities (principal councils), CIPFA Near Neighbours and other unitary councils of similar size and characteristics in the East Midlands
  - The views of Members, both written and oral
  - Any other consideration as directed by the Council or brought to the Panel's attention through Member representations
  - Any other matters that the Council obliges the IRP to take into account
  - The current financial constraints facing the Council and a general expectation that the recommendations will be met within the existing budget envelope available
5. To ensure that the Panel operated effectively with mutual trust and in a way that secured and maintained public confidence in its impartiality, the Panel members agreed to adhere to a protocol proposed by the Director of Delivery, Communications and Political Governance<sup>5</sup>.



## **The Panel<sup>6</sup>**

6. Leicester City Council reconvened its Panel and the following Members were appointed to carry out the independent review of allowances, namely:
  - Dr Declan Hall (Chair): Formerly an academic at the Institute of Local Government, The University of Birmingham, now an Independent consultant specialising in Members Allowances and support with extensive experience of reviews across the United Kingdom
  - Dennis Allum: A resident of Leicester, recently retired and formerly a marketing and financial services professional and currently represents England Hockey on their Safeguarding Panel (a citizen appointment)
  - Lee Barron: Regional Secretary Midland Trade Unions Congress (TUC) and a former Councillor with Northampton Borough Council
  - Stephanie Brown: Recently retired Chair of the Leicestershire and Rutland Magistrates Bench. President of the Board of Trustees of Leicester Children's Holiday Centre (Mablethorpe). Formerly a local business woman.
  - Andy Watterson: Business Lead & Business Crime Manager, East Midlands Chamber of Commerce (Derbyshire, Nottinghamshire, Leicestershire) and also a Member of Chesterfield Borough Council IRP
7. Logistical and practical support to the Panel was provided through John Thorpe, Democratic & Members Support Manager at Leicester City Council.

## **Process and Methodology**

### **Evidence Reviewed by the Panel**

8. The Panel met at the City Hall, Leicester, on 12 and 20 January 2016 and 2 February 2016 to consider the evidence and hear representations, including factual briefings on the Council by Officers. All Members were invited to make written submissions to the Panel and all Members who wished to meet with the Panel were accommodated as far as practically possible. The Panel also reviewed relevant written information, such as council and committee

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<sup>5</sup> See Appendix 2 for further details

<sup>6</sup> Marc Crisp, a Leicestershire Police Officer (and citizen appointment) was required to withdraw from the Panel as he was advised by the Police Professional Standards in Leicestershire there are restrictions put on Police Officers as Crown Servants.

meetings schedules, benchmarking data, statutory guidance, etc<sup>7</sup>. The Panel meetings were held in private session to enable it to meet with Members and Officers and consider the evidence in confidence.

### **Benchmarking: Elected Mayors and English Unitary Councils**

9. In accordance with the factors the Panel was asked to take into account in making recommendations regarding its terms of reference, the Panel has benchmarked the scope and levels of allowances paid to Leicester Councillors and City Mayor. Specifically, the Panel benchmarked against two groups of councils:
  - Elected Mayors: The allowances paid (2015/16) in the 12 principal councils in England with an elected Mayor form of executive governance. These councils formed the core benchmarking group in that they are the most similar in size, functions and governance model to Leicester and therefore are the most relevant comparators for comparing remuneration of similar roles and responsibilities
  - National: All unitary councils in the CIPFA Democratic Services Benchmarking Club – 26 in total (2014/15)
10. While it can be difficult to make systematic comparisons consistently, the Panel has undertaken benchmarking, where relevant figures can be obtained, against these two groups of councils to provide a more balanced perspective.<sup>8</sup>
11. The Panel has not been driven by Allowances paid across the comparator authorities but it was concerned to understand how the issues under review have been addressed elsewhere, i.e. what is the most common and good practice. Moreover, it was important to place the Leicester City Council Allowances Scheme in a comparative perspective. Leaving aside the fact that this only gives relative values and is less of a guide to the real worth of a councillor's work it informs elected Members on the wider picture, underlining some of the anomalies in the Leicester model of remuneration and support.

### **Principles and Key Messages**

12. To ensure that its recommendations are on a sound footing the Panel adopted a number of common principles of remuneration. By bearing these principles in mind the Panel has sought to bring consistency and robustness to its recommendations.

### **Transparency**

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<sup>7</sup> See Appendices 3 & 4 for further details on the range of written evidence considered and list of Members who made representations to the Panel.

<sup>8</sup> See Appendix 5 for more details.

13. Members' allowances and support should be transparent in that the basis of remuneration and support should be understood by both Members and Officers and importantly, the public. In addition the allowances and support that Members receive should be apparent and readily understood by both Members and the public.

### **Straightforward to administer**

14. Members' allowances and support should not be administratively burdensome to claim by Members nor costly to manage.

### **Equity**

15. Members' allowances and support should be fair in that it provides a degree of recompense for workload and responsibility yet not create too many differentials in remuneration. Allowances should also be equitable when compared to peers in the two groups of council utilised for benchmarking purposes.

### **Accountability**

16. It is important in the post MPs expenses fiasco that Members are able to give account of their remuneration and support. Public perception should not be negative. As Members ultimately determine their own allowances and support, on advice from the Panel, they should be able to justify to the public their remuneration and support in terms of their own workloads and responsibility and in a comparative context.

### **Reduce barriers to public service**

17. In setting remuneration and support for employees a standard principle is that it should encourage recruitment and retention. Indeed, one of the themes emerging from the representations made to the Panel was that the allowances payable under the current Leicester City Council Members' Allowances Scheme does not fully compensate the work and responsibilities undertaken by Members and are insufficient, for most Members, to live on. The policy intention behind the requirement to establish a Members' Allowances scheme for all English councils is to enable and facilitate Members' roles and responsibilities as far as practically possible while taking into account such factors as the nature of the council, local economic conditions and good practice. Thus the Panel has sought to recommend a scheme that seeks to minimise financial barriers to public service so as to enable a wide range of people to become a Councillor without incurring undue personal financial cost.
18. Thus, members' allowances schemes are not intended to 'attract' candidates for Council. Members' allowances were never intended to be paid at full 'market rates.' They would have to be at a level so high as not to be publically acceptable or in accordance with the terms of reference. Moreover, the Panel (and a number of interviewees) were not at ease with the concept of using allowances to 'attract' candidates for council - if elected Members were standing for and remaining on the Council due to financial appeal it would run contrary to the public service ethos. The desire to serve local communities and residents is the prime motive for being a Councillor. For Members,

remuneration should not be seen as a driver in citizens putting themselves forward to stand for council, as it negates the public service principle that is inherent in a Member's role. Yet, nor should remuneration be at a level that excludes many underrepresented groups from standing for Council because it would impose undue financial pressures on them. Moreover, if the Panel was to recommend 'market rates' it would cut against the principle of value for money (see below) and be at such a level it would be hard to justify in a comparative context.

19. As such the Panel is keen to ensure that allowances and support enable Members and potential Members to undertake their duties without having to personally subsidise their public service.

### **Value for Money**

20. This principle has already been put in place by the Council's terms of reference for the Panel in that it has been asked to take into account the current financial constraints facing the Council and a general expectation that the recommendations will be met within the existing budget envelope available. In addition, this principle is built into the process by legislation. It is also an underlying principle enunciated in the Council's Pay Policy Statement (2015/16) for Officers. Moreover, the Panel is the means by which periodic public scrutiny is brought to bear on Members' allowances and support. It is incumbent upon the Panel to ensure that its recommendations represent value for money.

### **Putting the review in context - addressing anomalies**

21. In making its recommendations the Panel has had to balance these principles but the overriding fact is that they had to be within the current budgetary provisions. While a case may be made to fundamentally revise some of the current allowances the reality is at this stage it is not in a position to do so. For the Panel to significantly increase any allowances means it would have to find compensating decreases elsewhere.
22. Nonetheless, there are a number of significant contextual issues the Panel has taken into account, namely,
  - Most allowances have remained frozen since 2010.
  - Since April 2014, Members, where applicable, now have to fund their own pension provision - a cost that falls disproportionately on those who are deemed to be in full time roles.
  - The Support Package available to Members is no longer fit for purpose both in terms of how it is delivered and scope of provision.
23. This context has informed the key recommendation of the Panel and its conclusion that at this stage the principal function of the review is to recalibrate and update allowances so they do not fall behind peers. It has done this primarily by applying an index to the main allowances. - see below for further details. The Panel has also made other recommendations where

there are anomalies that need addressing rather than a fundamental restructuring of the allowances scheme.

## Recommendations - the Basic Allowance

### Indexing the Basic Allowance

24. The basis of the current Basic Allowance goes back to the 2007 Review which recommended it be set at £9,500, which the Council accepted. By 2010 it had increased to its current level through indexation. The 2011 Review recommended that the Basic Allowance be increased to £12,000, including all in-council travel and subsistence and a contribution to phone and IT support costs. This was rejected by the Council. As with most allowances the Basic Allowance has remained frozen as the Council did not re-adopt indexation after the 2011 review and the Basic Allowance has started to lag behind peers.
25. Benchmarking shows that the mean Basic Allowance in the mayoral principal councils is £9,966, with a median Basic Allowance of £10,172 which in this instance is a more accurate measure due to a very low Basic Allowance in Middlesbrough. The CIPFA Democratic Services benchmarking club survey of 26 English unitary councils (2014/15) shows that the mean Basic Allowance was £10,293 - see table 1 below. Nonetheless, it does show that the Leicester City Council Basic Allowance (£9,829) is now at the lower end of the average range paid to peers<sup>9</sup>.

**Table 1: Benchmarking the Basic Allowance**

Benchmarking Group & Year	Measure	Basic Allowance
12 Principal Mayoral Authorities (15/16)	Mean	£9,966
12 Principal Mayoral Authorities (15/16)	Median	£10,172
CIPFA Democratic Services BM Club (14/15)	Mean	£10,293

26. This on its own is not necessarily a sufficient reason to recommend an increase to the Basic Allowance but in the context whereby it has been frozen since 2010 and extra costs imposed on eligible Members through closure of the LGPS scheme in 2014 then the case for revision becomes more compelling.
27. It is now common practice for councils, in accordance with the 2003 Regulations (10.4), to apply the NJC index to their allowances for the permitted four years. It was also a recommendation from the previous review and if the Council had applied the recommended indexation, namely the same percentage annual salary increase that staff have received since 2011, as

<sup>9</sup> This comparison does not take into account the various support arrangements that benchmarked councils may or may not provide to Members. It is difficult to take Member support into account for benchmarking purposes as the full range of support is not always listed in published allowances schemes in other authorities.

agreed each year by the National Joint Council for Local Government Staff (the 'NJC' index) it would produce a Basic Allowance of £10,146 - see table 2 below:

**Table 2: Applying the NJC Index to the Basic Allowance**

Applicable year	NJC index	Indexed Basic Allowance
2010/11	0%	£9,829 - no change
2011/12	0%	£9,829 - no change
2012/13	0%	£9,829 - no change
2013/14	0%	£9,829 - no change
2014/15	1%	£9,927
2015/16	2.2%	£10,146

28. A Basic Allowance of £10,146 arrived at through applying the NJC index meets a number of the Panel's guiding principles:

- Transparency: the basis of the increase is based on publically available information and readily understood
- Equity: it treats Members and Officers equally
- Accountability: it is readily defensible and robust in that it is less than actual cost of living increases since 2009
- Value for money: the indexed Basic Allowance is in line with the averages of the benchmarking groups of councils.

29. **The Panel recommends a Basic Allowance of £10,146.**

### **Recalibrating the Basic Allowance in line with the 2006 Statutory Guidance**

30. In arriving at recommendations the Panel is required to pay regard to the 2006 Statutory Guidance. In considering the Basic Allowance the Guidance (paragraph 67) states:

Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated.

31. The Statutory Guidance (paragraphs 68-69) expands on the above statement by breaking it down to three variables - time, public service and worth of remunerated time.

### **Time to fulfil duties for which the Basic Allowance is paid**

32. The Basic Allowance is primarily a time-based payment (see 2006 Statutory Guidance paragraph 10). It is paid to compensate for workload. Obviously Members work in different ways and have varying commitments and the time

spent on council duties varies. Yet, the Basic Allowance is a flat rate allowance that must be paid equally to all Members so the time assessment is typically taken as the average to carry out all those duties for which the Basic Allowance is paid, including preparing for and attending meetings of the Council and its committees/panels (formal and informal), addressing constituents' concerns, representing and engaging with local communities, external appointments and other associated work including telephone calls, emails and meetings with Officers.

33. The most up to date information available on what is a reasonable time expectation for which the Basic Allowance is paid comes from the 2013 Councillors Census. In data supplied to the Chair of the Panel from the Local Government Association, it showed that Councillors in unitary councils who held "no positions" of responsibility put in on average 21.6 hours per week "on council business"<sup>10</sup>. For the purposes of recalibrating the Basic Allowance in line with the 2006 Statutory Guidance the Panel has equated this to 2.7 days per week or 140.4 days per year based on an 8 hour working day as the expected time input from Members for their Basic Allowance.
34. The Panel recognises that based on the representation received some Members who hold no positions do put in more than the equivalent of 2.7 days per week. However the point is that the Panel is explicitly recognising that being an elected Member is not required to be full time, indeed there is no legislative basis for such a view, and the Basic Allowance is not designed to support full time Members at this level.

### **The Public Service Discount (PSD)**

35. The Public Service Discount (PSD) recognises the principle that not all of what a Councillor does should be remunerated – there is an element of public service. Typically, this voluntary principle is realised by discounting an element of the expected time inputs associated with the Basic Allowance. The normal range for this public service discount is between 33% - 40%, largely on the basis this is broadly in line with the proportion of time backbenchers spend dealing with constituents, surgeries and general enquiries from citizens. The Panel has opted for the most common level of voluntary discount of 35%.
36. Thus, of the expected time input of 140.4 days per year 35% of that time, or 49.14 days per year are deemed to be public service and not paid, leaving 91.26 remunerated days per year.

### **The rate for remuneration**

37. The rate for remuneration used in 2003 to arrive at a Basic Allowance was based on the East Midlands male non-manual gross daily salary, which in turn was a regional version of an advisory day rate published by the LGA to assist

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<sup>10</sup> Information based on National Census of Local Authority Councillors 2013 (LGA), breakdown of weekly hours by councillors by number of positions held and type of council, in email from S. Richards, LGA 1 October 2014.

IRPs and by 2011 it was over £150 per day. However, the LGA has since stopped issuing this advice as Panels switched to a rate of remuneration that most closely reflected the typical earnings of Members' constituents. The reason for the switch was one of data availability: the Office of National Statistics started to collect and publish data on average earnings on a council by council basis about 5 years ago in its Annual Survey of Hours & Earnings.

38. In 2015 the mean gross daily salary for all full time employee jobs within the area of the Leicester City Council was £111.16<sup>11</sup> as published by the Office of National Statistics (ONS) in its Annual Survey of Hourly Earnings (ASHE - 2015). Thus, the Panel has reset the rate for remuneration at £111.16 per day.
39. If the Panel updated the variables to arrive at the Basic Allowance as set out in the Statutory Guidance to take into account the most recent data available it gives the following values:
- Time required to fulfil duties: 140.4 days per year (2.7 days per week)
  - Public Service Discount: 35% (49.14 days)
  - Rate for Remuneration: £111.16 per day
40. By following the methodology as set out in the 2006 Statutory Guidance with the updated variables it produces the following recalibrated Basic Allowance:
- 140.4 annual days minus 35% PSD multiplied by £111.16 per day = £10,144.
41. Although this recalibrated Basic Allowance is not exactly equal to the recommended Basic Allowance (£10,146) it is close enough to make no difference. Moreover, it makes clear to both Members and the public the basis of the recommended Basic Allowance that is in line with the 2006 Statutory Guidance.

### **Special Responsibility Allowances - the City Mayor's SRA**

42. The City Mayor's role appears to have changed the most since the last full review. It remains a full time role. Devolution and the proposed Combined Authority have put greater pressure on the City Mayor and will continue to do so. There has also been a Leicester City Council specific reform - as agreed by Council on 4 August 2011 the post of Chief Executive was abolished, with the City Mayor, taking on the responsibility for setting the major policy and executive decision making. The City Mayor has become 'more hands on', more so than a typical elected Mayor.
43. The current remuneration of the City Mayor (SRA of £55,909 and Basic Allowance of £9,829) was set following the 2011 review with reference to the salary of a backbench MP. Indeed a strong case can be made that the City

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<sup>11</sup> See ASHE, 2015, Table 7.1a - Mean weekly pay - gross - for full time employee jobs in area of Leicester City Council, which is £555.80 and divided by 5 working days equals £111.16 per day.



Mayor exercises more responsibility than any backbench MP. Basing an elected Mayor's remuneration to an MP's salary is a common approach as benchmarking (15/16)<sup>12</sup> shows

- Mean Mayor's SRA - 12 Principal Mayoral Authorities: £59,604
- Median Mayors SRA - 12 Principal Mayoral Authorities: £58,157

44. However, this link to MPs salaries cannot be maintained due to external forces and the need to keep within the current financial envelope given to the Panel. Consequently, the Panel has decided to apply the same index to the City Mayor's SRA that was applied to arrive at the recommended Basic Allowance, namely the NJC index 2014-16, 1% + 2.2%. This still leaves the SRA for the City Mayor less than that paid to peers and less in total than the salary (£75,000) of the Police and Crime Commissioner for Leicestershire.
45. **The Panel recommends that the elected Mayor's SRA for 2015/16 should be £57,710.**

### Deputy City Mayor

46. The current SRA for the Deputy City Mayor is £39,909 whereas in the comparator group of principal mayoral councils the mean SRA for Deputy Mayors is £24, 209 - see appendix five. However, in Leicester the Deputy City Mayor is explicitly deemed to be a full time role and has acquired a greater range of discrete tasks undertaken at the behest of the City Mayor, such as being on more outside bodies due to the pressures on the City Mayors' role and being Chair of the Health and Wellbeing Board. Therefore, there is a clear and transparent basis for the level of this SRA as being commensurate with that range and breadth of responsibilities. Consequently, the Panel has decided that at this stage to simply apply the NJC index to this SRA.
47. **The Panel recommends that the SRA for the Deputy City Mayor is £40,747.**

### Assistant City Mayors

48. Similarly the Panel has applied the NJC index 2014-16 to the current SRA for the Assistant City Mayors, which equates to £16,997. However while the general assumption is that an Assistant Mayor is a full time role there are times when some portfolios are not as large and carry less responsibility than others. Moreover, in 2015 the City Mayor added two Assistant Mayors to the executive which brought into sharper relief that not all Assistant Mayors have equal remits. Yet, there is no flexibility in the current scheme to differentiate between the different remits of the Assistant Mayors. Consequently the Panel has introduced two lower SRA bands for those Assistant Mayors that are deemed by the City Mayor to have a lesser workload and responsibility than the others. The Bands II and III have been stepped down in increments of 20% of the full SRA (Band I) for Assistant Mayors.

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<sup>12</sup> CIPFA benchmarking did not distinguish between elected Mayors and Leaders SRAs.

49. **The Panel recommends that the SRAs for the Assistant Mayors are banded as follows:**

**Table 3: Recommended SRAs for Assistant Mayors Bands I-III**

Post	Band	SRA	Ratio
Assistant Mayor	I	£16,997	100%
Assistant Mayor	II	£13,597	80%
Assistant Mayor	III	£10,198	60%
The City Mayor will allocate Assistant Mayors to the relevant Band according to responsibility and workloads assigned			

### **Arriving at the SRAs - Chairs of the Scrutiny Commissions**

50. Benchmarking shows that the mean SRA paid to Chairs of equivalent posts in the mayoral authorities is £7,020, whereas in the CIPFA benchmarking group it is £8,495. This led the Panel, in arriving at the recommended SRA for the Chairs of the Scrutiny Commissions, to continue applying the NJC index 2014/16.
51. **The Panel recommends that the SRA for the Chairs of the Scrutiny Commissions is £8,011.**

### **Chair of the Overview Select Committee**

52. There is a case to make a differentiation in the SRA for the Chair of the Overview Select Committee. The Committee has developed into the senior scrutiny and overview committee by virtue of having all the Chairs of the standing committees appointed to it. It organises and agrees the work of scrutiny and the Commissions including agreeing annual work programmes. It has in recent times stepped in to consider high profile cross cutting Executive portfolio issues, such as the budget, capital programme and major capital schemes, e.g., the Council's accommodation strategy, procurement policy and changes relating to corporate wide issues such as ICT. It is also specifically charged with scrutinising the work of the City Mayor and Deputy City Mayor.
53. Benchmarking shows that the Leicester model of overview and scrutiny is not universal, eight out of the 12 benchmarking group of principal mayoral councils have a separate co-ordinating overview committee and six out of those eight councils pay a higher SRA to their Chair than that paid to other scrutiny chairs, with the mean SRA being £12,317. The Panel has not been guided by benchmarking because the workload for the Chair of the OSC is not significantly different from the Chairs of the Scrutiny Commissions. Instead, it has made a marginal differentiation and set the recommended SRA for the Chair of the Overview Select Committee at 120% of the recommended SRA for the Chairs of the Scrutiny Commissions, which equates to £9,613.

54. **The Panel recommends that the SRA for the Chair of the Overview Select Committee is £9,613.**

#### **Chairs of the Planning & Development Control and Licensing & Public Safety Committees**

55. The Panel considered whether there was a case to marginally increase the SRA for the Chairs of the Planning & Development Control and Licensing & Public Safety Committees on the basis that these committees (including sub committees) generally meet more regularly than the Scrutiny Commissions and have a decision making regulatory function. However the Panel decided not to do so as it is not common practice elsewhere and in general the representation received supported the model of a standard SRA for chairs of the main committees. Thus the Panel decided to apply the same (NJC) index it applied to the SRA for the Chairs of the Scrutiny Commissions.
56. **The Panel recommends that the SRA for the Chairs of the Planning & Development Control and Licensing & Public Safety Committees is £8,011.**

#### **Chair of the Audit & Risk Committee**

57. No evidence was received to indicate that the current SRA (£5,691) for the Chair of the Audit & Risk Committee merited revision beyond the application of the NJC index, which places it on a par with peers in the benchmarking authorities, with the mean and median SRA in the mayoral benchmarking group being £5,767 and £6,070 respectively and the mean SRA being £7,100 in the CIPFA benchmarking group.
58. **The Panel recommends that the SRA for the Chair of the Audit & Risk Committee is £5,874.**

#### **Chair of the Standards Committee**

59. Currently the Chair of the Standards Committee receives an SRA of £2,768, whereas in the benchmarking group of mayoral councils the mean SRA for the equivalent post is £1,850 and median SRA is £1,548. This is in a context where only three of the 12 mayoral councils maintain a separate Standards Committee and remunerate its chair. However, the Leicester Standards Committee remains an active committee even after the implementation of the Localism Act 2011 and the Chair merits an SRA. Therefore the Panel has also applied the NJC index to this SRA.
60. **The Panel recommends that the SRA for the Chair of the Standards Committee is £2,857.**

#### **Majority Group Whip**

61. The Leicester Allowances Scheme provides for an SRA (£7,761) for the Majority Group Whip on a par with the SRA paid to Chairs of the main committees. The Panel notes that this post is not usually paid in other authorities, with only four of the 12 mayoral benchmarking councils paying such a post, with the mean being £8,245 and median £7,243. Nonetheless, the Panel notes that the role in Leicester goes beyond the traditional role of whip and is more akin to that of a group business manager. The Panel has decided to maintain this SRA at its current level but subject to the NJC index.
62. **The Panel recommends that the SRA for the Majority Group Whip is £8,011.**

### **Vice Chairs of OSC, Scrutiny Commissions and 2 Main Regulatory Committees**

63. Currently the seven Vice Chairs of the Scrutiny Commissions, two Vice Chairs of the Licensing & Public Safety Committee and Vice Chair of the Planning & Development Control and the Overview Select Committee all receive an SRA of £3,880, which has been determined by setting it at 50% of their respective chair's SRA.
64. The Panel considered whether there was a case to continue paying an SRA to the Vice Chairs of these committees. The Panel was mindful of the 2006 Statutory Guidance (paragraph 72) which states

If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified.
65. In Leicester the majority of Members (34 out of 55) receive an SRA, including the City Mayor. If the Panel was to recommend the discontinuation of SRAs for Vice Chairs it would mean less than half (25 or 45%) of Members received an SRA. Moreover, benchmarking shows it is now uncommon to remunerate Vice Chairs elsewhere. Yet, despite the note of caution from the 2006 Statutory Guidance, the 2003 Regulations do not put any limits on the number of SRAs payable in any single council.
66. The Vice Chairs of the Scrutiny Commissions, as do all three main Regulatory Vice Chairs, attend and contribute to agenda meetings but the commonality appears to stop there. Some on occasion lead scrutiny task groups, but so do other Scrutiny Members. Not all have stood in for their respective chair in recent times nor undertaken other discrete tasks in capacity as a Vice Chair.
67. The Vice Chair of Planning & Development Control does stand in for the Chair on a more regular basis mostly arising when there is a conflict of interest on the part of the Chair e.g. when the Planning & Development Committee is considering an application in the Chair's ward. Licensing has two Vice Chairs but this arises out of the expectation that at least one Licensing Vice Chair, if not chairing a Licensing Enforcement or Hearings Sub Committee, will be sitting on one of these sub committees.

68. More generally the main contribution of Vice Chairs is to support their Chairs as appropriate and act as a sounding board and source of advice. As such the Panel is content that there is a role for Vice Chairs that merits an SRA but their workload and responsibility is demonstratively less than 50% of their respective Chairs. The Panel has reset the Vice Chairs' SRAs at 25% of their Chairs' SRAs.
69. **The Panel recommends that the SRAs for the Vice Chairs of the main committees are paid as follows:**
- **Vice Chair Overview & Select Committee (1):** £2,403
  - **Vice Chairs Scrutiny Commissions (7):** £2,003
  - **Vice Chair Planning & Development Control Committee (1):** £2,003
  - **Vice Chairs Licensing & Public Safety Committee (2):** £2,003

### **Minority (Opposition) Group Leader**

70. Although the SRA, currently £1,035 plus an additional £259 per member, for a Minority (Opposition) Group Leader is not paid as there is no Opposition Group it is incumbent upon the Panel to consider the SRA in the event that there is an Opposition Group before the next review. The Panel received no evidence that the principle of applying the NJC index should not be extended to the SRA for the Minority (Opposition) Group Leader.
71. **The Panel recommends that the SRA for a Minority (Opposition) Group Leader is £1,068 plus an additional £267 per Group Member.**

### **Extending the 1-SRA only rule**

72. The 2003 Regulations do not prohibit the payment of multiple SRAs to Members. However, since SRAs are now often to remunerate full time or close to full time roles and no longer insignificant most Councils have adopted the '1-SRA only' rule. In other words, regardless of the number of remunerated posts individual Members may hold they can only be paid 1 SRA. Out of the other 12 principal mayoral councils the 1-SRA only rule has been adopted in 10 of them and in the other two, Salford and Torbay, the schemes are silent on the subject.
73. Moreover, this cap on the payment of SRAs to Members means that posts are not simply sought out for financial reasons; i.e. collecting remunerated posts does not enhance remuneration. Indeed, the logic of the 1-SRA only rule is that it helps to spread such posts around more. It also makes for a more transparent allowances scheme and acts as a brake on the total paid out each year in SRAs, as in practice it will be highly unusual if all SRAs are paid out annually, resulting in a saving to the Council.
74. Leicester has adopted a version of the 1-SRA rule only by restricting it to 1-SRA per category of post. The exceptions to the 1-SRA only rule per category of post are the Lord Mayor and City Mayor - in these cases the 1-SRA only

rule applies. There is no reason why the 1-SRA only rule should not extend to all remunerated posts as per good practice.

75. **The Panel recommends that the Council implements an across the board (including the Civic Allowance) rule within the Leicester City Council Members' Allowances Scheme so that a Member can receive no more than one SRA.**

### **Co-optees' Allowances**

76. Currently the allowances scheme pays a Co-optees' Allowance of £492 to the five Co-opted Members on Standards and three Co-opted Members on Children, Young People & Schools Scrutiny Commission. Although it is less common to pay Co-optees on Standards a Co-optees' Allowance no evidence was received to suggest this allowance should not also have the NJC index applied.
77. **The Panel recommends that the Co-optees Allowance is £508.**

### **The Allowances for expenses**

#### **The In-Council Travel & Subsistence Allowance**

78. Currently all Members receive £1,205 per year to cover travel and subsistence costs for undertaking in-authority council duties. The advantage of this approach is that it is administratively simple and inexpensive to administer. The disadvantage is that it remunerates Members who may not incur actual in-council travel and subsistence costs up to £1,205 per year, e.g., they live close to City Hall or if they have a travel pass.
79. Since 1 January 2004 Travel and Subsistence has been a discretionary allowance, i.e. it is not a condition of service. Indeed, in the benchmarking group of 12 mayoral councils six do not pay an in-council Travel and Subsistence Allowance, the Basic Allowance being deemed to be inclusive of such costs, five councils retain an in-council Travel and Subsistence Allowance but it is claims-based and one council, Salford, pays an in-council Travel Allowance (claims based) but not an in-council Subsistence Allowance. More generally it is increasingly the practice in relatively compact urban authorities such as Leicester that in-council travel and subsistence costs are deemed to be covered by the Basic Allowance.
80. However, at this stage, the Panel recognises that to change the current arrangements would have implications regarding the administrative burden placed on Members to make and for Officers to process individual travel and subsistence claims or if it was discontinued for in-council duties it could have an equalities impact. Consequently **the Panel recommends no change to the current approach and annual sum of £1,205 in-Council Travel and Subsistence Allowance.** The Panel will explore the issue in more depth during its next review.

### The Out of Council Travel & Subsistence Allowance

81. Currently, Members are required to make claims for Out of Council travel and subsistence costs which are capped at rates specified in part 2 of the allowances scheme. This approach does not impose excessive administrative costs as it is claimed by fewer Members on limited occasions. The Panel received no evidence to change this approach or the rates claimable.
82. **The Panel recommends that the conditions and maximum rates under the Out of Council Travel and Subsistence Allowance are maintained.**

### The Dependants' Carers' Allowance (DCA)

83. The Local Government Act 2000 explicitly clarifies the right of local authorities to pay a Dependants' Carers' Allowance (DCA), which Members can claim to assist in meeting costs for care of their dependants while on approved Council duties. It is an allowance explicitly designed to enable a wider range of candidates to stand for and remain on Council. The Panel notes that the vast majority of councils now pay a DCA.
84. Currently, Leicester City Council pays a DCA to qualifying Members "as a contribution to costs, rather than a full reimbursement". The scheme distinguishes between the different costs of childcare and care for other dependants and caps the hours claimable at ten per week. The Panel supports the continuation of the DCA; it helps to reduce barriers to public service for traditionally underrepresented groups. However, a weekly limit of 10 hours appears to be overly restrictive. An increase in the cap to 20 hours per week is more equitable and closely reflects the average workload of an ordinary Member that was used in arriving at the recalibrated Basic Allowance.
85. **The Panel recommends that the DCA is maintained but changed to specify that the weekly cap be set at 20 hours per week. In addition, it is recommended that in the statutory annual publication of allowances and expenses received by Members of Leicester City Council that a separate column for the DCA is added to distinguish any claims made under this allowance from other expenses claims.**

### Telecommunications and Support Allowance

86. Currently, all Members are provided should they choose it, with a Council contracted mobile phone and a call package for council related calls and standard specification ICT equipment with relevant software and printers. In addition, there is a "Support Package" of up to £1,606 for the first full year after being elected and £801 for the subsequent 3 years. The main purpose of the Members' Support Package is to increase flexibility for Members and support their work as an elected Member appropriate to their personal methods of working and needs. Items and services that can be claimed, with relevant receipts, under the Support Package include:

- Office furniture for home use, including maintenance

- Phone costs
  - Private Landline - annual amount for equipment and line rental plus annual call allowance
  - And/or
  - Private Mobile Phone (if council provided mobile phone not taken up) total monthly cost up to individually agreed limit to cover both line/handset rental and Council-related call charges
- Broadband line rental up to a maximum of £26 per month
- ICT equipment and software over and above the standard configuration
- Other miscellaneous items which can be demonstrated to assist a Councillor in their role as an elected Member subject to agreement with relevant Officer
- Purchase of bicycles to use on Council business

87. The Support Package may score high on flexibility but not on value for money, nor in terms of being straightforward to administer and transparency. Moreover, many of the items and services that can be claimed under the Support Package can no longer be justified. Times have changed and it is now common place that most homes have a landline, mobile phone and broadband. Indeed, the Office of National Statistics Statistical Bulletin "Internet Access - Households and Individuals 2015" Table 24 (5 August 2015) shows that 86% of households in Great Britain had internet access in 2015 up from 9% (UK) in 1998.
88. The point is that for elected Members the cost of council related calls and internet connections on private landlines, mobiles and broadband is marginal as they are items and services that are now commonplace. It is difficult to justify the subsidisation for items and services that the vast majority of people have in the first place, an anomaly that is brought into sharper relief by the administrative burden placed on the Council to implement and monitor the Support Package.
89. Benchmarking is difficult to undertake as many allowances schemes do not specify or clarify the level of direct support or otherwise their Members receive. While it is common to provide ICT support directly it is highly unusual to augment that support with the array of additional support that is provided to elected Members in Leicester.
90. Consequently, the Panel takes the view that the current Support Package is outmoded and does not reflect the widespread take up of such services, the inclusive price packages universally available and developments in technology such as high speed broadband and dual and even triple Sim card mobile phones. Yet, it is acknowledged that there is a cost on Members for use of their private ICT and telecommunications items and services. As such the Panel acknowledges it is equitable for the Council to make a contribution, as in the case of the DCA, to those costs.
91. Consequently, **the Panel recommends that the current Support Package is discontinued from 1 April 2016 or any date thereafter the Council may decide to implement the new scheme and replaced with a Telecommunications and Support Allowance paid to all Members at £25**



per month as a contribution to Council related costs for use of telecommunications at a Members' home (including any private mobile phone costs) and miscellaneous items which a Member feels necessary to support their role as an elected Member.

92. The Panel also recommends that the current direct provision of the Council contracted mobile phone/call package and standard specification ICT package is maintained.

### The Civic Allowances

93. The Civic Allowances are paid under the Local Government Act 1972 (sections 3.5 and 5.4) to meet the expenses of holding the offices of Lord Mayor, Deputy Lord Mayor and High Bailiff. As such, it is not remuneration, although in many authorities it has in effect become a substitute salary, and is why a proportion of the Lord Mayor's Civic Allowance is administered by the Democratic & Members Support Manager to pay on-going direct expenses. In particular the Civic Allowance is designed to meet out of pocket expenses that arise during the course of their duties including *inter alia*

- Offertories at all church and other religious services
- Purchases and donations at bazaars, fairs and fetes
- Appropriate clothing
- Hairdressing, manicure, pedicure, etc
- Cost of hospitalities not administered by the Mayor's office such as dinners organised by local organisations, etc

94. As with the Basic, Special Responsibility and Co-optees' Allowances the Panel has applied the NJC index to the Civic Allowances. **Thus, the recommended Civic Allowances are**

- |                      |                 |
|----------------------|-----------------|
| • Lord Mayor:        | <b>£16,556*</b> |
| • Deputy Lord Mayor: | <b>£5,073</b>   |
| • High Bailiff:      | <b>£1,775</b>   |

**\* It is also recommended that £5,343 of the Lord Mayors' Civic Allowance is administered by the Democratic and Members Support Manager.**

### Issues arising - Severance

95. An issue arising from the representation received by the Panel was that of severance payments for senior Members who were no longer in post. The Panel explored this issue but was advised that there is no provision in the 2003 Regulations to make such payments. Therefore the Panel is making no recommendation regarding severance payments for Members.

## Confirmation of indexing

96. The Panel confirms and recommends that the following allowances are indexed for 4 years from 2016/17 to 2019/20, the maximum period permitted by legislation, without reference to the Panel as follows:
- **Basic Allowance, SRAs, Co-optees, Civic Allowances and the Telecommunications and Support Allowance:** updated annually in line with the annual percentage pay increase given to Leicester City Council employees (and rounded to the nearest £ as appropriate) as agreed for each year by the National Joint Council for Local Government Staff.
  - **Out of Council Mileage Allowance:** indexed to the HMRC AMAP (Authorised Mileage Allowance Payments) approved mileage rates.
  - **Out of Council Other Travel and Subsistence:** reimbursement of actual costs taking into account the most cost effective means of transport and/or accommodation available and the convenience of use with the maximum rates indexed to the same periodic percentage increase that may be applied to Officer Travel and Subsistence Allowances.
  - **Dependants' Carers' Allowance:** the maximum hourly rates to be indexed to the government's national living wage applicable to the age of the carer (childcare) and Council's own hourly rate for a Home Care Assistance (care of other dependants).
97. The Panel is not recommending that the In-Council Travel and Subsistence Allowance is indexed.

## Implementation

98. The Panel recommends that the new scheme of allowances based on the recommendations contained in this report is adopted from 1 April 2016 or any date thereafter as agreed by the Council.

## **Appendix One Declarations of Interest**

The following Panel Members have indicated that they will not be claiming for loss of earnings as no personal financial loss has been incurred while serving on the Panel:

- Dennis Allum
- Lee Barron
- Stephanie Brown
- Andy Waterson
  
- Declan Hall (Chair of the Panel) has received remuneration for his role in preparation and research for the Panel and taking a lead in the Panel process and writing of report.
  
- Dennis Allum has made a non-pecuniary declaration of interest. His wife is a Trustee of Friends' of New Walk Charitable Trust and, on occasions, they are invited to the New Walk Museum for viewings prior to the formal opening of an exhibition. Whilst these usually come from the Museum, the most recent Invitation for a viewing on 11<sup>th</sup> March 2016 has been issued by the City Mayor's Office.

## Appendix Two

### **Protocol for working arrangements for those engaged as Independent Remuneration Panel Members.**

This protocol is designed to ensure that the panel operates effectively with mutual trust and in a way that secures and maintains public confidence in its impartiality.

**Standards of Conduct** - Panel members will at all times operate within the 7 principles of standards in public life (this was attached to the protocol).

**Interests** - It is vital that the Panel is and is seen to be independent. If a panel member feels or becomes aware at any point that they are not able to comply with the list of conditions (this was attached to the protocol) they must declare this to the Chair of the panel and the Director of Delivery, Communications and Political Governance.

**Information** - It is important that the Panel have access to all relevant information and there is open communication with each other, witnesses and Council officers. Members of the panel must therefore not share any information or communication given to them as part of their role as a panel member during or after the completion of the report. Members are also expected to take all reasonable precautions to avoid information being accidentally or deliberately used or seen by a 3<sup>rd</sup> party. Members of the panel should note that any recorded information may be subject to access requests under the Freedom of Information Act. The Panel must also be mindful of the requirements of the data protection act in relation to use of personal data.

**Public Scrutiny** - As an item of significant public interest the review is likely to create media interest it is important that all external communications contain the full information and do not risk public confidence in the impartiality of the review or panel. Members of the panel must therefore not make any comment to the press or any other person or body about the work of the Panel, and will direct all media queries to the Council's press team.

**Absence** - The scale of work and timescale for the panel is very challenging. It is therefore important that where a member is not available for any reason to participate in any of the work or commitments identified by the chair they must inform the **Chair of the panel and the Director of Delivery, Communications and Political Governance** as soon as possible. Amongst the actions considered will be to ask the panel member to withdraw from the panel if the absence is likely to severely impact on participation.

**Respect** - In order to ensure free and open discussion all members of the panel will treat contributions from each other and any witnesses with respect and in confidence. Failure to do so may result in a panel member being asked to withdraw from the panel.

**Operation of the Panel** – in order to ensure an efficient and co-ordinated approach all aspects of the management of the work and of meetings will be defined by the Chair. The chair will also prepare the final report including appropriate inputs from panel members and undertake any public explanation of the report as agreed with the Director of Delivery, Communications and Political Governance.

## Appendix Three

### Members and Officers who met with the Panel

#### **Members**

Cllr A. Byrne	Co-Vice Chair of Licensing and Public Safety Committee (Labour)
Cllr R. Grant	Opposition Member (Conservative)
Cllr R. Palmer	Deputy City Mayor, Adult Social Care, Health Integration and Wellbeing and in addition responsibility for policy development, strategy and delivery, partnerships and communications (Labour)
Cllr S. Russell	Assistant City Mayor, Children, Young People & Schools (Labour)
Cllr B. Singh	Chair of Overview Select Committee (Labour)
Sir P. Soulsby	City Mayor (Labour)
Cllr J. Thomas	Chair of Licensing & Public Safety Committee (Labour)
Cllr M. Unsworth	Vice Chair of Heritage, Culture, Leisure & Sport Scrutiny Commission (Labour)
Cllr P. Westley	Labour Group Chief Whip
Cllr N. Porter	Opposition Member (Liberal Democrat) <sup>13</sup>

#### **Written Submissions - Elected Members**

Cllr T. Aldred	Labour Member
Cllr D. Alfonso	Vice Chair Housing Scrutiny Commission (Labour)
Cllr P. Newcombe	Chair Housing Scrutiny Commission (Labour)
Cllr M. Unsworth	Vice Chair of Heritage, Culture, Leisure & Sport Scrutiny Commission (Labour)
Cllr P. Westley	Labour Group Chief Whip

#### **Written Submissions - Co-optees**

Mr D. Henderson Co-opted Member, Standards Committee

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<sup>13</sup> Councillor Porter was interviewed via telephone by the Chair of the Panel, with a summary relayed to the other Panel Members, 1 February 2016.

**Officers who briefed the Panel**

Kamal Adatia	City Barrister & Monitoring Officer
Miranda Cannon	Director Delivery, Communications & Political Governance
Liz McKenzie	Team Leader, Member & Civic Support
John Thorpe	Democratic & Member Support Manager

## **Appendix Four**

### **Information Received by the Panel**

1. Panel Terms of Reference
2. 2015/16 Leicester City Council Members' Allowances Scheme
3. Statutory publication of Leicester City Council allowances and expenses paid to and claimed by Members, including sub-totals for each category 2014/15
4. Leicester City Council IRP Report November 2011, excluding appendices
5. Report by the Chief Operating Officer to Council on the work of the IRP, March 2012
6. Council minutes extract March 2012 regarding IRP Report November 2011
7. Summary of Members Attendance 15 May 2015 - 8 January 2016, applies to meetings required by the Council's Constitution to support the decision-making process.
8. Flow chart of Leicester City Council Committee Structure
9. Regulatory Committees and Scrutiny Commission, OSC memberships 2015-16
10. Leicester City Council Constitution Part 3, Responsibility for Functions, including Terms of Reference of Committees and Commissions
11. National Census of Local Authority Councillors 2013 (LGA), breakdown of weekly hours by councillors by number of positions held and type of council, in email from S. Richards, LGA 1 October 2014.
12. Member Job Descriptions
  - a. City Mayor job description
  - b. Deputy City Mayor job description
  - c. Assistant City Mayor job description
13. National Joint Council for Local Government Services, 2014-2016 Payscale and Allowances, including NJC index for December 2014 - April 2016
14. LGA, Local Government Pay Offer 2016/17 and 2017/18, 9 December 2015
15. New Council Constitutions; Guidance on Regulation for Local Authority Allowances, 5 May 2006, Department of Communities and Local Government
16. The Local Authorities (Members' Allowances) (England) Regulations 2003 (Statutory Instrument 2003/1021)
17. Aide Memoir from Chair of IRP circulated to all Council Members 6 November 2015 to inform the basis of written submissions and interviews with Members

18. Summary of formal meetings of Regulatory, Scrutiny, external governance and community ward meetings 2014/15
19. Comparative summary of allowances schemes from benchmarking councils - see appendix 5
20. Hard copies of allowances schemes (2015/16) from 12 principal mayoral councils benchmarking group
21. CIPFA, Democratic Services Benchmarking Club, 26 Unitary in benchmarking club, 4 September 2015
22. Copies of written submissions to Panel from Members
23. Power point Presentation by IRP Chair on Reviewing Allowances: Issues, Patterns, Option and the Leicester Model
24. Officer Briefing I: Overview of the Council and Governance Structures, Miranda Cannon, Director, Delivery, Communications & Political Governance and Kamal Adatia, City Barrister & Monitoring Officer
25. Officer Briefing II: Leicester City Council Allowances Scheme, John Thorpe, Democratic & Member Support Manager and Liz McKenzie, Team Leader Member & Civic Support
26. ASHE, 2015, Table 7.1a - Mean weekly pay - gross - for full time employee jobs in area of Leicester City Council, Office of National Statistics
27. Annual Survey of Hours & Earnings (ASHE), November 2015.
28. Office of National Statistics Statistical Bulletin "Internet Access - Households and Individuals 2015" Table 24 (5 August 2015)
29. Leicester City Council, Pay Policy Statement 2015/16



## Appendix Five: Benchmarking Allowances for Leicester City Council

BM1 Leicester City Council BM Group (15/16) + CIPFA BM Club : BA + DEM + Exec & Scrutiny SRAs											
Comparator Council	Basic Allowance	Elected Mayor	Elected Mayor Total	Deputy Mayor	Assistant Mayors or Exec Mbrs	Mayoral or Exec Support or Lead	Chair Main O&S	V/Chair Main O&S	Chairs or Leads Scrutiny	V/Chairs Scrutiny	Other or Comments
Bedford	10,322	51,611	61,933	12,387	10,332				5,161		
Bristol	11,530	54,865	66,395	20,266	20,266		6,080		6,080		
Doncaster	12,120	48,480	60,600	15,150	12,120		12,120	3,030	3,030		
Hackney	10,263	68,027	78,290	39,867	33,604				13,419		
Lewisham	9,812	67,910	77,722	40,600	15,298		12,260		6,130		
Liverpool	10,077	69,423	79,500	28,620	12,628	7,200			8,405		
Middlesbrough	6,130	61,300	67,430	18,390	12,260	6,130	12,260		6,130		
Newham	10,937	70,902	81,839	37,775	33,735	6,747 - 33,735	26,988		13,494		Exec SRAs less if Exec Mbr is < full time
N. Tyneside	9,759	51,975	61,734	6,792	3,003				3,003	2,100	
Salford	10,080	59,610	69,690	35,219	13,141	9,855	8,214		8,214		
Torbay	8,167	54,446	62,613	20,227	13,485	6,742	10,114		3,371		
Tower Hamlets	10,390	56,704	67,094	15,217	13,065		10,502		7,801		
<b>Mean</b>	<b>9,966</b>	<b>59,604</b>	<b>69,570</b>	<b>24,209</b>	<b>16,078</b>	<b>7,482</b>	<b>12,317</b>		<b>7,020</b>		
<b>Median</b>	<b>10,172</b>	<b>58,157</b>	<b>67,262</b>	<b>20,247</b>	<b>13,103</b>	<b>6,971</b>	<b>11,311</b>		<b>6,130</b>		
CIPFA BM Club Mean 14/15	<b>10,293</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>13,763</b>				<b>8,495</b>		
<b>Leicester</b>	<b>9,829</b>	<b>55,909</b>	<b>65,738</b>	<b>39,475</b>	<b>16,466</b>		<b>7,761</b>	<b>3,880</b>	<b>7,761</b>	<b>3,880</b>	

## BM2 Leicester City Council BM Group (15/16) CIPFA BM Club: Main Regulatory SRAs

Comparator Council	Chair Planning	V/Chair Planning	Chair Strategic Planning	Chair Licensing (inc Regulatory)	V/Chair Licensing	Chairs Licensing Panels/Subs	Chair Audit & Risk/Other	Chair Standards	Comments or Other
Bedford	5,161			5,161			5,161	1,548	Chair Licensing Act Committee £5,161 Licensing Subs Mbrs £25/52 per meeting
Bristol	6,080			6,080			6,080		3 Planning Committees
Doncaster	6,060	2,424		6,060	2,424		6,060		Elections & Structures Committee £1,212
Hackney	16,450			16,450			7,407		Chairs Pensions Committee £14,815, Pensions Board, Adoptions & Fostering Panel Mbrs £2,294 & Corporate Committee £7,407
Lewisham	6,130		9,195	6,130				1,000	3 Planning Committees
Liverpool	8,405			8,405					
Middlesbrough	9,200			9,200			6,130		Chair HR £6,130, Chair Pension Fund £3,070
Newham	6,747		20,241	20,241		20,241	6,747		Chair Licensing Act Committee £20,241, Community Leads various SRAs
N. Tyneside	3,003	2,100		2,100	1,473		2,100	3,003	Chair Appeals, Chair Outside Bodies, V/Chair Standards £2,100, V/Chair Audit £1,473
Salford	8,214			8,214			8,214		
Torbay	6,742			3,371		545 - 2,178	4,058		Chair Harbour Committee £3,371
Tower Hamlets	10,502			7,801			5,709		Chairs Appeals + General Purposes £7,801, Chairs Pensions + HR £5,709
Mean	<b>7,725</b>	<b>2,262</b>		<b>8,268</b>	<b>1,949</b>		<b>5,767</b>	<b>1,850</b>	
Median	<b>6,745</b>	<b>2,262</b>		<b>6,966</b>	<b>1,949</b>		<b>6,070</b>	<b>1,548</b>	
CIPFA BM Club Mean 14/15	<b>7,100</b>			<b>7,100</b>			<b>7,100</b>		£7,100 includes all "committee Chairs"
<b>Leicester</b>	<b>7,761</b>	<b>3,880</b>		<b>7,761</b>	<b>3,880</b>		<b>5,691</b>	<b>2,768</b>	<b>2 Licensing V/Chairs</b>

**BM3 Leicester BM Group (15/16) + CIPFA BM Club: Group SRAs & T&S (in-authority)**

<b>Comparator Council</b>	<b>Majority Group Leader</b>	<b>Main Opposition Group Leader</b>	<b>Minor Opposition Group Leader</b>	<b>Majority Group Whip</b>	<b>Minority Group Whip</b>	<b>T&amp;S (in-authority)</b>	<b>Comments or Other</b>
<b>Bedford</b>		£185 per member	£185 per member			Yes - claims based	Opposition Deputy Leader & Spokespersons £93 per group member
<b>Bristol</b>		12,158	12,158	6,080	6,080	No - inc in BA	
<b>Doncaster</b>		6,060	2,424			No - inc in BA	
<b>Hackney</b>		12,215	8,143	5,000	2,294	No - inc in BA	Majority Group Chair + Secretary £2,294
<b>Lewisham</b>		5,275	3,165			No - inc in BA	Chair Majority Group £5,275
<b>Liverpool</b>		7,200	7,200	8,405	4,209	Yes - claims based	
<b>Middlesbrough</b>	9,200	3,070	3,070			Yes - claims based	
<b>Newham</b>		No Opposition		13,494		No - inc in BA	Secretary Majority Group - £3,373
<b>N. Tyneside</b>	3,003	3,003	3,003			Yes - claims based	
<b>Salford</b>		8,214	8,214			Yes: Travel - claims based; Subsistence inc in BA	
<b>Torbay</b>	327 p/Mbr	327 p/Mbr	327 p/Mbr			Yes - claims based	
<b>Tower Hamlets</b>	13,065	10,502	5,709			No - inc in BA	
<b>Mean</b>	<b>8,423</b>	<b>7,522</b>	<b>5,898</b>	<b>8,245</b>	<b>4,194</b>		
<b>Median</b>	<b>9,200</b>	<b>7,200</b>	<b>5,709</b>	<b>7,243</b>	<b>4,209</b>		
<b>CIPFA BM Cub mean 14/15</b>		<b>9,173</b>					
<b>Leicester</b>		<b>1,035 + £259 per Mbr</b>		<b>7,761</b>		<b>Yes - 1,205 p/yr</b>	



## **MEMBERS' ALLOWANCES SCHEME**

### **ELECTED MEMBERS' ALLOWANCE SCHEME 2015/2016**

Council, at its meeting on x, agreed a Members' Allowances Scheme, applicable for the 2015/2016 Municipal year taking into account the recommendations of the Independent Panel on Members' Allowances and agreeing a scheme of indexation through to the end of the Municipal year 2019/2020.

The scheme is detailed below and operates from x.

Members should be aware that allowances payable in return for acting as an Elected Member are regarded as the same as salary or wages for the purposes of Income Tax and National Insurance Contributions (NIC), ie income tax and NIC will usually be deductible from such allowances.

#### **1. ALLOWANCES PAID AUTOMATICALLY**

(All amounts stated are gross)

##### **(a) Basic Allowance**

£10,146 per annum for each Elected Member.

##### **(b) Special Responsibility Allowances**

Councillors will only be able to receive 1 SRA (including Civic Allowances).

City Mayor	£57,710
Deputy Leader City Mayor	£40,747
Assistant City Mayors  NB. The City Mayor will allocate Assistant City Mayors to relevant Band according to responsibility and workloads assigned - to be indicated on appointment.	Payable at Rate i £16,997 or Rate ii £13,597 or Rate iii £10,198
Chair, Overview Select Committee	£9,613
Vice Chair, Overview Select Committee	£2,403
Chair, Children Young People and Schools Scrutiny Commission	£8,011
Vice Chair, Children Young People and Schools Scrutiny Commission	£2,003
Chair, Health and Wellbeing Scrutiny Commission	£8,011
Vice-Chair, Health and Wellbeing Scrutiny Commission	£2,003
Chair, Neighbourhood Services and Community Involvement Scrutiny Commission	£8,011
Vice Chair, Neighbourhood Services and Community Involvement Scrutiny Commission	£2,003
Chair, Heritage, Culture, Leisure and Sport Scrutiny Commission	£8,011

Vice Chair, Heritage, Culture, Leisure and Sport Scrutiny Commission	£2,003
Chair, Adult Social Care Scrutiny Commission	£8,011
Vice Chair, Adult Social Care Scrutiny Commission	£2,003
Chair, Economic Development, Transport and Tourism Scrutiny Commission	£8,011
Vice Chair, Economic Development, Transport and Tourism Scrutiny Commission	£2,003
Chair, Housing Scrutiny Commission	£8,011
Vice Chair, Housing Scrutiny Commission	£2,003
Chair, Planning and Development Control	£8,011
Vice Chair, Planning and Development Control	£2,003
Chair, Licensing & Public Safety Committee	£8,011
Vice Chairs, Licensing & Public Safety Committee (two)	£2,003
Chair, Audit & Risk Committee	£5,874
Chair, Standards Committee	£2,857
Minority Group Leader	£1,068 per annum plus an additional £267 per member.
Majority Group Whip	£8,011

### ***Civic Allowances***

Lord Mayor	£16,556*
Deputy Lord Mayor	£5,073
High Bailiff	£1,775

\*£11,213 of the Lord Mayor's allowance will be provided via allowances, the other £5,343 will be administered by the Democratic & Member Support Manager.

### ***(d) Independent Persons Independent Members Co-optees***

The Council is required to appoint Independent Persons and Independent Members to support the Standards process. There is also a statutory requirement for Co-optees to

input into the Council's activities from an education perspective. These positions will receive an allowance as follows:-

Independent Persons, Standards Committee* *The rate for Independent Persons is not considered by the Independent Remuneration Panel as it comes under separate legislation but is included here for completeness.	£2,000 plus travel expenses
Independent Members, Standards Committee	£508
Co-opted Members of Committees / Commissions	£508

### ***(e) Travel and Subsistence – Inside the City***

£100.39 per month (£1,205 per annum) is payable to each Elected Member. This is intended to cover all travel (including taxis) and subsistence costs for all activities within the City boundary.

### ***(f) Telecommunications & Support Package***

Paid to all Members at £25 per month (£300 per annum) as a contribution to council related costs for use of:

- telecommunications at a Member's home including any private mobile phone costs and;
- miscellaneous items which the Member feels necessary to support their role as an Elected Member.

## **2. ALLOWANCES TO BE CLAIMED FOR**

### ***Travel and Subsistence - Outside the City***

Outside the City of Leicester Members are entitled to claim travel and subsistence in accordance with the details attached at Schedule 1 whilst undertaking Approved Council Duties.

### ***Dependant Carers' Allowance***

Allowances can be claimed towards childcare or dependent care costs incurred by an Elected Member on the basis set out in Article 7 of the Local Authorities (Members Allowances) (England) Regulations 2003 up to a limit of 20 hours per Member per week subject to the provisions attached at Schedule 2.

## **3. IT EQUIPMENT AND MOBILE TELEPHONES**

Members will be offered standard specification equipment as defined in the list prepared by the City Information Officer and the Director of Delivery, Communications and Political Governance.

#### 4. MISCONDUCT/WITHHOLDING OF ALLOWANCES

In the event of a Member suspension/partial suspension, the Member's allowances will be withheld in full or in part in accordance with the duration of the suspension.

#### 5. PAYMENT ARRANGEMENTS

- i. All automatically paid allowances (as outlined in the first section) will be paid in twelve equal monthly instalments via Payroll system
- ii. Where a Member becomes or ceases to be entitled to allowances within a calendar month, entitlement will be calculated on a pro rata basis. Entitlement will commence three days after Election or agreement.
- iii. Payment of travel and subsistence for expenditure outside the City will be made in arrears on the basis of a claim form being submitted and signed by Members within three months of the event claimed for taking place.
- iv. Payment of Dependent Carer's Allowances will be made in arrears on the basis of a claim form being submitted and signed by members within three months of the event claimed for taking place.
- v. Allowance claims over three months old will only be paid in **exceptional circumstances** such as long-term illness. Such payments will be made in consultation with the relevant Group Whip (if a member of a constituted Group).
- vi. Where any overpayments occur the Member will be notified and the amount will be recovered from the next monthly payment (unless instalments are requested by the Member for accounts over £50).
- vii. A Member may decide not to claim any element of automatic allowances (in full or in part) and must notify the Director Delivery, Communications and Political Governance in writing of their intention.



**Travel and Subsistence - Outside the City**

Approved Duties include:-

- i. Attendance at meetings of Outside Bodies as approved by the Executive/Council or the Group Whips
- ii. Training courses, conferences and seminars in the furtherance of the Councillor's performance of their duties as a Councillor
- iii. Other activities which, in the view of the Director – Delivery, Communications and Political Governance are in the interests of the Council.
- iv. For all claims for travel expenses, tickets, receipts or equivalent travel documents must be provided. The claim must include the reason for the journey.

**i) Travel**

Public Transport	Paid at the amount of an ordinary fare or any available cheap fares (tickets/receipts required).	
Taxi	Where no public transport is reasonably available, the amount of the fare plus any reasonable gratuity paid (receipt required). In other cases the amount of the fare for travel by appropriate transport will be paid. Taxis should only be used in exceptional circumstances. Significant taxi expenditure should be approved in advance by the Group Whip.	
Private Transport	Rates payable at the level of the Approved Mileage Allowance Payments (AMAPs) laid down by the Inland Revenue as a tax free "approved amount" and shall be amended in line with any changes made to these amounts as and when they occur.	
	Car or Van*	45p per mile for the first 10,000 miles, 25p per mile after that
	Motor Cycle*	24p per mile (all miles)
	Pedal Cycle	20p per mile (all miles)
	An additional 5p per mile will be paid when one or more passengers travel to an approved duty in the same car. The cost of parking fees (including overnight garaging), tolls and ferries can also be claimed.	
Hired Motor Vehicle (car/light van)	*A valid VAT receipt for fuel is required for any car/van or motorcycle mileage claims.	
	The same rates as if the vehicle were privately owned (where approved by the Director of Delivery, Communications and Political Governance the rate may be increased to an amount not exceeding the cost of hiring)	

	If the Council hires the vehicle the tax free rates are limited to the fuel element as detailed in HMRC guidance.
Travel by Air	Payable provided that the Director of Delivery, Communications and Political Governance agrees that the time saved justifies the fare. The rate of payment will not exceed the ordinary or any cheap fare available, or where no such service is available or in case of an emergency, the fare actually paid by the Member. This must be receipted to be tax-free.

## ii) **Subsistence Allowance (outside of Leicester)**

- The allowance will not apply to a meal which is already provided at no charge or included in a conference/course fee.
- Receipts must be provided (where available a VAT receipt) for audit and reclaim purposes as a condition of the allowance.
- The actual money spent on the meal can be reclaimed up to a maximum allowance (see table below) on production of a receipt.

<b>Meal</b>	<b>Qualifying duty period (inclusive of travelling time)</b>	<b>Rate</b>
Breakfast	3 hours before 11.00 am	£8.00
Lunch	2 hours between 12 noon and 2.00 pm	£10.92
Tea	3 hours including 3.00 pm to 6.00 pm	£4.78
Dinner	3 hours ending after 7.00 pm	£18.72

Tea and dinner allowances will not be paid in respect of the same evening's duties. No claims should be made for alcohol.

## iii) **Overnight Accommodation and Out of Pocket Expenses**

The following rates will apply for overnight absence (room only).

Provincial rate – not to exceed £86

London rate – not to exceed £146

Accommodation should be booked through Member and Civic Support Team.

Out of pocket expenses - maximum amount per night £4.81, maximum amount per week £19.15.

This amount is intended to cover out of pocket expenses whilst representing the Council.

These are only tax free when the Member is required to stay away overnight on Council business.

**Dependant Carers' Allowance**

- Allowances for childcare and dependent care are paid as a contribution to costs, rather than a full reimbursement;
- Allowances paid towards childcare or dependent care costs incurred by an Elected Member are subject to Income Tax and NIC even if the costs are unavoidably incurred as a result of carrying out Council duties. The only exception is the £55 per week voucher scheme outlined below;
- The maximum hourly rate reimbursed for the independent care of a child under the age of 14 shall be equal to the minimum wage applicable to the age of the carer;
- The maximum hourly rate reimbursed for the professional care of a dependent relative shall be equal to the Council's own hourly rate for a Home Care Assistant;
- Members must certify that the costs have been actually and necessarily incurred and the allowance shall be paid as a reimbursement of incurred expenditure against receipts;
- The allowance shall not be payable to a member of the claimant's own household, and
- Any dispute regarding entitlement or any allegation of abuse should be referred to the Council's Standards Committee for adjudication.

Members using registered childcare provision may, if they so choose, receive tax free, up to £55 per week of their contribution to childcare by way of vouchers, which will be reimbursed by the Council direct to the childcare provider.

