

Leicester
City Council

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

11 March 2020

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 19 MARCH 2020 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

Monitoring Officer

AGENDA

- 1 LORD MAYOR'S ANNOUNCEMENTS**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES OF PREVIOUS MEETING**

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

23 January 2020 – Council Meeting

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?MId=9387&x=1>

19 February 2020 – Special Meeting to Confer the Title of Honorary Alderman

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?MId=9975&x=1>

19 February 2020 – Budget Council Meeting
<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?MId=9389&x=1>

19 February 2020 – Special Meeting Draft Local Plan
<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?MId=9974&x=1>

Copies are also available from Democratic Support on (0116) 454 6350 or
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

7a Annual Pay Statement and Gender Pay Gap

7b Contract Procedure Rules (Part 4G of the Constitution)

7c Independent Remuneration Panel Report - Members Allowances Scheme

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 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 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.

Executive Report

Pay Policy Statement 2020/21
Gender Pay Gap Report 2019

Decision to be taken by: Full Council on 19 March 2020
Lead director: Miranda Cannon



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.

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require public sector employers, as part of their public sector equality duty, to publish specific details of their gender pay as at 31 March each year.

This report seeks approval of the Council's Pay Policy Statement for 2020/21 and asks Council to note the Gender Pay Gap Report for 2019.

2. Recommendations:

- a) That Council approves the Pay Policy Statement for 2020/21 (Appendix A)
- b) That Council notes the Gender Pay Gap Report for 2019 (Appendix B)

3. Supporting information including options considered:

Pay Policy Statement

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.

The Statement includes the ratio between the top earner's salary and the median salary which is 5.4:1, a marginal decrease on last year when it was 5.6:1. This remains significantly lower than our neighbouring councils – Nottingham City Council, Derby City Council and Coventry City Council – who all had ratios of more than 6.5:1.

The pay structure implemented for Local Government Services employees from 1 April 2019, following a restructure of the national pay spine, had a positive impact on the pay ratio and resulted in no longer needing to pay a supplement to bring the pay of some employees to the level of the UK Living Wage (UKLW) as the minimum of the pay scale equated to the UKLW rate. However, following an increase in the UKLW, some employees will become eligible for a supplement from 1 April 2020.

Gender Pay Gap Report 2019

This is the Council's third Gender Pay Gap Report. It is important to note that gender pay gap reporting is not about men and women being paid differently for the same job but about the differences between the overall average pay of men and women within an organisation. The key figures to be published are the median and mean gender pay gaps, i.e. the percentage difference between the median and mean hourly rates for men and women.

Year	Mean pay gap %	Women mean hourly rate	Men mean hourly rate	Median pay gap %	Women median hourly rate	Men median hourly rate
2018	-0.99	14.39	14.25	0	13.28	13.28
2019	0.1	14.55	14.57	0	13.76	13.76

The above table illustrates the differences in gender pay over the last two consecutive years as at 31 March.

The council's median gender pay gap has remained at 0% over the two years - i.e. the median hourly rate is the same for both men and women which can be regarded as the ideal situation.

At 31 March 2018 the council's mean gender pay gap was -0.99%, with the mean hourly rate being higher for women (£14.39) than men (£14.25). The mean gender pay gap at 31 March 2019 was 0.1% - i.e. the mean hourly rate was slightly higher for men (£14.57) than women (£14.55). The gap as at 2019 has moved closer to zero.

The council's figures compare very positively against median and mean gender pay gaps of 16.8% and 15.7% respectively for the public sector as a whole – i.e. average pay for men being significantly higher than for women.

At 31 March 2018 the Council was one of only three out of 40 local authorities in the same employee headcount band (5000–19,999) with a zero median pay gap. The council's mean pay gap was the closest to zero – i.e. we had the smallest difference in average pay between men and women. It is not yet possible to compare 2019 figures with other local authorities as data does not need to be published until 31 March 2020.

4. Details of Scrutiny

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

The Gender Pay Gap Report is a statement of fact. Reports must remain on the Council's website for a minimum of three years for public scrutiny. Data must also be uploaded to a Government portal, where the public can access the data.

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. The Council's budget for 2020/21 includes an estimate of pay costs which will be incurred.

There are no financial implications associated with the gender gap report.

Colin Sharpe
Deputy Director of Finance
Ext: 374081

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.

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 place a duty on public authorities with more than 250 employees to publish their gender pay gap statistics by no later than 31 March every year.

The statistics that must be published are the mean and median differences in the hourly full pay between male and female employees; the mean and median differences in bonus pay between male and female employees; the proportion of male and female employees who have received bonus pay and finally the proportion of male and female employees in the lower quartile, lower middle quartile, upper middle quartile and upper quartile of the pay scales.

Paul Atreides
Head of Law, City Barrister & Head of Standards
Ext 29 6368

5.3 Climate Change and Carbon Reduction Implications

No climate change implications.

5.4 Equality Impact Assessment

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations place a duty on public authorities with more than 250 employees to publish their gender pay gap statistics by no later than 31 March every year.

The statistics that must be published are the mean and median differences in the hourly full pay and the mean and median differences in bonuses between male and female employees. The proportion of male and female employees who have received bonus pay and the proportion of male and female employees in the lower quartile, lower middle quartile, upper middle quartile and upper quartile of the pay scales must also be published.

The pay policy statement must explain what an authority's policies are on a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees. Although there are no equalities implications arising for people with protected characteristics directly related to the pay policy statement itself, the purpose of the pay policy statement is to increase accountability, transparency and fairness in the setting of local pay.

Hannah Watkins, Equalities Manager ext. 37 5811

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'

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017

The Public Sector Equality Duty – Section 149 of the Equality Act 2010

7. Summary of appendices:

Appendix A: Proposed Pay Policy Statement 2020/21 and supporting documents (1–4).

Appendix B: Gender Pay Gap Report 2019.

Appendix C: Gender Pay Gap Report 2020.

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 2020/21

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. The principle behind this requirement is to ensure 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. It sets out information on the council's pay and conditions of service for its chief officers and the wider workforce.
- 1.3 The Pay Policy Statement 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 for the most senior staff are set clearly within the context of the pay of the wider workforce.
- 1.4 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. There is a requirement for the Pay Policy Statement to be approved by Full Council. Councils are encouraged to set up Remuneration Committees to oversee pay policy; councillors are also encouraged to have a significant role in determining pay. At Leicester City Council, decisions on terms and conditions are made by Employees Committee or the Executive.

2 Context

- 2.1 Leicester City Council is a unitary authority serving the largest city in the East Midlands region with a population of 355,200¹ in 2018. It is one of the largest employers in the city with a current workforce headcount of 5,765 and a full time equivalent workforce of 4,951 excluding schools.
- 2.2 The Council operates under a Mayoral model of governance and provides a comprehensive set of local authority services to the population of the city encompassing education, social services, environmental services, highways, economic regeneration, planning, libraries, museums, revenues and benefits,

¹ Source: Office of National Statistics - <http://www.nomisweb.co.uk/reports/lmp/la/1946157130/report.aspx?town=leicester>

housing, parks and open spaces amongst others.

- 2.3 Since 2010, the Council has faced the most severe period of spending cuts we have ever experienced. We know from reports from the Institute of Fiscal Studies and our own analysis that Government cuts have disproportionately affected deprived authorities (such as Leicester). The budget for this year is made more difficult because we do not know the extent of cuts required beyond 2020/21. Government grant has fallen, on a like for like basis, from £289m in 2010/11 to £179m in 2020/21. Furthermore, additional funding has been required to manage pressures in statutory social care (both for adults and children). The amount available for all other services has consequently fallen from £192m to £106m over the same period.
- 2.4 There are a number of employees who are on terms and conditions from their previous employer, which they have retained under the Transfer of Undertakings (Protection of Employment) Regulations. For this reason, some or all of this Pay Policy Statement may not apply to those employees.
- 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 Statement 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 (LGS). A revised version of this pay structure took effect from 1 April 2019, as the LGS national pay spine was restructured.

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 terms and conditions from a previous employer (see paragraph 2.4).
- 3.2 The Statement includes policies on:
- 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.
- 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 Service², Strategic Directors, and Divisional Directors.
- 3.5 In line with the Local Government Transparency Code 2015, the Council publishes an organisation chart, showing the top three tiers, on its website: <http://www.leicester.gov.uk/your-council/how-we-work/data-protection-and-foia/transparency-and-open-data>

4. Senior Pay

- 4.1 Under the mayoral model, the Council retains a statutory role of Head of Paid Service, who is also the Chief Operating Officer. The overall purpose of this post is to support the City Mayor, and work with the Corporate Management Team, Council and Executive to deliver the Council's vision and strategic aims and objectives. The salary range for this post is £139,816 - £144,331 pa. There are no additional performance, bonus or ex gratia payments applicable to this role.
- 4.2 Appendix one details each Chief Officer's substantive salary range and current salary. The pay scale for Chief Officers increased by 2% on 1st April 2019 and national negotiations regarding the 2020 pay award are under way.
- 4.3 The conditions of service for Chief Officers 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 additional performance, bonus or ex gratia payments.
- 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.

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.

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

Fees

- 4.7 The only Chief Officer who receives fees is the Returning Officer who receives payment in accordance with the relevant legislation set by Government for each election. The Returning Officer is the Director of Delivery, Communications and Political Governance.

Termination Payments

- 4.8 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.
- 4.9 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.
- 4.10 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 in consultation with the City Mayor.
- 4.11 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 31.
- 4.12 The Council has had in place a policy on re-engagement after redundancy or early retirement since 2016. This sets out the circumstances in which an employee who has left the council on the grounds of redundancy and/or early retirement may, or may not, be re-engaged by the council.

Comparison of Senior Pay with Similar Authorities

- 4.13 Geographically, the nearest unitary councils are Derby, Nottingham and Coventry City Councils. A comparison of Leicester's Chief Officer salary ranges against the salary ranges for similar posts in these authorities is shown in the table below. It should be noted that actual posts and structures vary between authorities and none of these other City Councils is a Mayoral authority. One key difference is that Leicester does not have a Chief Executive and the Head of Paid Service is undertaken by the Chief Operating Officer (who, in effect, also acts as the Strategic Director for Corporate Resources and Support). The most senior role in the other three Councils (as their Head of Paid Service) is the Chief Executive.

Authority	Most senior role - Head of Paid Service	Top tier - Strategic Directors	Second tier - Divisional Directors
Leicester	£139,816 - £144,331	£126,279 - £135,302	£83,059 - £95,831
Coventry	£185,730 - £191,036	£108,007 - £131,916	£81,750 - £106,130
Derby	£169,810	£114,711 - £134,787	£73,276 - £86,585
Nottingham	£165,000 - £185,000	£127,357 - £148,583	£100,676 - £111,385

- 4.14 The comparison table shows Leicester's Head of Paid Service is paid considerably less than the three nearest unitary authorities, reflecting the fact that we do not have a Chief Executive and have instead combined the Head of Paid Service with our Chief Operating Officer role. Leicester's Strategic Directors have comparable salaries to post holders in two of the surrounding unitary authorities, and one pays significantly higher. Leicester's Divisional Director salaries are comparable with Coventry. Derby pay less and Nottingham pay significantly more.

Value for Money

- 4.15 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.
- 4.16 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 areas, 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.
- 4.17 Most Directors 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 1. 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.
- 4.18 The Chief Operating Officer and the two 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. They 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 agenda.
- 4.19 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 2.

4.20 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/>

4.21 The council's leadership qualities, which set out the behaviours expected of all leaders, are at appendix 3.

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, and revised from 1 April 2019 as a result of the national pay spine being restructured. The grading of jobs is determined through job evaluation, using a scheme which is compliant in terms of equal pay for work of equal value principles.

5.2 The pay structure, which covers the majority of non-schools staff including most Heads of Service³, has 15 grades. The overall salary range is £17,364 - £66,985 per annum. The bottom three grades have two increments and the remainder have four increments (appendix 4). National negotiations regarding the 2020 pay award are under way.

5.3 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.

5.4 The Council has made a positive commitment to support lower paid staff and their families. As such the Council adopted the 'UK Living Wage', to provide a better standard of living for lower paid employees. This was paid via a supplement to 418 employees on points 3 to 7 of the pay scale, as at 1 January 2019. The need to pay the supplement ceased from 1 April 2019 with the implementation of the new pay structure as the minimum point equated to the then UK Living Wage rate. However, in November 2019 the rate was increased to £9.30 per hour and the council intends to implement this increase from 1 April 2020 but, due to the negotiations currently taking place nationally on a pay award to be applied from that date, at the time of writing it is unclear which employees will be eligible for the supplement.

³ There are nine senior officers paid on 'city officer' grade, which sits outside of this structure. Pay for the city officer grade is between £69,224 and £77,191 at 1 April 2019 and pay awards are determined in line with the Joint Negotiating Committee for Chief Officers Agreement.

- 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, Sunday or Bank Holiday
 - Standby allowance of £108.48 per week.
- 5.6 Employee career development is encouraged and the Council offers apprenticeships and training to assist staff to progress in their careers. Managers are encouraged to develop career ladders linked to achieving relevant competencies; work of the relevant level and financial provision being available. A framework is also in place for appraising employees.
- 5.7 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.

Market Pay

- 5.8 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 the manager may put forward a business case to the Market Pay Panel 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.
- 5.9 The use of market pay is subject to robust governance and control procedures. The number of posts in receipt of market pay, and the associated cost, has reduced significantly since 2013.

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 £139,816 and a median full time equivalent salary of £25,729, is 5.4:1. The ratio has decreased slightly from last year (5.6:1) which may be explained by the increase in average pay for the rest of the workforce resulting from the implementation of the new pay structure. The ratio is still significantly lower compared to our neighbouring unitary councils, Nottingham City Council and Coventry City Council, which both had a ratio of more than 7:1 in 2019/20, whilst Derby's pay ratio including school support staff is 6.6:1.

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 follows:

Contribution Band	Salary Range	Contribution Rate
1	Up to £14,400	5.5%
2	£14,401 to £22,500	5.8%
3	£22,501 to £36,500	6.5%
4	£36,501 to £46,200	6.8%
5	£46,201 to £64,600	8.5%
6	£64,601 to £91,500	9.9%
7	£91,501 to £107,700	10.5%
8	£107,701 to £161,500	11.4%
9	More than £161,500	12.5%

- 7.2 As at January 2020 the Council makes employer's contributions to the scheme at a rate of 24.7%.
- 7.3 The Council's approach to termination payments is set out in paragraphs 4.8 to 4.12 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

Name	Post Title	Employees (Headcount)		Employees (FTE)		Salary Range		Salary at 01/01/20
		Central	Schools	Central	Schools	Minimum	Maximum	
Head of Paid Service								
Andrew Keeling	Chief Operating Officer	5765	5313	4951	3894	139,816	144,331	139,816
Strategic Directors								
Vacant	Strategic Director City Dev & Neighbourhood Services	2851		2942		126,279	135,302	0
New appointment from March 2020	Strategic Director Social Care and Education	724		620		126,279	135,302	0
Divisional Directors								
Tracie Rees	Director of Care Services & Commissioning	365		314		83,059	95,831	95,831
Ruth Lake	Director of Adult Social Care & Safeguarding	359		306		83,059	95,831	95,831
Richard Sword	Director of Capital Programmes	193		145		83,059	95,831	95,831
Caroline Tote	Director of Social Care & Early Help	623		550		83,059	95,831	95,831
Kamal Adatia **	City Barrister & Head of Standards	105		93		83,059	95,831	95,831
Miranda Cannon	Director of Delivery Comms & Political Governance	414		263		83,059	95,831	95,831
Matthew Wallace	Director of Estates & Building Services	267		205		83,059	95,831	95,831
Alison Greenhill	Director of Finance	553		504		83,059	95,831	95,831
Christopher Burgin	Director of Housing	993		899		83,059	95,831	95,831
Vacant	Director of Learning & Inclusion	242		206		83,059	95,831	0
Mandip Rai*	Director of LLEP	26		25		83,059	95,831	92,639
John Leach	Director of Neighbourhood & Environmental Services	675		594		83,059	95,831	95,831
Andrew Smith	Director of Planning, Transportation & Economic Dev't	368		353		83,059	95,831	95,831
Mike Dalzell	Director of Tourism, Culture & Investment	338		270		83,059	95,831	95,831
Ivan Browne	Director of Public Health	246		186		83,059	95,831	95,831

*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.

** 0.8 fte

DEPARTMENTAL BUDGET CEILINGS 2020/21

	(£'000s)
City Development and Neighbourhoods	
Neighbourhood & Environmental Services	31,609.2
Tourism, Culture & Inward Investment	4,232.1
Planning, Development & Transportation	14,974.6
Estates & Building Services	4,180.1
Housing Services	2,860.7
Departmental Overheads	1,070.9
DEPARTMENT TOTAL	58,927.6
Social Care and Education	
Adult Social Care & Safeguarding	124,126.9
Adult Social Care & Commissioning	(10,467.2)
Health and Wellbeing	18,285.6
Strategic Commissioning & Business Support	1,039.4
Learning Quality & Performance	10,551.2
Children, Young People and Families	60,351.8
Departmental Resources	5,233.2
DEPARTMENT TOTAL	209,120.9
Corporate Resources and Support	
Delivery, Communications & Political Governance	5,659.5
Financial Services	11,088.2
Human Resources	3,857.6
Information Services	9,122.0
Legal Services	2,674.4
DEPARTMENT TOTAL	32,401.7
Total Service Budget Ceilings	300,450.2
<i>less public health grant income</i>	(26,599.0)
Total Service Budget Ceilings	273.851.2

Enabling our best work

Leadership Qualities



Leicester City Council's Leadership Qualities underpin the Vision and Values and outline the behaviours we expect our leaders to demonstrate in the workplace. These behaviours are what our people say enables and inspires them to do their best work.

People Centred

Be fair, put people at the centre of what we do

Takes time to understand individual's views and feelings and adapts their own behaviour and style as appropriate.

Shows respect for the views of others and gives recognition for their contributions; valuing diversity.

Achieve

Be Accountable and outcome focused

Agrees clear outcomes / objectives and holds the individual and team to account.

Involves team in creating a shared purpose to help them develop and achieve results.

Reflect

Be clear, making time to reflect, analyse and develop.

Encourages and enables team to reflect and act on evaluation and feedback.

Creates a culture of continuous improvement: sees successes and setbacks as opportunities to learn and develop.

Inspire

Be confident, igniting creativity, supporting development and role modelling

Creates space and time for the team to be innovative and creative.

Supports team development and encourages autonomy and freedom to enable team to do their best work.

Connected

Be respectful, build impactful relationships

Has regular quality conversations, speaks honestly and challenges constructively. Proactively develops positive trusting relationships within the team.

Leicester City Council will operate with creativity and drive for the benefit of Leicester and its people

Be confident | Be clear | Be respectful | Be fair | Be accountable

LGS pay scale wef 1 April 2019

Grade	SCP	Annual £	Monthly £ p	Hourly £ p
1	1	£17,364	1,447.00	9.00
	2	£17,711	1,475.92	9.18
2	3	£18,065	1,505.42	9.36
	4	£18,426	1,535.50	9.55
3	5	£18,795	1,566.25	9.74
	6	£19,171	1,597.58	9.94
4	7	£19,554	1,629.50	10.14
	8	£19,945	1,662.08	10.34
	9	£20,344	1,695.33	10.54
	10	£21,166	1,763.83	10.97
5	11	£21,589	1,799.08	11.19
	12	£22,462	1,871.83	11.64
	13	£22,911	1,909.25	11.88
	14	£23,836	1,986.33	12.35
6 (1 month notice)	15	£24,799	2,066.58	12.85
	16	£25,295	2,107.92	13.11
	17	£26,317	2,193.08	13.64
	18	£26,999	2,249.92	13.99
7 (2 months notice)	19	£27,905	2,325.42	14.46
	20	£28,785	2,398.75	14.92
	21	£29,636	2,469.67	15.36
	22	£30,507	2,542.25	15.81
8 (2 months notice)	23	£31,371	2,614.25	16.26
	24	£32,029	2,669.08	16.60
	25	£32,878	2,739.83	17.04
	26	£33,799	2,816.58	17.52
9 (2 months notice)	27	£34,788	2,899.00	18.03
	28	£35,934	2,994.50	18.63
	29	£36,876	3,073.00	19.11
	30	£37,849	3,154.08	19.62
10 (3 months notice)	31	£38,813	3,234.42	20.12
	32	£39,782	3,315.17	20.62
	33	£40,760	3,396.67	21.13
	34	£41,675	3,472.92	21.60

11 (3 months notice)	35	£42,683	3,556.92	22.12
	36	£43,662	3,638.50	22.63
	37	£44,632	3,719.33	23.13
	38	£45,591	3,799.25	23.63
12 (3 months notice)	39	£46,752	3,896.00	24.23
	40	£47,912	3,992.67	24.83
	41	£49,068	4,089.00	25.43
	42	£50,233	4,186.08	26.04
13 (3 months notice)	43	£51,498	4,291.50	26.69
	44	£52,769	4,397.42	27.35
	45	£54,031	4,502.58	28.01
	46	£55,301	4,608.42	28.66
14 (3 months notice)	47	£56,688	4,724.00	29.38
	48	£58,084	4,840.33	30.11
	49	£59,481	4,956.75	30.83
	50	£60,871	5,072.58	31.55
15 (3 months notice)	51	£62,332	5,194.33	32.31
	52	£63,847	5,320.58	33.09
	53	£65,397	5,449.75	33.90
	54	£66,985	5,582.08	34.72

Leicester City Council

Gender Pay Gap Report 2018/19



About this report

This report is based on the 'The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017' which came into force on 31 March 2017 and which require public sector employers to publish specific details of their gender pay.

Scope

This report covers all employees of Leicester City Council except those based in schools. (Under the regulations the governing body of a maintained school is treated as the employer.) Included are all staff permanently and temporarily employed on the reporting 'snapshot date' (31 March 2019). This includes those on casual contracts that worked during the pay period ending 31 March 2019.

Definition of Pay

Under the regulations, and therefore in this report, 'pay' includes: basic pay, paid leave (including annual leave, sick leave, maternity, paternity, adoption and parental leave (except where an employee is paid less than usual because of being on leave)), allowances, shift premium pay and bonus pay. 'Pay' does not include: overtime pay, expenses, the value of salary sacrifice schemes (however the reduction to salary is included), benefits in kind, redundancy pay and tax credits.

Gender pay gap and equal pay

The gender pay gap is defined as the difference between the pay of men and women. While there are many ways of presenting this data, under the regulations and in this report there are only two measures: median hourly pay and mean hourly pay. Each is represented as the percentage of the difference with men's pay being the divisor. Therefore, where men are paid more than women, the pay gap will be 'positive' (i.e. with a 3% pay gap women earn 97p for every £1 a man earns). Negative pay gaps are represented as minus percentages (i.e. with a negative pay gap of minus 3% women earn £1.03 for every £1 a man earns). Gender pay gap is not about men and women being paid differently for the same job which has been prohibited by equal pay legislation since 1975. Even with this legislation, historically certain occupations have attracted greater pay due to the value placed on typical masculine and feminine skills.

To comply with equal pay legislation, as well as to mitigate unconscious gender-biased skill appraisal, we operate a recognised job evaluation scheme which covers the majority of posts within the council. This is supported by periodic equal pay audits to ensure that our pay structure remains transparent and free from gender bias.

Summary

The following summary has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This page covers all aspects of the mandatory reporting requirements under these regulations.

At Leicester City Council, **women earn £1** for every £1 that men earn when comparing median hourly wages. Women's median hourly wage is **0% lower** than men's.

1. The mean pay for women is **£14.55** per hour, and mean pay for men is **£14.57** per hour. Therefore the mean gender pay gap is **0.1%**.
2. The median pay for women is **£13.76** per hour, and the median pay for men is **£13.76** per hour. Therefore median gender pay gap is **0.0%**.

At Leicester City Council, women occupy **61.2%** of the highest paid jobs and **57.9%** of the lowest paid jobs.

Top quartile (highest paid)



Upper-middle quarter



Lower-middle quarter

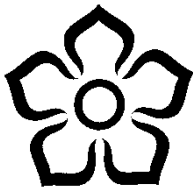


Lower quarter (lowest paid)



Bonus pay gap

No bonuses were paid.



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Full Council

19th March 2020

PROPOSED CHANGES TO THE CONTRACT PROCEDURE RULES

Report of the City Barrister

1. Purpose of Report

- 1.1. To seek the approval of Council to proposed changes to the Contract Procedure Rules (CPR).

2. Recommendations

- 2.1. That Council approves the new Council Procedure Rules which form Part 4G of the Constitution.

3. Summary

- 3.1. The CPR are a legal requirement for the Council and set out the rules and processes which must be followed when entering into contracts for the purchase/hire of goods, disposal of assets and purchase of works and services. They were last updated in 2015; Rule 14 (Periodic Review of the Rules) of the current rules states:

“The Head of Procurement and City Barrister, in consultation with the Chief Operating Officer, shall at least every five years review these Rules and, if deemed appropriate, propose amendments to Full Council, following an initial report to Audit & Risk Committee.”

- 3.2. Over the past year, a number of changes to council policy, procurement legislation and the Council’s procurement structure have taken place which mean the rules need to be updated. Additionally a general need to update the CPR to address issues and improve procurement processes has been identified.
- 3.3. The changes to the Rules in 2015 were made to support the reorganisation of a new more professional procurement function and to respond to a challenge to make the Council’s contracts more open and accessible to smaller local suppliers. There has now been a noticeable improvement but some of the processes introduced at that time have

become onerous and inefficient, particularly for low value contracts and in the context of needing to deliver savings across the authority.

- 3.4. New CPR have been drafted with consultation with senior management and relevant service areas across the Council, including Finance, Legal and Internal Audit. These are attached as Appendix 1.

4. Report

- 4.1. Internal review and feedback was received which has highlighted a number of challenges which the proposed changes to the Rules seek to address:

a) **Challenge:**

Processes, particularly for low value procurement too onerous, not cost-effective, not adding value and leading to too many waivers

Proposals:

- Automatically devolve simple processes for contracts up to £10,000 (or £25,000 for Works) to be conducted by departments; low risk processes above this threshold may also be devolved following review/advice by Procurement and Legal Services;
- Updated rules and approval processes for Waivers/Exemptions and Contract Extensions so fewer approvals (aligned to value) are required, and there is greater alignment with the Public Contracts Regulations;
- Requirement to get four written quotes reduced to three for Targeted Quotations (a Targeted Quotation is where we do not advertise but pre-select a small number of suppliers to quote based on market research and previous experience etc.);
- Remove requirement for Procurement Plan to be approved every year as a prerequisite for procurement to commence;
- Less specific rules on executing contracts to enable implementation of new “e-signature” software to improve efficiency of contract award procedures;
- Raise thresholds & merge current Small & Medium bands. See Annex A for proposed revised thresholds.

b) **Challenge:**

To ensure that raising the thresholds for advertising does not lead to a decline in the use of and engagement with local suppliers.

Proposals:

- Increased ability to seek targeted quotes or direct award, and rules encourage use of local suppliers whenever possible – this will be emphasised in guidance and communications;

- References to Social Value Charter added to formally link into rules.

c) Challenge:

The existing Rules are too long and not easy to follow in places.

Proposals:

- Restructured and significant reduction in length of Rules to simplify and aid understanding; remove re-writing of legislation;
- Removal of Appendix 2 as not implemented by schools who have their own separate rules.

4.2. The proposed Rules have also been updated to reflect new legislation, principally the Concessions Contracts Regulations, and to mitigate risk of needing to make future changes due to Brexit.

4.3. If the Rules are approved, Audit and Risk Committee, as per the proposed new Rule 12, will receive a report following the end of each financial year to include:

- achievement of the Procurement Plan;
- compliance with these Rules, including a summary of Waivers;
- any changes to these Rules made under Rule 6;

5. Financial, Legal and Other Implications

Financial Implications

5.1. There are no significant direct financial implications expected from changing these rules. It is anticipated that the resource required to conduct the processes set out is already in place in the Council’s procurement teams. The Rules are aimed at ensuring procurement activity derives best value and maximum economic benefit for Leicester. Colin Sharpe, Deputy Director of Finance, ext. 37 4081

Legal Implications

5.2. Legal Services have been consulted in drafting the new Rules and their comments considered at each new draft. The Rules have been drafted to ensure the Council complies with legislation in terms of procurement and to protect the Council from legal challenge when conducting procurement activity.

Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References within the Report
--------------------	------------	-------------------------------------------

Equal Opportunities	Yes	Procurement has the potential to impact on all of these implications, and the guidance which is being developed to accompany these Rules will detail how this should be done. The centralisation of procurement activity to a fewer number of professionals will help ensure this is done in a consistent and proportionate manner.
Policy	Yes	
Sustainable and Environmental	Yes	
Crime and Disorder	Yes	
Human Rights Act	Yes	
Elderly/People on Low Income	Yes	
Corporate Parenting	Yes	
Health Inequalities Impact	Yes	
Risk Management	Yes	Risk Management and Internal Audit have been consulted when developing these new procedures which have been drafted to provide appropriate controls to risks that occur during all procurement processes. The Rules sit alongside the Council's Risk Management Strategy and Policy.

6. Consultations

6.1. See paragraph 3.4 above.

7. Report Author

7.1. Neil Bayliss
Head of Procurement
0116 454 4021
neil.bayliss@leicester.gov.uk

Annex A: Proposed Revised Thresholds

	Process	Goods and Services	Social Care ("Schedule 3") Services	Works (and Concessions)
Small <i>currently Minor</i>	Direct Award and Purchase Order	Up to £10,000.00 <i>Up to £1,000</i>	Up to £10,000.00 <i>Up to £1,000</i>	Up to £25,000.00 <i>Up to £5,000</i>
Medium <i>currently Small & Intermediate</i>	Three Quotes (or Advertisement)	£10,000.01 - £100,000.00 <i>£1,000 - £75,000</i>	£10,000.01 - £100,000.00 <i>£1,000 - £75,000</i>	£25,000.01 - £250,000.00 <i>£5,000 - £250,000</i>
Large	Advertised Tender Process	£100,000.01 to EU Threshold <i>£75,000 to EU Threshold</i>	£100,000.01 to EU Threshold <i>£75,000 to EU Threshold</i>	£250,000.01 to EU Threshold <i>no change</i>
PCR <i>currently EU</i>	Full Tender Process	EU Threshold and above <i>no change</i>	EU Threshold and above <i>no change</i>	EU Threshold and above <i>no change</i>
Current EU Threshold*		£181,302	£615,278	£4,551,413

*will be updated with effect from 1 January 2020

**PART 4G:
CONTRACT PROCEDURE RULES**

Contents

PREAMBLE.....3

GENERAL PROVISIONS4

THRESHOLDS & APPROVAL.....6

EXEMPTIONS & WAIVERS8

TERMS AND CONDITIONS & EXECUTION OF CONTRACTS.....9

USE OF PROCEDURES10

PROCUREMENT PROCEDURES12

USE OF FRAMEWORK AGREEMENTS & DYNAMIC PURCHASING SYSTEMS13

CONDUCTING A PROCUREMENT PROCESS13

CONTRACT MANAGEMENT & CONTRACT MODIFICATIONS16

APPENDIX 1: DEFINITIONS.....19

APPENDIX 2: MANDATORY REQUIREMENTS23

PREAMBLE

For capitalised words see Appendix 1 at the end of these Rules for the meanings.

1. The Contract Procedure Rules

- 1.1 These Contract Procedure Rules (“Rules”) are a legal requirement under Section 135 of the Local Government Act 1972 and are part of the Council’s Constitution. They set out the basic principles that must be followed by everyone proposing to enter into any Contract on behalf of the Council.
- 1.2 The Regulations contain further rules concerning procurement by the Council which must be followed.
- 1.3 If there is any doubt or lack of clarity as to the meaning or application of these Rules, officers must seek advice from Procurement Services and/or Legal Services.

2. Purpose

- 2.1 These Rules set various value levels, their application and the procedures that must be followed for each. The procedures are designed in incremental steps so the higher the value the more rigorous the processes.
- 2.2 Following the Rules ensures that the Council:
 - achieves value for money, meets the Best Value Duty and delivers savings from the market;
 - achieves accountability, fairness and transparency (as required by the Local Government Transparency Code 2014) and ensures an adequate audit trail is maintained;
 - ensures compliance with all legal requirements, following proper, fair and proportionate procedures for and throughout all procurement processes;
 - ensures that all procurement processes reflect appropriate quality requirements and all Submissions are judged by objective criteria which are clearly set out in the procurement documentation;
 - ensures that the Council’s wider policy objectives are promoted (including environmental sustainability, economic regeneration, business continuity);
 - reduces the risk of fraud, bribery and corruption.

3. Procurement Guidance

- 3.1 The Head of Procurement and/or the Head of Law may from time to time publish guidance to amplify and fine tune the steps to be taken as part of procurement and Contract management processes or vary the standard procurement documents.
- 3.2 Where there is any ambiguity or conflict between these Rules and or guidance issued under this Rule, the provisions of the Rules shall take precedence.

4. Social Value

- 4.1 The Public Services (Social Value) Act 2012 requires the Council under certain circumstances to consider how the economic, social and environmental

wellbeing of Leicester may be improved by Services that are to be procured, and how procurement activity may secure these improvements.

- 4.2 The Council will apply the principles of the Public Services (Social Value) Act 2012 to the commissioning and procurement of all Medium, Large and PCR Contracts.
- 4.3 The Council has set out its policy on social value in its Social Value Charter which must be implemented in all relevant procurement processes.

5. Contracts Database and Electronic Tendering System

- 5.1 Procuring Officers must record all Medium, Large and PCR Contracts in the Contracts Database, which is part of the Electronic Tendering System.
- 5.2 In exceptional circumstances there may be occasions when use of the Electronic Tendering System is not appropriate or possible. E-mail and/or hard copy Submissions may be required.
- 5.3 Electronic auctions may be used, so long as, where applicable, the Regulations are complied with.

6. Minor Amendments & Review

- 6.1 The Chief Operating Officer, Chief Finance Officer and the City Barrister, may from time to time amend the thresholds in the table in Rule 13.1.
- 6.2 The City Barrister may from time to time amend these Rules:
 - to correct an error or clarify an ambiguity;
 - to reflect changes in the management structure, working practices and responsibilities, e.g. as set out elsewhere in the Constitution; and
 - to reflect changes in the Law to ensure consistency.

7. Periodic Review of the Rules

- 7.1 The City Barrister shall ensure that the Rules are reviewed at least every five years and, if appropriate, propose amendments to Full Council, following an initial report to the Audit & Risk Committee.

GENERAL PROVISIONS

8. Status

- 8.1 In the event of any inconsistencies between the Rules and the Law (including the Regulations), then the Law will apply over the Rules.

9. Scope

- 9.1 These Rules must be followed at all times and apply:
 - to all members, officers and staff, (including agency staff and interims) and consultants of the Council;
 - to all departments trading organisations and organisations for which the Council is the accountable body;

- where the Council is acting as agent for or working collaboratively with another body unless it is agreed between the parties otherwise and provided the Law is complied with at all times;
 - to all Contractors acting on behalf of the Council and empowered to form contracts on behalf of the Council and by any person who is not an officer of the Council engaged to manage a Contract on behalf of the Council;
 - to the award of a Contract where a sub-contractor/supplier is to be nominated by the Council to a main Contractor.
- 9.2 The Rules shall not apply to maintained schools, who must follow the Contract Procedure Rules for maintained schools as issued by the City Barrister from time to time.
- 9.3 Failure to comply with the provisions of the Rules may result in action being taken by the Council against the persons/organisations concerned including, where appropriate, referral to the Police.
- 9.4 These Rules apply to
- all Contracts, including but not restricted to:
 - the supply of Goods; and/or
 - the supply of Services (including consultancy); and/or
 - the carrying out of Works; and/or
 - a Capital Asset Disposal; and/or
 - any and all of the above in so far as they are (whether in part or whole) a Concession Contract.
 - any matters as may arise in the process of managing Contracts including those which change, vary or terminate;
 - any Contract which the Council awards to a Company in which it has an interest, but which is not a Teckal Company; and
 - any award of a Contract to another public body which is not a delegation of function.
- 9.5 These Rules do not apply to:
- contracts solely for the acquisition or disposal of any interest in land;
 - contracts of employment;
 - loan agreements;
 - grants so long as they fall outside of the definition of procurement within the Regulations;
 - functional arrangements with other public bodies, including any arrangements covered by Regulation 12 of the PCR, provided they are first approved by the Head of Law;
 - contracts awarded to a Teckal Company of the Council; or
 - delegations of functions to another Local Authority under the Local Government Act 1972 and Local Government Act 2000.

10. Private Interests

- 10.1 Whenever any member, officer or other person involved in a procurement process on behalf of the Council has any interest, or could be perceived to have any interest, in a Bidder or potential Bidder, or any procurement, this interest must be notified in writing to the City Barrister.
- 10.2 For each procurement (including re-procurements) where there is such an interest, that individual must declare it even where it has been declared before. The City Barrister, in consultation with the Head of Procurement, will decide how to proceed to ensure fairness can be demonstrated, to reduce any potential accusation of misconduct, eliminate bias and maintain the integrity of the process.
- 10.3 For the avoidance of doubt, no member, officer or agent of the Council, shall improperly use their position to obtain any personal or private benefit from any Contract entered into by the Council.

11. Procurement Plan and Pipeline

- 11.1 The Head of Procurement will maintain a Procurement Plan and Pipeline and make this available on the Council's website to members, the public and potential Bidders, which will comprise a list of known Medium, Large and PCR Contracts to be procured in the forthcoming two years.

12. Monitoring & Reporting

- 12.1 The Executive and the Audit & Risk Committee will each receive a report following the end of each financial year to include:
- achievement of the Procurement Plan;
 - compliance with these Rules, including a summary of Waivers;
 - any changes to these Rules made under Rule 6;
 - any proposals for changes to these Rules to be made to Full Council.

THRESHOLDS & APPROVAL

13. Thresholds

- 13.1 The following table sets out the thresholds for categorisation of Contracts into value bands based on the Estimated Value.

	Goods & Services	Works & Concessions
Small Contract	£0 - £10,000.00	£0 - £25,000.00
Medium Contract	£10,000.01 - £100,000.00	£25,000.01 - £250,000.00
Large Contract	£100,000.01 – PCR Threshold	£250,000.01 – PCR Threshold
PCR Contract	Over PCR Threshold	Over PCR Threshold

14. Calculating Estimated Value

14.1 Before starting any procurement process, the Commissioning Officer must calculate its Estimated Value as follows:

- for fixed-term Contracts, the total estimated maximum value of the Goods, Services or Works to be supplied over the period of the Contract including any Extensions;
- for Contracts with no defined term, multiplying the estimated average monthly value by 48;
- for trials and pilots, the value of the full Contracts which may be awarded following the trial/pilot;
- for Framework Agreements and DPSs, the total expected value of all Call-Off Contracts over the maximum duration of the Framework Agreement/DPS by all organisations who may use the Framework Agreement/DPS;
- for Concession Contracts, the total income, regardless of source, to the Contractor over the Contract period;
- for periodic/recurring purchases, whether it is from the same or different contractors, must be aggregated over a minimum of a 12-month period;

14.2 Further, when calculating the Estimated Value:

- it must exclude Value Added Tax (VAT) but must include all other taxes and duties;
- it must include the combined estimated value of any department or section of the Council that may use the Contract over the duration of the Contract including any Extensions;
- where the Council is contributing only part of the total value of a Contract, it is the total spend under the contract of all parties to it that must be taken as the Estimated Value and to determine its categorisation;
- it should be calculated including the total consideration that the Contractor(s) will receive in return for carrying out the Contract, whatever the nature or source of the consideration;
- the requirement shall be looked at as a whole and must not be artificially split to avoid competition;
- the Commissioning Officer shall take account of historic cost and an assessment of future trends or, where the requirement is new, the best estimate of value available at the time.

14.3 Where there is any doubt as to the Estimated Value and the band in which the Contract will fit then the procedure for the higher categorisation must be used.

14.4 With the written approval of the Head of Procurement the Procuring Officer may make use of the “Small Lots” provision set out at paragraph 14 of Regulation 6 of the Regulations, and therefore not aggregate the value of all requirements. The Procuring Officer must follow a procedure to award the Contract based only on the value of that ‘Small Lot’.

15. Financial Approval

- 15.1 Before procurement of any Contract reaches the Advertisement stage, it must have financial approval from the required officer(s), as set out in the table below:

Contract Categorisation	Financial Approval
Small Contract	Budget Holder(s)
Medium Contract	Head of Service
Large Contract	Divisional Director and Head of Finance
PCR Contract	Divisional Director and Head of Finance

EXEMPTIONS & WAIVERS

16. Exemptions & Waivers

- 16.1 Exemptions and Waivers may be requested by completion of a Form for Exemptions and Waivers (FEW).
- 16.2 A **Waiver** is an approval that for the purpose of a specific procurement the procurement procedure requirements contained in Rules 20 to 37 and their application will be waived, though they apply in principle ('Waiver').
- 16.3 An **Exemption** is an approval that, for one of the following reasons, the procurement is exempt from the procurement procedure requirements contained in Rules 20 to 37 ('Exemption').
- Goods, Services or Works which are available only as proprietary or patented articles; Services or Works from one Contract or for which there is no reasonably satisfactory alternative available in the European Union; and for repairs to, or the supply of, parts of existing proprietary or patented articles or Works, including machinery or plant;
 - works of art, museum specimens or historical documents (a FEW is not required if the Contract is for the Arts & Museum Service);
 - particular artistes and performers and bought-in productions (a FEW is not required if the Contract is for the Arts & Museum Service);
 - those genuine unforeseen emergencies (not of the Council's own making), where immediate action is required, including to fulfil the Council's statutory obligations under the Civil Contingencies Act 2004;
 - Where one of the criteria for use of the Negotiated Procedure without Prior Publication set out in Regulation 32 of the PCR is met;
 - Services as set out in Regulation 10 of the PCR.
- 16.4 In the event that an Exemption does not apply but there is a clear need to dispense with the requirements of the Rules the Commissioning Officer may request a Waiver.

16.5 Exemptions and Waivers require approval as follows.

Contract Category	Exemption	Waiver
Small Contract	Head of Service	Head of Service
Medium Contract	Divisional Director and Specialist Procurement Team Manager	Divisional Director and Specialist Procurement Team Manager
Large Contract	Divisional Director and Specialist Procurement Team Manager	Divisional Director, Specialist Procurement Team Manager and Head of Law
PCR Contract	Divisional Director, Head of Procurement and Head of Law	Divisional Director, Head of Procurement and Head of Law

16.6 Where the FEW is in relation to an ICT Contract it must also be signed by the Director of Finance.

16.7 Exemptions and Waivers may alternatively be authorised by the Executive supported by formal advice from the Head of Procurement and the Head of Law.

TERMS AND CONDITIONS & EXECUTION OF CONTRACTS

17. Contract Duration

17.1 All Contracts (excluding Framework Agreements and Concession Contracts but including Call-Off Contracts) may only be for a maximum of five years unless first approved in writing by the Head of Procurement and the Divisional Director.

17.2 All Framework Agreements may only be for a maximum four years unless first approved in writing by the Head of Law, Divisional Director and Head of Procurement.

17.3 The length of a Concession Contract will be determined in accordance with the CCR and approved by the Head of Law and Head of Finance where it exceeds five years in length.

18. Terms & Conditions of Contract

18.1 For all Contracts, excluding Concession Contracts and Framework Agreements (for which Legal Services must be instructed to approve the terms and conditions), the following terms and conditions will be able to be used, otherwise Legal Services must provide bespoke/customised terms and conditions:

	Small	Medium	Large	PCR
Purchase Order	Yes	Only with prior written approval of Legal Services	No	No
Standard Terms and Conditions	Yes	Yes	Only with prior written approval of Legal Services	Only with prior written approval of Legal Services
Industry Standards	Only with prior written approval of Legal Services			
Contractor's Terms and Conditions	Only with prior written approval of Legal Services			
Framework Agreement Terms and Conditions	Only with prior written approval of Legal Services			

18.2 Where Standard Terms and Conditions are not used the proposed terms of all Contracts must include the clauses as set out in Appendix 2.

19. Execution of Contracts

19.1 Contracts may only be signed and entered in to as follows:

Small Contracts (non-deed)	Divisional Director
Medium Contracts (non-deed)	One Authorised Signatory (Legal Services)
Large Contracts (non-deed)	Two Authorised Signatories (Legal Services)
PCR Contracts (non-deed)	Two Authorised Signatories (Legal Services)
Any Contract to be entered in to as a deed	Common Seal and one Authorised Signatory (Legal Services)

19.2 Legal Services will determine where a Contract should be executed as deed.

USE OF PROCEDURES

20. Principles

20.1 The following Rules set out the procedures for use based on the Contract categorisation.

20.2 All ICT Contracts must be procured by the ICT Procurement Team unless the ICT Commercial & Procurement Manager agrees otherwise. Where a procurement is not for an ICT Contract but contains an element of ICT the ICT Procurement Team must be consulted in relation to the procurement.

20.3 All other Contracts except Small Contracts must be procured by the relevant Specialist Procurement Team unless the Specialist Procurement Team Manager agrees otherwise.

20.4 In the case of Schedule 3 Contracts, Concession Contracts or where the Regulations permit or do not apply, the procurement procedures set out in Rules 24 to 26 may be adapted to suit the procurement process in question.

21. No Competition Required

21.1 A Contract may be awarded without competition for the following Services:

- Care Services where the provider is to be appointed as a matter of Service User Choice as per the Care Act 2014;
- Contracts for the provision of Residential Care (both adults and children);
- individual school placements sought for a child with Special Educational Needs (SEN);
- special education packages managed by or on behalf of individual clients under the personalisation agenda; and
- where certain needs of an individual (whether an adult or a child) require a particular social care package, which is only available from a specific Contractor in the opinion of the Divisional Director.

21.2 The Divisional Director must ensure that the Contractor meets the relevant national minimum standards and that a record of the reasons for the choice of the Contractor is maintained on the individual’s case notes.

21.3 A Medium Contract may be awarded to one or more VCSE(s) following direct negotiation where, if the Council were not to contract with the VCSE(s) it would significantly affect customers, or other greater gains or benefits would be lost.

22. Small Contracts

22.1 For Small Contracts award may be made based upon one quote provided by a Bidder, who is a Local Bidder where possible. The Commissioning Officer must consider whether additional quotes are in the Council’s best interests.

22.2 Where written quote it is not practical, a record of any oral quotation obtained must be made and retained.

23. Medium, Large & PCR Contracts

23.1 The following table sets out the usual procedures for each Contract Value, but any lower value procurement may use a method for a higher value procurement where the relevant Specialist Procurement Team deems appropriate:

	Medium	Large	PCR
Targeted Quotation	Yes	Yes (with approval of the Head of Procurement)	No
Advertised Quotation	Yes	No	No
Use of Non-LCC Framework Agreement	Yes	Yes	Yes
Use of LCC Framework Agreement	Yes	Yes	Yes

Open Procedure	-	Yes	Yes
Restricted Procedure	-	Yes (where permitted by Regulation 107 of the PCR)	Yes
Competitive Dialogue (CD)	Only with Head of Law and Head of Procurement Approval		
Competitive Procedure with Negotiation (CPN)	Only with Head of Law and Head of Procurement Approval		
Innovation Partnership (IP) or Design Contest (DC)	Only with Head of Law and Head of Procurement Approval		

PROCUREMENT PROCEDURES

24. Targeted Quotation

- 24.1 The Procuring Officer must obtain three written Quotations of which at least two shall be from Local Bidders. Where Local Bidders cannot be approached or three Quotations cannot be obtained, written reasons and evidence as to why this is the case are required.
- 24.2 The Procuring Officer must log all details of the Quotations/responses.
- 24.3 The Evaluation Panel may make the decision on whether or not to award the Contract after considering the Quotations, making a written record of their decision and reasons.

25. Advertised Quotation

- 25.1 An advertisement will be placed by the Procuring Officer for a sufficient period of time to allow Bidders to respond.
- 25.2 A RfQ document must be made available to all interested parties who respond to the Advertisement. The RfQ must contain or identify:
- Instructions for the completion and return of Quotations;
 - A Specification setting out the Council's requirements;
 - The proposed terms and conditions of Contract; and
 - The procedure for the evaluation of Quotations.
- 25.3 Quotations received will be evaluated by the Evaluation Panel in accordance with the RfQ to recommend an award.

26. Open Procedure, Restricted Procedure, Competitive Procedure with Negotiation, Competitive Dialogue, Innovation Partnership and Design Contest

- 26.1 Where any of the above procedures are to be used on a PCR Contract the Regulations will be followed in full. Where a Contract below the PCR Threshold or a Concession Contract is being procured, the process shall reflect the procedure set out in the Regulations though the Specialist Procurement Team

Manager may agree to alter the procedure as may be considered beneficial and/or necessary.

- 26.2 The CPN, CD, IP and DC processes may only be used for PCR Contracts in the circumstances set out in the Regulations. In such cases evaluation, award and any negotiation will be undertaken in accordance with the Regulations and the procurement documents issued.

USE OF FRAMEWORK AGREEMENTS & DYNAMIC PURCHASING SYSTEMS

27. LCC Framework Agreements

- 27.1 For the purposes of establishing a Framework Agreement the Rules must be followed unless otherwise stated.
- 27.2 The Framework Agreement must set out a methodology for awarding a Call-Off Contract.
- 27.3 Once it has been established, additional Contractors may only be added to a Framework Agreement where:
- it is not an PCR Contract or it is for Services listed in Schedule 3; and
 - the ITT states:
 - a) that additional organisations may be added to the Framework Agreement during the term;
 - b) how and when additional organisations be added to the Framework Agreement; and
 - c) that the same evaluation criteria and award methodology applied to the original Contractors will be applied to any potential Contractors when determining whether to add them.

28. Non-LCC Framework Agreements

- 28.1 The Council may use Framework Agreements set up by third parties where the Framework Agreement entitles the Council to do so, subject to the approval of the Head of Procurement and the Head of Law (other than for Small Contracts, where standing approval is given).
- 28.2 The methodology and all requirements set out in the Framework Agreement must be followed when awarding a Call-Off Contract under the Framework Agreement.

29. Dynamic Purchasing Systems (DPSs)

- 29.1 A DPS may only be established with the approval of the Head of Law and the relevant Specialist Procurement Team Manager and in accordance with the Regulations.

CONDUCTING A PROCUREMENT PROCESS

30. Fairness & Equal Treatment

- 30.1 All Bidders must be provided with the same information throughout any procurement process.
- 30.2 The Procuring Officer and Commissioning Officer must ensure that all processes set out in the procurement documentation issued to Bidders are followed.

31. Advertisements

- 31.1 Where the procurement procedure requires an advertisement, one must be placed in accordance with the Regulations and on a website as approved by the Head of Procurement and any such place as there is a legal requirement to place such adverts.
- 31.2 For all advertised procurement procedures, the Procuring Officer must allow a reasonable time between the date of the advertisement or the issue of documents to Bidders and the Closing Date, having regard to:
 - the requirements of the Regulations;
 - the amount of effort likely to be required to make a Submission; and
 - the urgency of the requirement.
- 31.3 As a minimum, all advertisements must express the nature and purpose of the procurement procedure, stating where further details may be obtained.

32. Reserved Contracts

- 32.1 The Procuring Officer may Reserve a Contract with the written approval of the relevant Specialist Procurement Team Manager and Head of Law.
- 32.2 The Procuring Officer must set out in all appropriate documentation, including the Advertisement, that the contract is Reserved; and comply with Regulations 20 or 77 of the PCR, if applicable.

33. Specification

- 33.1 All Specifications must be a written statement of the Goods, Services or Works required and shall be prepared in accordance with such guidance as issued by Legal Services and/or the relevant Specialist Procurement Team.
- 33.2 Unless justified by the subject matter of the Contract and approved by the relevant Specialist Procurement Team Manager, the Specification shall not refer to a specific make or source, or a particular process which characterises the Goods, Services or Works provided by a specific organisation, or to trademarks, patents, types or a specific origin or production with the effect of favouring or eliminating certain organisations or certain products. Such reference shall be accompanied by the words 'or equivalent'.

34. Receipt and Opening of Submissions

- 34.1 The PQQ, RfQ or ITT must specify the Closing Date for Submissions.

- 34.2 The Electronic Tendering System must be used for each procurement process, including but not limited to, for the publication of documents and receipt of documents to/from Bidders at all times unless otherwise agreed in advance with the Head of Procurement.
- 34.3 The Head of Procurement may authorise the acceptance of Submissions received via the Electronic Tendering System after the Closing Date where:
- there is clear evidence of technical issues preventing the Bidder sending their Submission ahead of the Closing Date, confirmed by the provider of the Electronic Tendering System; and
 - the Bidder gains no other advantage through the acceptance of their Submission.

35. Clarification of Submissions

- 35.1 Bidders are not permitted to alter their Submissions after they have been received by the Council other than in accordance with the instructions provided to Bidders, this Rule or Rule 36.
- 35.2 Following the Closing Date but before the award of any contract, the Procuring Officer may seek clarification from a Bidder.
- 35.3 Clarification should be conducted via or recorded on the Electronic Tendering System.
- 35.4 Any clarification of Submissions during a procurement process must always ensure fair and equal treatment of all Bidders is maintained.

36. Negotiation

- 36.1 Other than for PCR Contracts (where negotiation will only be permitted where an appropriate procedure is used), the Procuring Officer in consultation with the Commissioning Officer may negotiate with Bidders to seek to secure improvements in the price or economic advantage. Such negotiation must take place following the Closing Date, but before award of Contract and be approved in writing by the Head of Procurement.
- 36.2 When conducting negotiations, the following shall apply:
- The negotiation must not increase the value so that it exceeds the PCR Threshold.
 - A Bidder must not be told the detail of any other Submission or how their Submission compares to any other Submission.
 - Two officers of the Council must be present at negotiations.
 - A written note of the negotiations must be made and retained detailing the time and location of the negotiations, the discussions and any agreement reached.
 - Negotiations shall not result in a material departure from the published Specification and/or Contract terms. The Head of Law, in consultation with the Head of Procurement and appropriate Divisional Director, shall determine whether any proposed change to the Specification constitutes a material departure and any resulting actions.

37. Standstill and Contract Award

37.1 Contract Award must be authorised prior any Standstill Period commencing, or where not applicable prior to the notification of award being issued to Bidders, as follows:

Small Contract	Budget Holder & Commissioning Officer (&, for ICT Contracts, the Specialist Procurement Team Manager)
Medium Contract	Head of Service & Specialist Procurement Team Manager
Large Contracts	Divisional Director & Specialist Procurement Team Manager
PCR Contracts	Divisional Director & Specialist Procurement Team Manager

37.2 A Standstill Period must be applied to PCR Contracts if required by the Regulations, and may be applied to Large Contracts and to Call-Off Contracts from Framework Agreements over the PCR Threshold.

37.3 Each Standstill Period must last a minimum of 10 calendar days from the day of sending the notice to Bidders, day one counting as the day after such notice is sent.

37.4 A challenge during the Standstill Period will mean that the approval of Head of Law and Head of Procurement is required to award the Contract.

37.5 Letters of Intent are not permitted unless prior written approval of the Head of Law has been granted.

37.6 For PCR Contracts the requirements with regards to notification of outcome, reasons/feedback, the end of a Standstill Period and any other such requirements within the Regulations shall be complied with.

37.7 For Medium Contracts and Large Contracts, the Procuring Officer must, following the approval of the award, send at the same time a notification in writing to:

- the successful Bidder(s) that their Submission is accepted; and
- the unsuccessful Bidders that their Submission has not been accepted.

CONTRACT MANAGEMENT & CONTRACT MODIFICATIONS

38. Contract Management

38.1 The Divisional Director must ensure that for each Medium, Large and PCR Contract, a person is designated as the Contract Manager.

38.2 The Contract Manager is responsible for managing the performance of the Contract and the Contractor(s) throughout the Contract period, including ensuring that value for money is obtained and Best Value Duty met.

38.3 The Contract Manager is responsible for initiating procurement of a replacement contract, where required, in a timely manner in accordance with these Rules.

39. Financial Parameters for Extensions and Variations

39.1 When considering Contract Extensions and Variations, the Contract categorisation must be reviewed for which the calculation of the value should be undertaken as follows:

- the spend to date on the Contract (compared against the procured Contract value, detailing where any other variations have occurred and value of them); plus
- the projected spend on the Contract over the remaining term; plus
- any increase as a consequence of the proposed Extension or Variation.

For the purposes of this calculation, decreases in Contract value should not be considered other than in so far as they affect the projected spend.

39.2 Where the figure exceeds the original contract value this will be considered as a financial variation to the contract, in addition to any change to the scope of services.

39.3 Should the categorisation of the Contract change (Rule 13.1) this will mean the approval under Rules 40 and 41 will be for the new categorisation.

40. Extensions

40.1 An Extension of Contracts is only where it is expressly provided for in the Contract. Where the Contract does not provide for an extension then Rule 41 regarding variations apply. For an Extension the following approvals shall be required:

Category of Contract	Approval Required
Small Contract	Head of Service
Medium Contract	Head of Service
Large Contract	Divisional Director
PCR Contract	Divisional Director in consultation with the Head of Procurement

40.2 In the case of any Extension other than for Small Contracts, approval shall be via a CEV form. Once approved the CEV form must be forwarded to the relevant Specialist Procurement Team.

41. Contract Variations

41.1 No Variation may be authorised which alters the overall nature of the Contract.

41.2 Authorising officers must have due regard to transparency and openness and the value for money of the proposed Variation and must notify the Head of Procurement of the Variation.

- 41.3 Each Variation to a Contract must be made in writing and signed by the parties to the Contract unless the Contract allows otherwise. This must be done before the Variation takes effect.
- 41.4 The Contract Manager may, where they do not significantly affect the overall delivery or cost of the Contract, agree Variations on any Contract provided that such Variation is confirmed in writing and signed by the parties, with full details of the Variation included.
- 41.5 All Variations other than under Rule 41.4 above require authorisation via a CEV as follows:

Contract Categorisation	Percentage Change in Contract Value	Approval Required
Small Contract	Any	Head of Service
Medium Contract	Any	Head of Service
Large Contract	Less than 50%	Divisional Director
Large Contract	50% or more	Divisional Director and Head of Procurement
PCR Contract	Less than 10%	Divisional Director
PCR Contract	10% or more	Divisional Director, Head of Procurement and Head of Law

42. Novation of Existing Contracts

- 42.1 The novation of a Contract from an existing party to a new party requires prior written approval of the City Barrister and must be via a formal agreement. The Head of Procurement must be informed of the novation.

43. Early Termination of Contracts

- 43.1 Following consultation with the City Barrister the Divisional Director shall be authorised to terminate any Contract before the expiry of its agreed term. In such cases the Divisional Director must inform the Head of Procurement of the termination.

APPENDIX 1: DEFINITIONS

Terms defined in the Council's Constitution have the same meaning when used in these Rules. Where a job title is used and that job title is no longer appropriate, the Chief Operating Officer will identify the postholder to replace the stated job title. To ensure effective operation of these Rules, the Head of Procurement, Head of Law and City Barrister may delegate their responsibilities under these Rules to appropriately skilled officers.

Other terms are defined by these Rules as follows:

“Best Value Duty” means the duty under section 3(1) of the Local Government Act 1999 to make arrangements to ensure continuous improvement in the way its functions are exercised having a regard to the combination of economy, efficiency and effectiveness.

“Bidder” means a person or organisation who responds to an Advertisement or invitation and participates in a procurement procedure to win a Contract.

“Call-Off Contract” means a Contract based on a Framework Agreement or DPS.

“Capital Asset Disposal” means a relevant disposal of capital assets by the Council which fall within the scope of the Regulations which may include land disposal agreements from which the Council receives an income.

“CCR” means the Concession Contracts Regulations 2016 (as amended or re-enacted from time to time).

“Closing Date” means any stated closing time and date for the receipt of Submissions.

“Commissioning Officer” means a person appointed by a Head of Service or Chief Officer to identify and specify the requirement and provide specialist service/technical input into the Procurement Procedure.

“Contract” means any contract to be procured and entered in to by the Council and includes Framework Agreements, Concession Contracts, ICT Contracts and Schedule 3 Contracts.

“Concession Contract” means as defined in Article 3 of the CCR.

“Contract Manager” means a person appointed by a Head of Service or Chief Officer to manage the performance of a Contract throughout its Contract period. The duties of a Contract Manager shall begin when the Contract is awarded and shall cease when it is completed or terminated.

“Council” means Leicester City Council.

“Contractor” means any person or organisation contracted to sell, provide or buy Goods, Service or Works. This term applies after a Contract is formed.

“DPC” means a certificate signed by a Director confirming their agreement to use their delegated powers as stated within the certificate.

“DPS” means a Dynamic Purchasing System as permitted in the PCR.

“Electronic Tendering System” means any IT system approved for use by the Head of Procurement via which a procurement process can be conducted.

“Estimated Value” means the estimate value of a Contract as established in accordance with Rule 12.

“Evaluation Panel” means the Procuring Officer, the Commissioning Officer and any other individuals appointed by them to participate in evaluating Submissions. For Large and PCR Contracts, the Evaluation Panel must include at least one other officer to evaluate the technical quality elements of the Submission in addition to the Commissioning Officer.

“Extension” means an extension of a Contract for a further period of time in accordance with its terms.

“Goods” means the subject of a Public Supply Contract.

“Head of Law” means the Head of Law for Commercial, Property & Planning.

“ICT Contract” means any contract primarily for the provision of equipment, software or hardware that connects or interfaces with the Council’s ICT network, including maintenance and support services to this hardware and software.

“ITT” means an Invitation to Tender document issued by the Council to potential Bidders.

“Law” means any:

- (i) applicable statute or proclamation or any delegated or subordinate legislation or regulation;
- (ii) enforceable EU right within the meaning of Section 2(1) of the European Communities Act 1972;
- (iii) applicable judgment of a relevant court of law which is a binding precedent in England and Wales;
- (iv) National Standards;
- (v) Statutory Guidance; and

in each case in force in England and Wales and including any amendments.

“Local Bidder” means a business having a base from which the Goods/Services/Works will be delivered with an LE postcode.

“PCR” means the Public Contracts Regulations 2015 (as amended or re-enacted from time to time).

“PCR Contract” means a Contract which is over the PCR Threshold.

“PCR Threshold” means the relevant threshold set out in Regulation 5(1)(a), (c) or (d) of the PCR or Regulations 9(1) of the CCR.

“Procuring Officer” means a person appointed by the Head of Procurement for the purpose of carrying out the appropriate duties set out in these Rules. A Procuring Officer may be appointed specifically for the purpose of a single Contract or for a range of Contracts.

“Quotation” means a completed RfQ (or similar Submission from a Bidder), and any attached documents submitted by a Bidder as part of a procurement procedure.

“Regulations” means both the CCR and PCR.

“Reserve” means the reservation of a Contract a for sheltered workshops, mutuals or social enterprises (or similar). Reserved shall be construed accordingly.

“RfQ” means a Request for Quotation document issued by the Council to potential Bidders.

“Schedule 3” means Schedule 3 to the PCR.

“Services” means the subject of a Public Service Contract.

“Social Value Charter” means the social value charter as adopted and published by the Council from time to time and includes all guidance issued.

“Specialist Procurement Teams” Procurement Services (City Barrister & Head of Standards Division), ICT Commercial & Procurement Team (Finance Division) and Social Care & Public Health Procurement Team (Care Services and Commissioning Division).

“Specialist Procurement Team Manager” shall mean the appointed manager of the Specialist Procurement Team as appointed from time to time.

“Specification” means a clear written statement of the Goods, Services or Works the Council requires from the Contract.

“Standard Terms and Conditions” the standard terms and conditions for any Contract type as published and approved by Legal Services for use by officers without the need to instruct Legal Services.

“Standstill Period” any standstill period required in accordance with these Rules.

“Submission” means a completed ITT, RfQ, PQQ or other similar document submitted by a Bidder as part of a procurement procedure.

“Teckal Company” means a company which falls within the meaning of Regulation 12 of the Regulations.

“Variation” means a variation of any Contract as originally procured and, where the Contract does not allow for an Extension, it shall include a variation to extend the Contract.

“VCSE(s)” means a Voluntary Community Sector Enterprise being a not for profit organisation.

“Works” means the subject of a Public Works Contract.

APPENDIX 2: MANDATORY REQUIREMENTS

- Allowing the Council to terminate and recover sums paid where there is evidence of bribery or corruption;
- Allowing the Council to, where there is a breach by the Contractor;
 - a) terminate part or all of the Contract; and
 - b) appoint an alternative contractor, and recover the cost of doing so from the Contractor; and
 - c) recover any compensation as a consequence of the breach by the Contractor in the event of a breach of Contract by or the insolvency of the Contractor;
- Stating the price payable by the Council (and any mechanism by which the price, any additional price or discounts are to be ascertained) and setting out the mechanisms for payment;
- For Medium, Large and PCR Contracts, prohibiting the Contractor or from sub-contracting, assigning or otherwise transferring the Contract without the prior written consent of the Council;
- Where the Contractor sub-contracts all or part of the Contract it remains liable to the Council for any such is sub-contracted parts;
- Requiring compliance by the Contractor with all relevant legislation and requirements of the Council in relation to the same, including as a minimum:
 - a) The Human Rights Act 1998 (as if the Contractor were a public body);
 - b) Freedom of Information Act 2000/Environmental Information Regulations, Data Protection Act 2018;
 - c) The Equalities Act 2010, The Modern Slavery Act 2015, Bribery Act 2010, Prevention of Terrorism Act 2005, Counter Terrorism & Security Act 2015
 - d) The Transfer of Undertakings (Protection of Employment) Regulations 2006;
- Stating the levels and type of insurance required of the Contractor;
- Setting out indemnities in respect of claims made against the Council made in respect of a Contractor's activities;
- Where appropriate, requiring the provision to the Council of adequate Intellectual Property protection together with an indemnity protection;
- Requiring the provision to the Council of adequate warranties in Contracts for the purchase of Goods;
- Where the Contract relates to the Services to be delivered to vulnerable groups, requiring compliance with the Council's safeguarding policies, procedures and practice requirements;
- For Large and PCR Contracts, obliging the Contractor to maintain continuous improvement throughout the Contract;
- Requiring the Contractor to grant reasonable access to the Council to information and premises relating to the Contract, and to undertake appropriate monitoring and compliance procedures.

Independent Remuneration Panel Report

Decision to be taken by: Council

Date of meeting: 19th March 2020

Lead director/officer: Director of Delivery,
Communications and Political Governance

Useful information

- Ward(s) affected: All
- Report author: Matthew Reeves
- Author contact details: matthew.reeves@leicester.gov.uk

1. Summary

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

2. Recommended actions/decision

Members are recommended to:

1. Consider the content and recommendations of the Independent Remuneration Panel's Report on Members' Allowances.
2. Make a Members' Allowances Scheme (MAS) for the City to take effect from 1st April 2020.

3. Scrutiny / stakeholder engagement

The IRP review process undertook a full process of consulting with Councillors and relevant officers for their views on the Members' Allowance Scheme and associated regulations and legislation. The Panel also spoke with a considerable number of post holders on the Council as well as other Councillors who requested to speak with them. This took place during the time period of November 15 2019 to February 7 2020.

4. Background and options with supporting evidence

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.

5. Detailed report

5.1 At the Council meeting on 13 June 2019 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.

5.2 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/remunerationpanel), a copy was made available in the Council's Customer Services Centre on Granby Street and a notice placed in the Leicester Mercury (5th March). As the IRP is independent of the Council, officers are unable to respond to comments concerning the report. However, members of the public have been invited to forward any comments to the members-services@leicester.gov.uk email address by 5pm on 16 March 2020 in order to allow comments to be collated and made available to Members at this meeting.

5.3 Context

The last IRP held by Leicester City Council was in 2016 with the findings reported to the meeting of Council held on 17 March 2016 (min 33 refers).

As referred to in the IRP report the Panel were asked to consider its recommendations in the light of the Council's financial situation and wider economic climate. 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 increase of around £7,560 against the current budget. Additionally, whilst it is hard to judge the full impact prior to implementation, the recommendations will maintain the efficiencies and reduction in the level of staffing resource required to administer the allowances scheme achieved following the 2016 review.

The Panel noted that the review in 2016 was a wide-ranging review which made a number of significant changes to the Members Allowance Scheme which was previously in place. The Panel in 2019/20 noted that there wasn't a similar need to undertake such a wide-ranging review, as the scheme was generally 'fit for purpose', but would focus on any anomalies which may have arisen over time and consider any representations regarding

aspects of the scheme that were thought to be inequitable.

There were a number of areas which the Panel recommended some change from the existing scheme, which are detailed below, otherwise the status quo was recommended.

Basic Allowance

The Panel undertook a 'triangulation' process which took into account three points of reference:

- I. Recalibration based on the 2006 Statutory Guidance
- II. Benchmarking
- III. Representation received by the Panel

The report considered this process in more detail, but the Panel gave consideration to factors such as; time spent on duties; the 'public service discount'; comparators on the rate of remuneration; and any feedback from Councillors. Taking all these factors into account, the Panel felt that the arising formula indicated that the basic allowance had comparatively dropped and it was out of line compared to similar comparator authorities on a median basis. Therefore, a small increase in the basic allowance to £10,974 was recommended.

Special Responsibility Allowance – City Mayor

The Panel took time to consider the principle of aligning the remuneration to that of an MP, but weren't convinced that this was appropriate, primarily because virtually no other Council's followed this approach and it would have meant a significant increase.

The Panel considered other benchmarking including other City Mayors and other roles such as a Police and Crime Commissioner and Combined Authority Mayors. There was clear evidence that the remuneration for Leicester's City Mayor had fallen behind comparative authorities and there was a rationale for the post to not receive less than the Leicestershire Police and Crime Commissioner, when relative responsibilities were taken into account.

The Panel therefore recommended an increase in the allowance to £75,000 for the post of City Mayor.

Chairs and Vice-Chairs of the Planning & Development Control and Licensing & Public Safety Committees

The Panel received representation that these roles merited a higher SRA, based on a number of arguments. Firstly, the quasi-judicial and high-profile nature of the roles meant that the meetings were challenging and considered highly technical matters. Further, there were considerably more meetings compared to Scrutiny Commissions. It was also noted that it was fairly common practice to pay more for these types of chair roles at other authorities. The Panel therefore recommended that the Chair's SRA be increased to £10,202 and Vice Chair to £2,250.

The In-Authority Travel & Subsistence Allowance

When considering this issue, the panel noted that from the benchmarking comparators, there were no other authorities that provided a lump sum for travel and subsistence. Some authorities paid nothing, and some had claims based arrangements. However, the

simplicity of the lump sum was thought to be something which shouldn't be lost as there were administrative / staffing cost benefits for the Council.

The Panel did however feel that the current allowance amount was excessive because; the comparatively high spend compared to other authorities; evidence that it didn't reflect actual costs / expenditure; and the Council provided free parking for Councillors attending meetings. The panel devised a formula based on likely travel costs for either bus or car and a likely amount for subsistence. The Panel therefore recommended that the Subsistence and Travel amount be set at £1000 per annum.

Dependent Carer's Allowance

The Panel spent considerable amounts of time considering issues around Dependent Carer's Allowance (DCA). It was the issue that the vast majority of Councillor submissions were focussed upon. The Panel also received verbal evidence from Councillors and direct legal advice on this issue. Overall the Panel were supportive of the principle of a DCA as it reduced barriers of entry to public service for traditionally underrepresented groups.

There were a number of concerns raised in relation the DCA, mostly based around concerns that the system was over complex and led to rejected payments, but it was also felt that there was a limited number of activities which were covered by the allowance and didn't reflect the realistic work of a Councillor. There was a great deal of sympathy around these issues, but ultimately it was agreed that the scheme as it stood reflected what was legally possible and therefore couldn't be fundamentally changed.

The Panel did however make recommendations for some changes to the scheme to increase rates and numbers of hours which were claimable. A suggestion was also made that better clarification be made about what is / isn't approved duties under the scheme.

5.4 Implementation

Should an implementation date of 1 April 2020 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 2020.

6. Financial, legal, equalities and other implications

6.1 Financial implications

The proposed schedule of revised allowances if all fully claimed would cost £1.017m, as set out in the Executive Summary of the panel report. Recognising that some allowances may however not be payable or may not be claimed in full, this cost is expected to be manageable within the current budget. Allowances will be indexed annually in line with staff pay awards, so assuming no further changes to allowances and that the Council's financial position allows uprating of budgets for pay awards, the budget position should remain similar throughout. - Colin Sharpe, Deputy Director of Finance.

6.2 Legal implications

This report highlights the key legal considerations in section 4, and the report of the Independent Remuneration Panel addresses legal considerations throughout. The Council is required, by Regulation 19 Local Authorities (Members' Allowances) (England) Regulations 2003, to "have regard" to the report of the IRP before making the Scheme.
Kamal Adatia, City Barrister and Head of Standards

6.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. Due regard to the Public Sector Equality Duty should be paid before and at the time a decision is taken, in such a way that it can influence the final decision.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

There are no direct equality implications arising from the report. The level of allowances within the scheme should not discriminate or create barriers for those who may wish to stand for office. Advancing equality of opportunity involves having due regard to the need to encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

Surinder Singh Equalities Officer Tel 37 4148

6.4 Climate change and carbon reduction implications

There are no significant climate change implications associated with this report.

Aidan Davis, Sustainability Officer

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

None.

7. Background information and other papers:

None

8. Summary of appendices:

Appendix 1 – Report of the Independent Remuneration Panel.

Appendix 2 – Draft Members' Allowance Scheme.

9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No

10. Is this a “key decision”? If so, why?

No

A Review of Members' Allowances

For

Leicester City Council

A Report

by the

Independent Remuneration IRP

Dr Declan Hall (Chair)
Dennis Allum
Rasheed Cader
Debbie Cort
Chris Hobson
Mehrunnisa Lalani
Professor Ludovic Renou

February 2020

EXECUTIVE SUMMARY

Schedule of Allowances	Nos. Rec'd	Recommended 01-Apr-20	Recommended Total per Member	Recommended Sub Total
Basic Allowance¹	55	£10,974		£603,570
Special Responsibility Allowances – Executive				
City Mayor	1	£64,026	£75,000	£64,026
Deputy City Mayor	1	£43,245	£54,219	£43,245
Assistant City Mayors	8	£18,040	£29,014	£144,320
Scrutiny				
Chair Overview Select Committee	1	£10,202	£21,176	£10,202
Vice Chair Overview Select Committee	1	£2,550	£13,524	£2,550
Chairs Scrutiny Commissions	7	£8,502	£19,476	£59,514
Vice Chairs Scrutiny Commissions	7	£2,126	£13,100	£14,882
Regulatory				
Chair Planning & Development Control	1	£10,202	£21,176	£10,202
Vice Chair Planning & Development Control	1	£2,550	£13,524	£2,550
Chair Licensing & Public Safety	1	£10,202	£21,176	£10,202
Vice Chair Licensing & Public Safety	2	£2,550	£13,524	£5,100
Chair Audit & Risk	1	£6,234	£17,208	£6,234
Chair Standards	1	£3,033	£14,007	£3,033
Group Positions				
Minority Group Leader	0	£1,134 + £284 per member	£1,134 + £284 per member	£0
Majority Group Whip	1	£8,502	£19,476	£8,502
Sub Total -- Basic Allowance	55			£603,570
Sub Total -- SRAs	34			£384,562
Sub Total -- BA + SRAs				£988,132
Civic Allowances				
Lord Mayor	1	£17,571	£28,545	£17,571
Deputy Lord Mayor	1	£5,384	£16,358	£5,384
High Bailiff	1	£1,884	£12,858	£1,884
Sub Total -- Civic Allowances	3			£24,839
Co-optees' Allowances				
Standards	5	£539	£539	£2,695
Children, Young People & Schools Scrutiny	4	£539	£539	£2,156
Sub Total -- Co-optees' Allowance	9			£4,851
Total (BA + SRAs + Civic + Co-optees)				£1,017,822

¹In accordance with legislation for the purposes of Allowances the City Mayor is counted as a Councillor.

The IRP also recommends that:

Deputy City Mayor and Assistant City Mayors

The City Mayor continues to be able to determine individual SRAs to Deputy and Assistant City Mayors as long as the total payable is within the maximum financial envelope of £187,565.

SRAs Considered but not recommended – Vice Chairs of the Standards Committee and the Audit & Risk Committee

The Vice Chairs of the Standards Committee and the Audit & Risk Committee are not paid an SRA.

Maintaining the 1-SRA only rule

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

The remuneration of the Independent Person (IP)

The annual remuneration of the Independent Person for Leicester City Council remains at £2,185.

The In-Authority Travel & Subsistence Allowance

The annual lump sum approach to pay in-authority travel and costs of elected Members is maintained. The Allowance to be paid at £1,000 per year. The IRP will revisit this recommendation at the time of its next review.

Travel & Subsistence Allowances – Outwith the Authority

The allowances scheme is amended to clarify that where a Member is using an electric or hybrid vehicle on an approved duty outwith the City that they are able to claim mileage at AMAP rates, which is currently 45p per mile for the first 10,000 miles and 25p per mile thereafter.

The outwith current subsistence and mileage rates, approved duties, terms and conditions that are applicable for which Members can claim travel mileage and subsistence allowances and the reimbursement of public transport (where used) remain unchanged.

The Dependants' Carers' Allowance (DCA)

The DCA continues to be delivered through a claims-based approach.

Attendance at Ward Duties by elected Members is not deemed an approved duty for the purposes of claiming the DCA.

The following changes should be made to the DCA:

- **Childcare element** – the maximum hourly rate claimable is set at the Real Living Wage, currently £9.30 per hour
- **Other Dependant Care** – maintain maximum rate at the Council's own hourly rate for a Home Care Assistant but clarify in Schedule 2 of the Council's allowances scheme that this rate can be claimed for elderly or disabled dependants and children who have special caring needs
- **Weekly cap on number of hours claimable** – increase from 20 to 30 hours per week and clarify in Schedule 2 of the Council's allowances scheme that the DCA can be claimed for multiple dependants as long as the weekly cap of 30 hours per week is not exceeded
- The reference to childcare vouchers should be removed as it is no longer applicable

Telecommunications and Support Allowance

The Telecommunications and Support Allowance is maintained at £26.50 per month.

The Civic Allowances

The Civic Allowances are maintained at their current rates as set out below:

- | | |
|----------------------|----------|
| • Lord Mayor: | £17,571* |
| • Deputy Lord Mayor: | £5,384 |
| • High Bailiff: | £1,884 |

* £11,900 of the Lord Mayor's Civic Allowance continues to be paid directly to the office holder, with the remaining £5,671 retained and administered is administered by the Democratic and Civic Support Manager.

Issues arising – Lack of Pension provision for Members

Given the current legislative context the IRP is precluded from making any recommendation regarding pension provision for elected Members.

Confirmation of indexing

The following allowances are indexed for 4 years from 2020/21 to 2023/24, the maximum period permitted by legislation, without reference to the IRP 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 Real Living Wage for the childcare element and the Council's own hourly rate for a Home Care Assistance (care of other dependants).

The IRP 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 1st April 2020.

A Review of Members' Allowances

For

Leicester City Council

By The

Independent Remuneration IRP

February 2020 Report

Introduction: The Regulatory Context

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration IRP ('IRP' or 'Panel') appointed by the Leicester City Council to advise the Council on its Members' Allowances Scheme.
2. The IRP 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 IRP 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 IRP has been reconvened under the 2003 Regulations [10. (5)], which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration IRP established in respect of that authority on the application of an index to its scheme.

4. This mechanism (known as the four year rule) means that all Councils are required to reconvene their IRP at least once every four years thus ensuring a

degree of public accountability *vis-à-vis* their Members' Allowances schemes. It is under this requirement that the IRP has undertaken this review of Members' Allowances for the Leicester City Council.

Terms of Reference

5. The IRP was provided with a specific terms of reference adopted by Council on 13th June 2019 in which it was agreed to hold a full review and to make recommendations on:
 - I. The amount of Basic Allowance that should be payable to elected Members and the expenses it should include
 - II. The categories of elected 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 scope and level of travel and subsistence allowances and the terms and conditions by which this may be paid
 - V. The scope and level of the Dependants' Carers' Allowance
 - VI. The Civic Allowances
 - VII. Arrangements for addressing other Council related costs including telecommunications and provision of other items necessary to support Members in carrying out their roles.
 - 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 IRP's attention
6. In undertaking the review, the IRP was expected to take into account
 - allowances schemes in the Leicester City Council comparator group of councils that shall consist of other mayoral authorities, and where appropriate CIPFA Near Neighbours (which also includes the geographically neighbouring cities of Nottingham, Coventry and Derby);
 - the views of Members, both written and oral
 - any other consideration that the Council obliges the IRP to take into account or brought to the IRP's attention through Member representations
 - the economic climate and the need for recommendations which could be feasibly met within the existing budget envelope available

7. To ensure that the IRP operated effectively with mutual trust and in a way that secured and maintained public confidence in its impartiality, the IRP members agreed to adhere to a protocol proposed by the Director of Delivery, Communications and Political Governance².

The IRP

8. Leicester City Council reconvened its IRP and the following individuals were appointed to the IRP to carry out the independent review of allowances, namely:

- Dennis Allum: A resident of Leicester, recently retired and formerly a marketing and financial services professional and currently represents England Hockey on their Safeguarding IRP (a citizen appointment)
- Rasheed Cader: A recently retired Magistrate, (Leicestershire & Rutland Bench) after 26 years of service. Also a Director of the Leicestershire & Rutland County Football Association and a Member of its Discipline Panel.
- Debbie Cort: A pay negotiator for the CWU and a representative on the TUC Regional Council, with a background in financial services (a Council appointment)
- 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 (a Council appointment)
- Chris Hobson: Director of Policy and External Affairs at East Midlands Chamber of Commerce, with a background in policy in both the private and public sectors, at local, regional and national levels with a range of stakeholders and building effective partnerships (a Council appointment)
- Mehrunnisa Lalani a non-executive director, University of Birmingham NHS Foundation Trust, Independent Member of Leicester, Leicestershire & Rutland Police and Crime IRP, previously Director of Inclusion for the Solicitors Regulation Authority leading on Consumer Affairs, Corporate Complaints and Equality, Diversity and Inclusion. She currently works as a consultant specialising in organisational development, culture and customer service and equality and diversity (a citizen appointment)

² See Appendix 1 for relevant declarations of interest
Declan Hall PhD

- Prof Ludovic Renou A professor in Economics at Queen Mary University of London (a citizen appointment)
9. Logistical and practical support to the IRP was provided through Matthew Reeves, Democratic & Civic Support Manager at Leicester City Council.

The IRP's Approach to the Review

10. The IRP met at the City Hall, Leicester, on
- 15th November 2019
 - 7th January 2020
 - 10th January 2020
 - 7th February 2020
11. It was at these meetings that the IRP received a training session on members' allowances, considered the evidence, representations from elected Members and received factual briefings on the Council by Officers. All Members were sent a short questionnaire so as to ensure that no elected Member was denied a voice during the review. Furthermore, a representative range of elected Members were invited to meet with the IRP and all elected Members who specially requested to meet with the IRP were accommodated as far as practically possible. To ensure that a common set of questions were posed to all elected Members by the IRP the short questionnaire was used as the template for oral discussions with Members.
12. The IRP also reviewed a wide range of relevant written information, such as Council and committee meetings schedules, benchmarking data, the statutory guidance, the relevant Regulations, etc.³ The IRP meetings were held in private session to enable it to meet with Members and Officers and consider the evidence in confidence.

Principles underpinning the review

13. As per the previous review the IRP adopted a number of common principles of elected Member and City Mayor remuneration to ensure that its recommendations are on a sound footing. By bearing these principles in mind the IRP has sought to bring consistency and robustness to its recommendations.

Transparency

14. 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.

Straightforward to administer

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

³ See Appendix 3 for full list of Members who made representations to the Panel, both oral and written and Appendix 4 for the full list of written evidence considered by the Panel.

Equity

16. 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.

Accountability

17. As Members ultimately determine their own allowances and support, on advice from the IRP, 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. As such the recommendations should be robust and reasonable.

Benchmarking: Elected Mayors, Near Neighbours & UK-wide

18. The IRP, in accordance with its terms of reference, benchmarked the scope and levels of allowances paid to Leicester Councillors and City Mayor. Specifically, the IRP benchmarked against the 11 principal (i.e., excluding district) councils that have an elected Mayor form of executive governance plus councils defined as Leicester's seven 'Nearest Neighbours' by the Chartered Institute of Public Finance & Accountancy (CIPFA – 2014 model). Nearest Neighbours are ranked in order according to how similar to Leicester they are deemed to be by CIPFA on a range of demographic and socio-economic criteria, with a score of one being the most similar (Luton). By utilising Leicester's seven Nearest Neighbours it also ensured that geographic near neighbours were also included in the benchmarking group, namely Nottingham (ranked number 2), Coventry (3) and Derby (7). The IRP also considered remuneration of other public offices locally, regionally and from across the UK.⁴

Key Messages/Comments

The Allowances Scheme is 'fit for purpose'

19. The previous (2016) review modernised the Leicester City Council allowances scheme that had not changed since the establishment of the City Mayor in 2011. In particular it applied uplifts to the Basic Allowance and SRAs that had been frozen since 2011 and rationalised the support package to better reflect changes in telecommunications and technology.
20. Overall, this review concluded that the current allowances scheme has stood the test of time since the previous review in 2016. In general, benchmarking shows that the Leicester scheme is comparable to peers; a view that was in the main backed up by the representations made to the IRP. As such, this time around the main tasks of the IRP has been to address anomalies arising and give consideration to representation received regarding aspects of the scheme that were thought to be inequitable.

Being an elected Member and the function of an Allowances Scheme

21. In setting remuneration for employees a standard principle is that it should encourage recruitment and retention. Indeed, one of the themes emerging from

⁴ See Appendices 5 and 6 for summaries of benchmarking data.
Declan Hall PhD

the representations made to the IRP was that the Basic Allowance in particular is insufficient, for most elected Members, to live on. However, Councillors are not employees and their role as elected representatives is not intended to be viewed as a job. Unlike when setting wages for employees the IRP has sought to ensure that the allowances scheme enables as wide a range of people as possible are able to consider being an elected Member by helping to remove barriers they may experience in undertaking that role.

22. The policy intention behind the requirement to establish a Members' Allowances scheme for all English councils is not to facilitate professional backbench Councillors but to enable Members' to stand for and remain on Council by providing recompense for the time required to undertake their roles and responsibilities without it being deemed equivalent to a job. Members' allowances schemes are not intended to 'attract' candidates for Council by paying at full 'market rates.' The desire to serve local communities and residents is the prime motive for being a Councillor. Remuneration should not be 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 a wider representative range of people from standing for Council because it would impose undue financial pressures on them.
23. The IRP has sought to recommend a scheme which goes some way towards compensating Members for their time and, importantly, seeks to minimise any financial barriers to public service so as to enable a wider range of people to become Councillors without incurring undue personal financial cost.

Being cognisant of the financial context

24. It is in the IRP's terms of reference to recognise "the economic climate and the need for recommendations which could be feasibly met within the existing budget envelope available." The IRP recognises that the Council needs to continue to find savings going forward, as do all other English councils. Having said that the recommendations of the IRP if accepted will result in a marginal increase of £7,560 in the current spend on Members' Allowances and support. This increase is justified primarily because there was a strong case to recommend increases to six SRAs.
25. Moreover, this increase can be met within the current annual allowances and support budget of £1,155,400. As such the requirement for the recommendations to be met within the existing Members' allowances budget envelope has been met. Set in a broader context, the cost of recommendations of this review represents a 0.001 per cent increase on the total annual Council budget of approximately £640 million.
26. Moreover, the IRP is the mechanism by which periodic public scrutiny is brought to bear on Members' allowances and support. It is incumbent upon the IRP to ensure that its recommendations are fair and represent value for money. The IRP is content that the marginal increase in the cost of Members allowances resulting from its recommendations meets the principles of equity, transparency and accountability as they will still fall within the budget for Members' Allowances.

Recommendations - the Basic Allowance

27. In considering the appropriateness of the current Basic Allowance (£10,767), the IRP has adopted a 'triangulation' process. This has been done by putting the current Basic Allowance to a 'stress test'; by taking into account three points of reference, namely
- I. Recalibration based on the 2006 Statutory Guidance
 - II. Benchmarking
 - III. Representation received by the IRP

I. Recalibrating the Basic Allowance in line with the 2006 Statutory Guidance

28. In arriving at recommendations the IRP is required to pay regard to the 2006 Statutory Guidance. In considering the Basic Allowance the 2006 Statutory 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.

29. The Statutory Guidance (paragraphs 68-69) expands on the above statement by breaking it down to three variables, namely
- Time
 - Recognising public service principle
 - The rate of remuneration

Time to fulfil duties for which the Basic Allowance is paid

30. 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.⁵
31. The most up to date information available on what is a reasonable time expectation for which the Basic Allowance is paid has been derived from the 2018 Councillors Census. In data supplied to the Chair of the IRP from the Local Government Association, it showed that Councillors in unitary councils who held "no positions" of responsibility put in on average 22 hours per week "on council business"⁶. The LGA includes within "council business"

- Council/committee meetings

⁵ See Role Description for Ward Councillor, Leicester City Council, 1st March 2019

⁶ Information based on National Census of Local Authority Councillors 2018 (LGA), breakdown of mean weekly hours put in on council business by councillors by number of positions held and type of council, in email from S. Richards, LGA 21 October 2019.

- Working with community groups
 - Engaging with constituents, etc.
 - Other⁷
32. For the purposes of recalibrating the Basic Allowance in line with the 2006 Statutory Guidance the IRP has equated 22 hours per week to 143 days per year (or 2.75 days per week) based on an 8 hour working day as the expected time input from Members for their Basic Allowance.
33. The IRP recognises that based on the representation received some Members who hold no positions do put in more than the equivalent of 2.75 days per week. But that through choice rather than requirement.

Recognising the Voluntary Principle – A Public Service Discount (PSD)

34. The 2006 Statutory Guidance (paragraph 68) goes on to state:

It is important that some element of the work of [elected] members continues to be voluntary – that some hours are not remunerated.

35. The element of unremunerated time often known as the 'Public Service Discount' (PSD) recognises the principle of public service. Thus, the voluntary principle is realised by discounting an element of the expected time inputs associated with the Basic Allowance. The typical range for this public service discount is between 30% - 40%, largely on the basis that is broadly in line with the proportion of time backbenchers spend on
- Dealing with constituents
 - Attending surgeries
 - General enquiries from citizens and
 - Other constituent/ward related activities.
36. The IRP has opted for voluntary discount of 35 per cent as it is in line with the size of the voluntary discount utilised in establishing the original Basic Allowance under the 2003 Regulations. It is also the most common size of voluntary discount used by IRPs in principal councils.
37. Thus, by applying a voluntary discount of 35 per cent to the expected time input of 143 days per year it produces a voluntary element of 50.05 days per year, which the IRP has rounded down to 50 days per year. These are the hours that are 'not remunerated', deemed to be public service, leaving 93 remunerated days per year.

The rate for remuneration

38. Historically the rate for remuneration used to set the Basic Allowance (with the current Basic Allowance framework being set in the 2007 review) was based on the East Midlands male non-manual gross daily salary. This was a regional version of an advisory day rate published by the LGA to assist IRPs in setting a rate of remuneration, which by 2010 had reached £152.77 per day.⁸

⁷ See LGA, National census of local authority councillors 2018, Chart 3, page 5

⁸ See LGAAlert 62/10, Members' Allowances, 23 June 2010

39. However, the LGA has since stopped issuing this advice as IRPs switched to a more locally based rate of remuneration as it more closely reflects the typical earnings of elected 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 10 years ago in its Annual Survey of Hours & Earnings (ASHE).
40. In 2019, the mean gross daily salary for all full time employee jobs within the area of the Leicester City Council was £118.14 as published by the Office of National Statistics (ONS).⁹ For the purposes of recalibrating the Basic Allowance the IRP has adopted a rate for remuneration at £118 per day.
41. If the IRP updated the variables to arrive at a recalibrated Basic Allowance to take into account the most recent data available it gives the following values:
- Time required for backbencher: 143 days per year (2.75 days per week)
 - Public Service Discount: 35% (50.05 days)
 - Rate for Remuneration: £118 per day
42. By following the methodology as set out in the 2006 Statutory Guidance with the updated variables it produces the following recalibrated Basic Allowance:
- 143 days per year input minus 35% PSD (50 days)
= 93 remunerated days per year multiplied by £118 per day
= £10,974

II. Benchmarking

43. Benchmarking¹⁰ shows that the current Leicester Basic Allowance is the median value:
- Benchmarking group mean Basic Allowance £10,907
 - Benchmarking group median Basic Allowance £10,767
 - Leicester City Council 2019/20 Basic Allowance £10,767

III. Representation received by the IRP

44. Finally, the third 'corner' of the triangulation process was the representation received from elected Members. In summary, there was broad agreement that the current Basic Allowance was appropriate.

Recommending the recalibrated Basic Allowance

45. By undertaking this triangulation process it produced the following potential values for the Basic Allowance
- Recalibrated Basic Allowance £10,974

⁹ See ASHE, 2019, Table 7.1a - Mean weekly pay - gross - for full time employee jobs in area of Leicester City Council, which is £590.70 and divided by 5 working days equals £118.14 per day., which the Panel rounded down to £118. [ASHE 2019 Average earnings placeofworkbylocalauthorityshetable7](#)

¹⁰ See Appendix BM1

- | | |
|-------------------------------------------|-----------|
| • Benchmarking group mean Basic Allowance | £10,907 |
| • Representation received | No change |
46. The IRP has opted for the recalibrated Basic Allowance; it represents a marginal change on the current Basic Allowance, is based on the methodology set out in the Statutory Guidance and maintains a direct link with the current mean earnings of the constituents of elected Members. It also is in line with the views of Members.
47. **The IRP recommends that the Basic Allowance be set at £10,974.**

Special Responsibility Allowances - the City Mayor

48. All political executive powers are vested in the office of the City Mayor who is responsible for the allocation/discharge of all Executive functions and decides how they are exercised. The City Mayor has a number of responsibilities falling under the broad headings:
- Strategic leadership
 - Organisational leadership
 - Communication and engagement
 - Corporate governance
 - Service delivery
 - Leadership and performance management
49. There has also been a Leicester City Council specific reform which further enhances the responsibility of the City Mayor. Since 2011 the post of Chief Executive was abolished, with the City Mayor, taking up some the functions of the Chief Executive, mainly around organisational leadership and partnership working. The City Mayor has become 'more hands on', more so than a typical elected Mayor. In this context, the City Mayor provides stronger direction of the Council as an organisation as well as being the "public" face of the Council. Clearly, the role of City Mayor is a substantial one that requires a full time commitment regardless of the individual holding the post.

Historical Basis of City Mayor's remuneration – linked to MPs Salary

50. The remuneration (currently £72,015) of the City Mayor (SRA of £61,248 and Basic Allowance of £10,767) was set back in 2011 when the post was established. In particular, it was set with reference to the salary of a backbench MP at that time. Indeed most elected mayors in England have had their remuneration set by reference to a MPs salary at the time of the post being established. This approach in the absence of any other obvious comparators at the time, seemed reasonable and had the advantage of being transparent, simple to understand, and have a degree of acceptance on the part of the public.
51. Although the remuneration of the City Mayor was originally set by reference to a MPs salary in 2011 it was never indexed to it and was frozen until the 2016 review. It was at this review that the explicit link between the remuneration of the City Mayor and an MPs salary was discontinued largely as the IRP was keen to keep within the then financial envelope. At the time the main priorities for the IRP

were to bring up to date the Basic Allowance and most SRAs by applying a retrospective index.

The City Mayor's remuneration – establishing a broader linkage

52. The IRP gave due consideration to the option of restoring a link between the City Mayor's remuneration and a MPs salary (currently £79,468) and indexing to a MPs salary going forward, particularly recognising the nature of the role and that whoever the post holder is, it is clearly a full time role.
53. If the IRP was to do so it would mean an immediate increase of over 10% for the City Mayor rising to almost 14% as MPs salaries are increasing to £81,931 from April 2020. It is apparent that other Mayoral councils have not in the main maintained the link between their respective Mayors' remuneration and a MPs salary.
54. By restoring and maintaining the link between the City Mayor's remuneration and a MPs salary would put the indexation of the remuneration of the City Mayor and all other Leicester City Council Councillors on a different footing and also give a disproportionate rise to the City Mayor compared with the recommended increase in the Basic Allowance. It is for this reason that almost all other principal councils with an elected mayor do not maintain parity with MPs salaries even though their mayors' remuneration might have originally been set by reference to MPs salaries. The IRP has decided not to restore the link between the City Mayor's remuneration and a MPs salary.

Benchmarking the remuneration of the City Mayor

55. Nonetheless, benchmarking does show that the remuneration of the City Mayor has started to lag somewhat in relation to peers, where the
 - Mean remuneration of elected mayors of principal authorities £73,572,
 - Median remuneration £74,869.
56. This in itself is not a *prima facie* case to increase the remuneration of the City Mayor but when considered in light of a full understanding of the demands of the role along with other comparators a more compelling case was made.
57. The IRP undertook further benchmarking (see Appendix 6 for details) which did identify some relevant local/sub-regional comparisons. In particular, the IRP noted that the remuneration of the Leicestershire Police and Crime Commissioner (PCC) is £75,000¹¹. The PCC is also a locally elected post with executive (as opposed to legislative) powers. While not a direct comparison the IRP felt that there was no reason why the Leicester City Mayor's remuneration should be less than that of the Leicestershire PCC.
58. The remuneration of Police and Crime Commissioners (PCCs) have been set by the Senior Salaries Review Body, with PCCs remuneration divided into five bands mostly depending on the population size and budget of their respective police force (ranging from PCC area A – e.g., Warwickshire, - paid at £65,000 to

¹¹ leics.pcc.police.uk/About-Us/OPCC/The-Office-of-the-Police-and-Crime-Commissioner

PCC area E – e.g., West Midlands – paid at £100,000). The Leicestershire PCC Leicestershire falls into the middle area C - £75,000.

59. The metro mayors are also an imperfect comparison as the roles, powers and responsibilities differ widely which is also reflected in their remuneration, ranging from £110,000 (Greater Manchester) to zero (Sheffield City Region). However, it is noted that the remuneration of the metro mayor of the adjacent Combined Authority (CA), namely Cambridgeshire and Peterborough is £75,000 – and has been set locally.
60. The IRP felt that, taking into account the role and responsibility of the City Mayor, it was fair to take these comparisons into account when setting the City Mayor's remuneration. The Mayor should certainly be paid not less.

Recommending the City Mayor's remuneration

61. In arriving at the remuneration for the City Mayor the IRP has not explicitly pegged it to a specified post but has been guided by the
- Median remuneration of English elected mayors in principal councils = £74,869
 - Remuneration of the Leicestershire PCC = £75,000
 - Remuneration of the Cambridgeshire & Peterborough Combined Authority = £75,000
62. Consequently, the IRP has taken the view that the remuneration of the City Mayor should be £75,000, producing a recommended SRA of £64,026 (plus the recommended Basic Allowance of £10,974).
63. **The IRP recommends that the SRA for the City Mayor is £64,026.**

Deputy City Mayor and Assistant City Mayors

64. Currently the allowances scheme specifies the other executive SRAs as follows:
- | | |
|-----------------------------------|---------|
| • Deputy City Mayor (1) | £43,245 |
| • Assistant City Mayors (up to 8) | |
| I. Rate i | £18,040 |
| II. Rate ii | £14,430 |
| III. Rate iii | £10,823 |
65. In 2016 the IRP introduced the 3 different rates for Assistant City Mayors so as to give the City Mayor the flexibility to pay higher/lower rates depending on size of portfolio and capacity of the particular Assistant City Mayor.
66. In practice the City Mayor has taken this flexibility to its logical conclusion by aggregating the maximum total that can be paid out to all other executive SRAs and assigning actual SRAs that more closely relate to the priorities the City Mayor and workloads and responsibilities of the Deputy/Assistant City Mayors. The current configuration is set out in table one below.

67. As can be seen the City Mayor has decided to appoint

- 3 Deputy City Mayors each paid an SRA of £31,212 (rather than stated SRA of £43,245 for 1 appointee)
- 3 Assistant City Mayors each paid an SRA of £20,808
- 2 Assistant City Mayors each paid an SRA of £11,44

Table 1: Actual SRAs paid and the Financial Envelope – Other Executive SRAs

ACTUALS				THE FINANCIAL ENVELOPE		
Post	No currently paid	Actual SRA Paid	Sub Totals	Post	Maximum SRA	No of SRAs budgeted
Deputy City Mayor	3	£31,212	£93,636	Deputy City Mayor	£43,245	1
Sub Total Deputy City Mayors			£93,636		£43,245	
Assistant City Mayor	3	£20,808	£62,424	Assistant City Mayors	£18,040	8
Assistant City Mayor	2	£11,444	£22,888			
Sub Total Assistant City Mayors			£85,312		£144,320	
Total Current Payable			£178,948	Total Maximum Payable	£187,565	

68. The City Mayor has to decide the remuneration of the Deputy and Assistant City Mayors that is capped by two reference points:
- The legal requirement that no more than nine other executive posts can be appointed
 - The maximum financial envelope of £187,565 to remunerate such posts
69. There was a view in the representations received that there could be some increase in the envelope (£187,565) out of which are paid the SRAs for the Deputy and Assistant Mayors. However, at the time of the review the total paid in SRAs (£178,948) paid to the Deputy and Assistant City Mayors was less than the maximum financial envelope (£187,565). The maximum permitted was not being utilised as Table one above shows. This does not indicate that there is a case to increase the financial envelope for other Executive SRAs.
70. By the City Mayor exercising flexibility in deciding the SRAs for Deputy and Assistant City Mayors it makes the stated rates ii (£14,040) and iii (£10,823) redundant. The financial envelope is set by reference to stated rate i (£18,040) multiplied by eight Assistant City Mayors. The 2003 Regulations (21.1) require that the IRP must set out the amount of any recommended SRAs.
71. The IRP was relaxed with the Mayor exercising this degree of flexibility in deciding the SRAs of the other executive posts. By appointing more Deputy City Mayors it means they cannot be paid the stated SRA of £43,245 and still stay within the financial envelope. There has to be a compensatory reduction in the SRA paid to more than one Deputy City Mayor and/or the stated SRAs for the Assistant City Mayors.
72. While benchmarking is somewhat problematic due to this operational flexibility in Leicester it does show that the actual practice in Leicester is not out of line with SRAs paid to other executive posts in peer authorities.
73. **The IRP recommends that the current stated SRAs for other executive posts are maintained as follows**
- **1 Deputy City Mayor (£43,245)**
 - **8 Assistant City Mayors (£18,040)**
74. **The IRP also recommends that the City Mayor continues to be able to assign specific SRAs to Deputy and Assistant City Mayors as long as the total payable is within the maximum financial envelope of £187,565.**

Other SRAs – No Change

75. The IRP received no evidence that the SRAs set out below require revising. By and large benchmarking shows that these SRAs are broadly on par with peers and the current SRAs payable had broad acceptance amongst the Members.
76. **The IRP recommends that there is no change to the following SRAs:**
- **Chair Overview Select Committee** **£10,202**
 - **Vice-Chair Overview Select Committee** **£2,550**

• Chairs Scrutiny Commissions (7)	£8,502
• Vice-Chairs Scrutiny Commissions (7)	£2,126
• Chair Audit & Risk Committee	£6,234
• Chair Standards Committee	£3,033
• Majority Group Whip	£8,502
• Opposition Group Leader[s] (Applies to all Opposition Group Leaders)	£1,134 (standard rate) + £284 per group Member (variable element) ¹²

Chairs and Vice-Chairs of the Planning & Development Control (1+1) and Licensing & Public Safety Committees (1+2)

77. Currently, the Chairs of the two main quasi-judicial committees (Planning & Development Control and Licensing & Public Safety) are paid the standard SRA (£8,502) for Chairs of main committees. This flat rate model has the advantage of being transparent and equitable..

78. However the IRP did receive some cogent representation that these Chairs merited a slightly higher SRA. There were a number of arguments put forward summarised as follows:

- Quasi-judicial nature of committees: both these committees make quasi-judicial decisions that have impacts on people's living environment and jobs. Planning meetings can be high profile with the Chair often subject to lobbying and with the meetings also often being challenging. Licensing meetings are often highly technical.
- Greater number of meetings:
 - I. The Planning Committee has meetings scheduled every three weeks. Although at least 2-3 are cancelled each year they are scheduled at such frequency to ensure that planning applications are dealt with within the statutorily defined time frames.
 - II. The full Licensing and Public Safety Committee has four scheduled meetings per year. However, much of the operational work of Licensing is dispensed through the two sub-committees:
 - The Licensing Enforcement Sub-Committee, which deals with general licensing applications including taxis
 - The Licensing Hearings Sub-Committee which deals with applications under the Licensing Act 2003 (mostly alcohol/late night venues) and the Gambling Act 2005.
 - These sub-committees meet as and when required but in:

¹² As there are no Opposition Groups on Council this SRA is not currently payable
Declan Hall PhD

- 2018 there were 24 Sub-Committee meetings, with the Chair chairing 18 meetings, with a Co-Vice Chair chairing four and the other Co-Vice Chair chairing the other two meetings.
 - 2019 there were 26 Sub-Committee meetings with the Chair chairing 15, with the Co-Vice Chairs chairing the other nine sub-committee meetings between them.
79. The IRP accepts the case to pay a higher SRA to the Chairs and Vice Chairs of the Planning and Licensing Committees. It is a common (although not universal) practice elsewhere. What is more difficult to benchmark is the SRAs paid to equivalent posts in peer councils due the variation in how planning and particularly licensing is structured in different authorities. For instance, Bristol and Lewisham have 2 and 3 Planning Committees respectively. Bradford pay Planning (and Licensing) Members an SRA of £2,965. A handful of peer councils have area arrangement that may have some or all responsibility for considering local planning applications. Licensing is even more varied and in some authorities having extensive licensing structures with corresponding range of SRAs payable..
80. Accordingly, the IRP adopted a simple approach and has recommended that the SRA for the Chairs of the Planning & Development Control Committee and the Licensing & Public Safety Committee on a par with the SRA paid to the Chair of Overview Select Committee.
81. **The IRP recommends that the SRA for the Chairs of the Planning & Development Control Committee and the Licensing & Public Safety Committee is £10,202.**

The Vice Chairs

82. Currently, all remunerated Committee Vice Chairs are paid an SRA set at 25% of their respective Chairs SRA. In the case of the Vice Chair of Planning and the 2 Co-Vice Chairs of Licensing this currently equates to £2,126. The IRP saw no reason to revise this ratio. The Co-Vice Chairs of Licensing have an active role in the chairing the Licensing Sub-Committees and the Planning Vice-Chair has to be actively involved, particularly to stand in as planning committee meetings cannot be postponed or rescheduled. Maintaining a 25% ratio of the recommended SRA for their respective Chairs produces an SRA of £2,550, on a par with the SRA for the Vice-Chair of the Overview Select Committee.
83. **The IRP recommends that the SRA for the Vice Chair of the Planning & Development Control Committee and 2 Co-Vice Chairs of the Licensing & Public Safety Committee is £2,550.**

SRAs considered but not recommended – Vice Chairs of the Standards Committee and the Audit & Risk Committee

84. The IRP noted that both the Standards and Audit & Risk Committees appoint a standing Vice Chair but neither are paid an SRA. The IRP considered whether there was a case to reconsider this position but no evidence was received to do so.

85. **The IRP does not recommend that the Vice Chairs of the Standards Committee and the Audit & Risk Committee are paid an SRA.**

Maintaining the 1-SRA only rule

86. The 2003 Regulations do not prohibit the payment of multiple SRAs to Members. However, since SRAs are 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.
87. 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.
88. Leicester has adopted the 1-SRA only rule and the IRP supports this as good practice.
89. **The IRP recommends that the Council maintains the current 1-SRA only rule (including the Civic Allowance) rule so that a Member can receive no more than one SRA or a Civic Allowance and a SRA.**

Co-optees' Allowances

90. Currently the allowances scheme pays a Co-optees' Allowance of £539 to the five co-opted Members on Standards and four co-opted Members on the Children, Young People & Schools Scrutiny Commission. Although, since the implementation of the Localism Act 2011 it is less common to pay co-optees on Standards a Co-optees' Allowance no evidence was received to suggest this allowance should be discontinued or revised.
91. **The IRP recommends that the Co-optees Allowance is maintained at £539.**

The remuneration of the Independent Person (IP)

92. Under the relevant provisions of the Localism Act 2011 all English councils are required to appoint at least one Independent Person (IP) whose role is to act as a source of advice to the Monitoring Officer when a complaint is made against a Member and to provide further advice in any subsequent hearings and appeals. The Independent Person has to have some experience in assessing complaints and to be able to exercise objective judgement. They are not a formal co-opted Members of the Council or Standards Committee and their remuneration does not fall within the 2003 Regulations but the IRP has been asked to provide a view in the absence of any other external validation.
93. Currently, the IP in Leicester is remunerated £2,185 per year, about 20% of the Basic Allowance. Although this is a comparatively substantial sum (insofar as

comparative practice can be discerned) the IRP received no evidence that this sum required revising.

94. **The IRP recommends that the annual remuneration of the Independent Person for Leicester City Council remains at £2,185.**

The Allowances for expenses

The In-Authority Travel & Subsistence Allowance

95. 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 simple and straightforward to administer. Members do not have to submit claims and Officers do not have to check and process what would be numerous claims. Unlike the Dependants' Carers' Allowance (DCA) it also sidesteps potential confusion on what constitutes an approved duty. The disadvantage is that it can remunerate 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.
96. Since 1 January 2004 Travel and Subsistence has been a discretionary allowance, i.e. it is not a condition of service. Generally, it is increasingly the practice in relatively compact urban authorities such as Leicester that in-authority travel and subsistence costs are not paid. Paying in-authority Travel and Subsistence allowances was more apt in an era (i.e., pre-2003) when Councillors remuneration was negligible
97. Indeed, in the benchmarking group of 18 comparator councils the practice regarding in-authority travel and subsistence is as follows:
- In-authority Travel Allowance
 - 8 Councils do not pay an in-authority Travel Allowance
 - 10 Councils retain a claims-based in-authority Travel Allowance
 - In-authority Subsistence Allowance
 - 8 Councils do not pay an in-authority Subsistence Allowance
 - 7 Councils retain a claims-based in-authority Subsistence Allowance
 - 3 Councils retain a claims-based in-authority Subsistence Allowance but only when a Member spends more than 4 hours away from home
98. Nonetheless, the lump sum approach as adopted by Leicester is permissible and one of the options set out in the 2006 Statutory Guidance (paragraph 80)

The IRP may recommend, for example a system of direct invoicing or an annual or monthly allowance designed to cover all travel or subsistence within a particular period. In making their recommendation, the IRP should take into account the need for a system which can operate efficiently and cost-effectively

99. In the 2016 review the IRP flagged up the practice in Leicester of paying elected Members a lump sum to cover in-authority travel and subsistence costs as an issue to explore "in more depth during its next review."¹³

¹³ Leicester City Council IRP Report, March 2016, paragraph 80
Declan Hall PhD

100. The IRP felt that the current level of £1,205 per year paid directly to all elected Members to cover their in-authority travel and subsistence costs was excessive for the following reasons:
- In those benchmarked councils that have retained an in-authority travel and subsistence claims approach do not pay as much as it costs per year in Leicester (£65,917 – actual spend 2018/19).
 - It did not reflect actual costs
 - The Council also provides free parking for elected Members attending Council meetings
101. The IRP felt that a more realistic figure per elected Member if there was a claims based approach to reimburse in-authority travel costs only would be in the region of £561.60 per year based on the following calculation
- Number of formal approved duties per week 3
 - Number of journeys per week 6
 - Maximum mileage per journey 4
 - Mileage rate 45p
 - Weeks per year 52
- Based on the variable set out above the IRP applied the following formula
 - 6 journeys per week X 4 mean miles per journey X 45p per mile x 52 weeks per year
 - = £561.60
102. The IRP also noted that an annual bus pass for Arriva Bus Leicester costs £560.
103. The IRP decided to maintain the lump sum approach to reimbursing in-authority travel and subsistence costs as it is administratively straightforward. However, the IRP has reduced it to £1,000 per year, based on an estimated actual cost of about £560 per year with a £440 uplift to recognise the subsistence element. The subsistence uplift is the equivalent of £8.85 (rounded up) per week for elected Members to buy occasional refreshments.
104. **The IRP recommends that the annual lump sum approach to pay in-authority travel and costs of elected Members is maintained. The Allowance to be paid at £1,000 per year.** The IRP will revisit this recommendation at the time of its next review.

Travel & Subsistence Allowances – Outwith the Authority

105. Currently, Members are required to make claims for travel and subsistence when attending approved duties outwith the Authority. The maximum rates are specified in Schedule 2 of the allowances scheme. This approach does not impose excessive administrative costs as it is claimed by fewer Members on limited occasions and as such this approach should be maintained.
106. The mileage rates that Members can claim for undertaking approved duties outwith the City are based on the HMRCs “Authorised Mileage Approved Mileage” (AMAP) rates. These rates are typically utilised by local authorities in

determining Members' (and in some cases Officers') mileage rates; primarily because they are tax efficient in that they do not incur any tax liability for Members. The HMRC mileage rates are also the most prevalent mileage rates in the wider public sector. The IRP received no evidence to revise these rates.

107. However, the IRP notes the advice of the Office for Low Emission Vehicles which states (paragraph 12.1) in that "electric and hybrid cars are treated in the same way as petrol and diesel cars for the purposes of AMAPs." AMAPs (Authorised Mileage Allowance Payments) are the rates applicable to Members when claiming mileage allowances when driving a petrol/diesel powered car. While no issues were raised regarding the use of electric or hybrid vehicles the IRP has taken this opportunity to future proof the scheme to clarify the appropriate mileage rates if a Member uses an electric or hybrid vehicle for attending an approved duty outwith the City.
108. It is pointed out that HMRC AMAP rates do not simply cover the fuel element but are intended to reflect the total running costs of running a vehicle including wear and tear, depreciation, etc.
109. **The IRP recommends that the allowances scheme is amended to clarify that where a Member is using an electric or hybrid vehicle on an approved duty outwith the City that they are able to claim mileage at AMAP rates, which is currently 45p per mile for the first 10,000 miles and 25p per mile thereafter.**
110. **The IRP further recommends that the outwith current subsistence and mileage rates, approved duties, terms and conditions that are applicable for which Members can claim travel mileage and subsistence allowances and the reimbursement of public transport (where used) remain unchanged.**
111. **For transparency the IRP has set out the main travel and substantive allowances as follows:**

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 Member's performance of their duties as a Member,
- III. Other activities which, in the view of the Director of 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 Payment (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 thereafter
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.

Parking The cost of parking fees (including overnight garaging), tolls and ferries can also be claimed.

*A valid VAT receipt for fuel is required for any car/van or motorcycle mileage claims.

- Hired Motor Vehicle (car/light van) The same rates as if the vehicle were privately owned

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.

Meal	Qualifying duty period (inclusive of travelling time)	Rate
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.

The Dependants' Carers' Allowance (DCA)

The Regulatory Context

112. 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.
113. The 2003 Regulations (7.1) specify the approved duties for which the DCA may be claimed "in respect of such expenses of arranging for the care of their children or dependants as are necessarily incurred."¹⁴ It is a discretionary allowance, i.e., the Council may pay the DCA rather than required to pay it, unlike the Basic Allowance. However, these days most councils pay a DCA.

The Leicester DCA

¹⁴ See Appendix 7 for the definition of approved duties for claiming the DCA as set out in paragraph 7 of the 2003 Members' Allowances Regulations
Declan Hall PhD

114. 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 maximum rate - minimum wage applicable to age of carer
 - Other care maximum rate - equal to the Council's own hourly rate for a Home Care Assistant;

 - Claims are capped at 20 hours per week
 - 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;
 - Claims are for approved duties only and must fall within the definition set out in the 2003 Regulations paragraph 7.
115. The IRP supports the continuation of the DCA; it helps to reduce barriers to public service for traditionally underrepresented groups. Furthermore, in response to previous feedback the Council has made the DCA more flexible by allowing claims where informal childcare has been provided.

Issues raised with the IRP regarding the Leicester City Council DCA

116. The IRP received the most representation over the DCA, over its form and delivery. The representation received can be summarised as follows:
- The claims based approach to claiming the DCA was burdensome and at times confusing. The DCA could be made more accessible by introducing a lump sum, either in part or wholly, similar to the in-authority Travel and Subsistence Allowance. This would be more administratively efficient and get around confusion on what constitutes an approved duty
 - The Council's definition of an approved duty for claiming the DCA does not recognise the full range of duties elected Members undertake. A particular example quoted was that currently Members are not able to claim the DCA when carrying out Ward Surgeries as it falls outside the statutory definition of approved duties for claiming the DCA. The representation received argued that Ward Surgeries should be included as an approved duty. In support of this representation, the IRP was alerted to a draft framework/guidance for Councils on claiming the DCA produced by the Labour Group on the Local Government Association (LGA). This guidance states that all Councils should amend their DCA so that attendance at ward surgeries by Members should be an approved duty for which the DCA may be claimed.
 - The current DCA was generally over restrictive by
 - Not paying realistic rates for the DCA
 - Not recognising some children may have special caring needs
 - Not recognising where an elected Member has multiple dependants
 - Confusion over the DCA in general
117. It is noted that devising a DCA that is fully utilised and accessible is not a

Leicester specific issue for a number of reasons often related to individual Councillors personal circumstances. Across the country, many elected Members with dependants are not making full use of their respective DCA. A reading of the annual statutory publication of allowances and expenses received by elected Members in the benchmarking group shows that it is only claimed occasionally at most. For instance, in 2018/19 there were no DCA claims by Coventry and Nottingham City Council elected Members, with only one elected Member making DCA claims in both Liverpool and Tower Hamlets.

Maintaining a claims-based DCA

118. The IRP had some sympathy for a lump sum whether wholly or plus a claims based approach. The IRP received Officer advice that the 2003 Regulations where it was pointed out that the DCA must be “necessarily incurred” (7.1) and Regulation 14 (claims and payments) refers to a claim “must be made by the person to whom they are payable.” A lump sum approach to the DCA eliminates the element of “necessity”.
119. The IRP checked the practice in the benchmarking group of councils and the wider UK regarding the delivery of the DCA and found
- 17 of the 18 comparator councils have a claims based DCA (the 18th comparator council, Doncaster, does not pay a DCA).
 - Northern Ireland and Wales – both maintain a claims-based DCA
 - Scotland - there is no DCA or equivalent.
 - It is noted that the NHS has a claims-based approach for NHS Trust non-executive directors claiming for care of dependants while carrying out their duties
120. The IRP accepts that the 2003 Regulations do not permit a lump sum approach to paying the DCA. **The IRP recommends that the DCA continues to be delivered through a claims-based approach.**

Definition of Approved Duties

121. The IRP sought advice from the Council’s Monitoring Officer on whether activities such as attending Ward Surgeries could be met with the statutory definition of approved duties as set out in the 2003 Regulations (paragraph 7). The advice received (which has been openly shared with elected Members where they have asked to see it) focussed on the concept of ‘duties’ approved by the Authority” as required In Regulation 7. In essence, the consistent view of the Monitoring Officer has been that whilst Ward Surgeries might be duties of Councillors, they are not duties of the Authority (or duties that Councillors necessarily perform for the Authority). Insofar as Councillors undertake Ward Surgeries, they do so in pursuance of their democratic/political/representational mandate and not at the behest of the Authority. Ward duties stand in contrast to all of the other (Authority related) functions described in Regulation 7.
122. The IRP has accepted the advice from the Monitoring Officer. The distinction between an elected Members’ duties at the behest of the Authority and wider ward/representational duties was a robust one.
123. Furthermore, the IRP noted that the LGA Labour Group guidance is more a policy document and has no statutory basis. Moreover, attendance at Ward Surgeries

does not fall within the definition of approved duties for claiming the DCA in any of the benchmarking group of councils. In fact a number of the benchmarked councils specifically exclude attendance at Ward Surgeries and constituent related work in general from being an approved duty for claiming the DCA, e.g., Coventry and Derby.

124. **The IRP does not recommend that attendance at Ward Duties by elected Members is deemed an approved duty for the purposes of claiming the DCA.**

Making the DCA more transparent and accessible

Uprating the maximum rates for claiming the DCA

125. It is good practice to place limits on any claimable allowance. All of the comparator group of councils have caps on the DCA whether in the amount of time that can be claimed and/or monetary amounts. However, there is room for improvement in the DCA for Leicester elected Members who have dependants that addresses some of the issues raised with IRP regarding rates claimable, where an elected Members' dependent child requires care that goes beyond traditional babysitting or nursery provision and in cases of multiple dependants.
126. It became clear that there was confusion on the part of Members on what the DCA may be claimed for and a number of changes and clarifications would make it more accessible and flexible to provide greater support than it does seem to do so at the moment
127. **The IRP recommends that that the following changes be made to the DCA:**
- **Childcare element: the maximum hourly rate claimable is set at the Real Living Wage, currently £9.30 per hour**
 - **Other Dependant Care – maintain maximum rate at the Council's own hourly rate for a Home Care Assistant but clarify in Schedule 2 of the Council's allowances scheme that this rate can be claimed for elderly or disabled dependants and children who have special caring needs**
 - **Weekly cap on number of hours claimable – increase from 20 to 30 hours per week and clarify in Schedule 2 of the Council's allowances scheme that the DCA can be claimed for multiple dependants as long as the weekly cap of 30 hours per week is not exceeded**
 - **The reference to childcare vouchers should be removed as it is no longer applicable**
128. Further clarification could be provided by including in the DCA guidance notes specific examples of what the legal definition does include so as to provide greater clarity to potential claimants.
129. In addition, it would also provide greater clarity if specific examples of what cannot be claimed for are set out in the guidance on the DCA. This should reduce the incidences where DCA claims are rejected.

Telecommunications and Support Allowance

130. Currently, all Members are paid £26.50 per month (£318 per year) 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 a Member.
131. Again this type of allowance is outwith the remit of 2003 Regulations but like the Civic Allowance and remuneration of the Independent Person, IRPs are often asked to consider this type of allowance in the absence of any other external scrutiny.
132. The Telecommunications and Support Allowance was introduced following the 2016 Review and replaced a more substantial support allowance that was previously in place.
133. The Council still provides a standard ICT equipment offer to elected Members that includes *inter alia*
- Mobile phone
 - Data enable tablet or laptop if preferred
 - PC peripherals – such as memory sticks, keyboard and mouse
 - Use of copiers/printers in all Council buildings
134. The IRP did not receive any negative feedback on the level of the Telecommunications and Support Allowance that was introduced in 2016 or that it had impacted on costs that Members have to bear for use of their own telecommunications and other support items.
135. **The IRP recommends that the Telecommunications and Support Allowance is maintained at £26.50 per month.**

The Civic Allowances

136. 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 & Civic 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
 - Cost of hospitalities not administered by the Mayor's office such as dinners organised by local organisations, etc.

137. The current Civic Allowances are set out below:

- Lord Mayor: £17,571*
- Deputy Lord Mayor: £5,384
- High Bailiff: £1,884

* £11,900 of the Lord Mayor's Civic Allowance is paid directly to the office holder, with the remaining £5,671 retained and administered is administered by the Democratic and Civic Support Manager.

138. No issues regarding the administration and levels of the Civic Allowances were raised with the IRP. Therefore, **the IRP recommends that the Civic Allowances are maintained at their current rates and that £5,671 of the Lord Mayor's Civic Allowance continues to be directly administered by the Democratic and Civic Support Manager.**

Issues arising – Lack of Pension provision for Members

139. Since 2014 Members are no longer able to access the Local Government Pension Scheme, in which Members contributed 6% of their BA/SRAs and the Council making an additional contribution at the applicable 'employers' rate. This has proved to be bone of contention for many Members, particularly those who have to devote all or the greater part of the working week to Council duties. It was just felt to be unfair and the IRP was asked whether there was anything it might do about it.

140. The IRP is sympathetic to this sense of inequity and real cost to Members. This lack of access to the LGPS is made more anomalous when contrasted with Councillors in the rest of the UK. All Councillors in Northern Ireland, Scotland and Wales can continue to join the Local Government Pension Scheme as local government is a devolved function. However, on advice (which was accepted) the IRP cannot do anything to address this anomaly.

141. Therefore, given the current legislative context the IRP is precluded from making any recommendation regarding pension provision for elected Members.

Confirmation of indexing

142. There was general acceptance of maintaining the principle of indexing allowances and current indices that are in place. By uprating the majority of allowances on the same basis that Officer remuneration and expenses are indexed it treats Members and Officers the same and helps ensure that Members' allowances and expenses do not lose value over time.

143. **The IRP confirms and recommends that the following allowances are indexed for 4 years from 2020/21 to 2024/25, the maximum period permitted by legislation, without reference to the IRP 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 Real Living Wage for the childcare element and the Council's own hourly rate for a Home Care Assistance (care of other dependants).

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

Implementation

145. **The IRP recommends that the new scheme of allowances based on the recommendations contained in this report is adopted from 1st April 2020.**

Appendix One Declarations of Interest

The following IRP Members made declarations of interest

- Rasheed Cader One of the interviews (Cllr A. Joel) is known to Rasheed as a fellow Magistrate

- Chris Hobson The Leicester Food Park (funded by the Council and the EU) is managed by the East Midlands Chamber of Commerce in partnership with The Food and Drink Forum

Appendix Two

Protocol for working arrangements for those engaged as Independent Remuneration IRP Members.

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

Standards of Conduct - IRP 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 IRP is and is seen to be independent. If a IRP 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 IRP and the Director of Delivery, Communications and Political Governance.

Information - It is important that the IRP have access to all relevant information and there is open communication with each other, witnesses and Council officers. Members of the IRP must therefore not share any information or communication given to them as part of their role as a IRP 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 3rd party. Members of the IRP should note that any recorded information may be subject to access requests under the Freedom of Information Act. The IRP 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 IRP. Members of the IRP must therefore not make any comment to the press or any other person or body about the work of the IRP, and will direct all media queries to the Council's press team.

Absence - The scale of work and timescale for the IRP 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 IRP and the Director of Delivery, Communications and Political Governance** as soon as possible. Amongst the actions considered will be to ask the IRP member to withdraw from the IRP if the absence is likely to severely impact on participation.

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

Operation of the IRP – 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 IRP 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 IRP

Members¹⁵

Cllr S. Barton	Chair of Standards Committee (Labour)
Cllr D. Cank	Labour Group Chief Whip
Cllr T. Cassidy	Chair of Overview Select Committee (Labour)
Cllr P.S. Clair (MBE)	Deputy City Mayor, Culture, Leisure & Sport (Labour)
Cllr A. Clarke	Deputy City Mayor, Environment & Transportation (Labour)
Cllr R. Govind	Backbencher (Labour)
Cllr S. Hunter	Chair of Licensing and Public Safety Committee (Labour)
Cllr A. Joel	Vice-Chair of Overview Select Committee (Labour)
Cllr P. Kitterick	Chair of Health & Wellbeing Scrutiny Commission (Labour)
Cllr M. Marsh	Vice-Chair Adult Social Care Scrutiny Commission (Labour)
Cllr D. Myers	Assistant City Mayor, Policy Delivery & Communications (Labour)
Cllr K. Pickering	Co-Vice Chair of Licensing and Public Safety Committee + Co-Vice Chair of Licensing Enforcement Sub-Committee (Labour)
Cllr S. Russell	Deputy City Mayor, Children, Social Care & Anti-Poverty (Labour)
Cllr V. Singh	Chair of Planning & Development Control Committee and Chair of the Labour Group
Sir P. Soulsby	City Mayor (Labour)

¹⁵ Cllr N. Porter, the sole Liberal Democrat Member of the Council was invited to meet with the Panel but sent apologies.

Written Submissions - Elected Members

Cllr S. Barton	Chair of Standards Committee (Labour)
Cllr P. Kitterick	Chair of Health & Wellbeing Scrutiny Commission (Labour)
Cllr M. Marsh	Vice-Chair Adult Social Care Scrutiny Commission (Labour)
Cllr J. Nangreave	Vice-Chair Housing Scrutiny Commission (Labour)
Cllr K. Pickering	Co-Vice Chair of Licensing and Public Safety Committee + Co-Vice Chair of Licensing Enforcement Sub-Committee (Labour)
Cllr N. Solanki	Labour backbencher
Sir P. Soulsby	City Mayor (Labour)

Officers who briefed the IRP

Kamal Adatia	City Barrister & Head of Standards and Monitoring Officer
Miranda Cannon	Director Delivery, Communications & Political Governance
Matthew Reeves	Democratic & Civic Support Manager

Appendix Four

Information Received by the IRP

1. The IRP's Terms of Reference
2. IRP Working Protocols
3. Council report and minutes relating to appointment of IRP and 2019 review, Council meeting 13th June 2019
4. Leicester City Council Members' Allowances Scheme 2019/20
5. Leicester City Council Statutory Publication of Members' Allowances & Expenses received 2018/19
6. List of full range of support provided by and paid for by Council to Members
7. Leicester City Council, Independent Remuneration IRP, Review of Allowances, March 2016 Report
8. Council report and minutes relating to IRP Report March 2016, Council Minutes 17th March 2016
9. Leicester City Council Committee Structure Diagram/Flow Chart
10. Sheet showing all Leicester City Council elected Members
11. Member Role/Job Descriptions
 - a. City Mayor
 - b. Deputy City Mayor
 - c. Assistant City Mayor
 - d. Ward Councillor
12. Schedule of Council Meetings 2019/20
13. Committee Membership & Terms of Reference for Committees.
14. Dependent Carer's Allowance guidance
15. Copy of Questionnaire sent to all Councillors including responses
16. New Council Constitution: Guidance on Regulation for Local Authority Allowances, Department of Communities and Local Government, May 2006
17. NJC for Local Government Services Pay Increase 2018/19 and 2019/20
18. Local Government Association, summary of hours worked (Mean Per Week/Type of Council) by Councillors, Census of Councillors 2013
19. The emails/letter from MP regarding the issue of DCA and what constitutes a defined duty

20. Office for Low Emission Vehicles, Tax Benefits for ultra-low emission vehicles 2018
21. Summary of Councillor attendance at meetings for the municipal year 2018 – 19
22. Numbers of formal meetings for the municipal year 2018 - 19
23. Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations* 1st May 2003
24. Office of National Statistics (ONS), Annual Survey of Hours and Earnings, Leicester Mean Weekly Pay - Gross (£) - for all full-time employees 2018, Table 7.1a Work Geography and Table 8.1a Home Geography
25. Benchmarking data – summary of Allowance Schemes from comparator authorities namely other mayoral unitary, metropolitan and London Borough Councils + the CIPFA 7 Nearest Neighbours (204 model) that also includes Midlands Metropolitan and unitary councils of Coventry, Derby, Nottingham, Sandwell and Wolverhampton
26. Copy of presentation by Declan Hall (Chair of IRP): Reviewing Allowances: The Leicester City Council remuneration model, regulatory requirements, issues and approaches
27. Information around 'the current state of the council.' i.e. identifying its future intake and likely diversity, whether the Council had a recruitment problem etc.
28. Information about how many Councillors do have children? And other dependant caring responsibilities?
29. Allowances schemes from other parts of the UK for comparative purposes, ie Scotland, Wales & NI
30. Example of the Claim form and the process for dependent carers allowance. Example of what wasn't allowed and now is and where we've eased up.
31. Confirmation whether the City Mayor can receive the LGPS?
32. Licensing Committee and Sub-Committees - number of licensing IRPs over the past 2 years, who attended and how long they lasted.
33. LGA Labour Group – draft dependants' carers' scheme
34. The dependants carers scheme from the HNS for non-executive directors of NHS Trusts
35. The Fawcett Society, "Does Local Government Work for Women?" The Final Report by the Local Government Commission, July 2017
36. Information on the City Council's budget including
 - *A Leicester Mercury about the City Council's budget.*
 - *The formal City Council budget consultation papers can be found here: <https://www.leicester.gov.uk/your-council/city-mayor-peter-soulsby/budget/>*

Appendix Five: Benchmarking Allowances for Leicester City Council

BM1a Leicester City Council BM Group: BA + Elected Mayors & Deputies Only + Exec & Scrutiny SRAs 2019/20											
Comparator Council	Basic Allowance	Elected Mayor	Elected Mayor Total	Deputy Mayor[s]	Assistant Mayors	Mayoral or Exec Support	Chair Main O&S	V/Chair Main O&S	Chairs or Leads Scrutiny	V/Chairs Scrutiny	Comments
Bedford	10,425	52,127	62,552	12,511	10,425				5,213		2 X Dep Mayors
Bradford	13,463				25,939	11,117	12,970		12,970		
Bristol (20/21)	13,946	65,522	79,468	21,550	21,550		8,000		6,466		
Coventry	13,825				11,062	3,760	11,062	2,768	6,916		
Derby	10,076				15,115		7,557	1,889	7,557	1,889	
Doncaster	12,862	51,449	64,311	16,077	12,862		7,717	3,216	3,216		
Hackney	10,679	70,782	81,461	41,482	34,965	15,415	13,962		8,473	5,649	
Lewisham	10,209	67,513	77,722	40,600	15,298		12,260		6,130		
Liverpool	10,077	71,830	81,907	29,484	13,009	7,417			8,659		13 X Mayoral Leads
Luton	7,500				5,625		2,500		1,250		
Middlesbrough	6,506	65,056	71,562	19,517	13,011	6,130	13,011		6,506		
Newham	11,059	71,561	82,620	39,780	34,680	18,360	18,360		15,300		
N. Tyneside	10,358	55,161	65,519	7,209	3,187		3,187	2,229	3,003	2,100	
Nottingham	12,485				20,288	6,763	13,525	6,763			2 X O&S V/Chairs
Salford	11,043	54,654	65,697	22,253	14,253	10,689			8,910		2 X Dep Mayors
Sandwell	11,049				16,405	9,105	9,105	5,468	9,105		
Tower Hamlets	11,380	66,650	78,030	31,212	20,808	7,283	11,444		8,323		
Wolverhampton	9,531				15,000	2,500	15,000	2,500	10,000	2,500	
Leicester*	10,767	61,248	72,015	31,212	13,005		10,202	2,550	8,502	2,126	
Mean	10,907	62,796	73,572	26,074	16,657	8,958	10,616	3,423	7,583	2,853	
Median	10,767	65,289	74,869	25,869	15,000	7,417	11,253	2,659	7,940	2,126	
Lowest	6,506	51,449	62,552	7,209	3,187	2,500	2,500	1,889	1,250	1,889	
Highest	13,946	71,830	82,620	41,482	34,965	18,360	18,360	6,763	15,300	5,649	
Notes	* Leicester has a maximum pot of £187,565 to pay other Executive Members. Levels set by City Mayor. SRAs shown are for 3 Deputy Mayors (actual) & for 6 Assistant Mayors the SRA quoted is the mean.										

102

BM1 Leicester City Council BM Group: BA + Elected Mayors/Leader + Exec & Scrutiny SRAs 2019/20

Comparator Council	Basic Allowance	Elected Mayor or Leader	Elected Mayor or Leader Total	Deputy Mayor[s]	Assistant Mayors or Exec Mbrs	Mayoral or Exec Support	Chair Main O&S	V/Chair Main O&S	Chairs or Leads Scrutiny	V/Chairs Scrutiny	Comments
Bedford	10,425	52,127	62,552	12,511	10,425				5,213		2 X Dep Mayors
Bradford	13,463	37,056	50,519	18,528	25,939	11,117	12,970		12,970		
Bristol (20/21)	13,946	65,522	79,468	21,550	21,550		8,000		6,466		
Coventry	13,825	24,885	38,710	17,969	11,062	3,760	11,062	2,768	6,916		
Derby	10,076	30,229	40,305	22,672	15,115		7,557	1,889	7,557	1,889	
Doncaster	12,862	51,449	64,311	16,077	12,862		7,717	3,216	3,216		
Hackney	10,679	70,782	81,461	41,482	34,965	15,415	13,962		8,473	5,649	
Lewisham	10,209	67,513	77,722	40,600	15,298		12,260		6,130		
Liverpool	10,077	71,830	81,907	29,484	13,009	7,417			8,659		13 X Mayoral Leads
Luton	7,500	15,000	22,500	5,625	5,625		2,500		1,250		
Middlesbrough	6,506	65,056	71,562	19,517	13,011	6,130	13,011		6,506		
Newham	11,059	71,561	82,620	39,780	34,680	18,360	18,360		15,300		
N. Tyneside	10,358	55,161	65,519	7,209	3,187		3,187	2,229	3,003	2,100	
Nottingham	12,485	37,194	49,679	27,050	20,288	6,763	13,525	6,763			2 X O&S V/Chairs
Salford	11,043	54,654	65,697	22,253	14,253	10,689			8,910		2 X Dep Mayors
Sandwell	11,049	27,340	38,389	24,605	16,405	9,105	9,105	5,468	9,105		
Tower Hamlets	11,380	66,650	78,030	31,212	20,808	7,283	11,444		8,323		
Wolverhampton	9,531	25,000	34,531	20,000	15,000	2,500	15,000	2,500	10,000	2,500	
Leicester*	10,767	61,248	72,015	31,212	13,005		10,202	2,550	8,502	2,126	
Mean	10,907	50,014	60,921	23,649	16,657	8,958	10,616	3,423	7,583	2,853	
Median	10,767	54,654	65,519	22,253	15,000	7,417	11,253	2,659	7,940	2,126	
Lowest	6,506	15,000	22,500	5,625	3,187	2,500	2,500	1,889	1,250	1,889	
Highest	13,946	71,830	82,620	41,482	34,965	18,360	18,360	6,763	15,300	5,649	

Notes

* Leicester has a maximum pot of £187,565 to pay other Executive Members. Levels set by City Mayor. SRAs shown are for 3 Deputy Mayors (actual) & for 6 Assistant Mayors the SRA quoted is the mean.

BM2 Leicester City Council BM Group: Main Regulatory & Miscellaneous SRAs 2019/20

Comparator Council	Chair Planning	V/Chair Planning	Chair Strategic Planning	Chair Licensing	V/Chair Licensing	Chair Audit & Risk/Other	Chair Standards	Comments or Other
Bedford	5,213			5,213		5,213	1,563	Chair Licensing Act Committee £5,213 Licensing Subs Mbrs £25/£52 per mtng
Bradford	12,970			12,970		12,970	3,706	Plethora of Licensing, Taxi, Numerous Appeals SRAs paid £5,558-£12,970, Mbrs Adoption + Planning + Licensing £2,965
Bristol (20/21)	6,466					6,465		2 Planning Committees, Chair HR £6,465, Lic Mbrs share pot £6,465 pro rata + Appeals Mbrs £75 p/mtng
Coventry	6,916	2,768		6,916	2,768	6,916	1,074	Audit Chair + Fostering/Adoption IRP Mbrs £2,768
Derby	7,557	3,779		7,557	3,779	5,290		Mbrs Adoption + Licensing + Appeals £1,889
Doncaster	8,231	3,473		7,717	3,859	7,717		Chair Elections & Structures Committee £1,286, V/Chair Audit £2,444
Hackney	17,116			17,116		7,707	2,387	Chair Pension Comtee £15,415, Chair Pensions Board, Adoptions & Fostering IRP Mbrs £2,387 & Corporate Committee £7,707
Lewisham	6,130		9,195	6,130			1,000	3 Planning Committees
Liverpool	8,659			8,659				
Luton	2,500			1,250		1,250		Area Chairs £1,250
Middlesbrough	9,758			9,758		6,506	3,253	Chairs Staff Appeals + Pension Fund £3,253
Newham	7,140		18,360	20,241		7,140		Chairs H&WB £18,360, Investment & Accounts £7,140
N. Tyneside	3,187	2,229		2,100	1,564	2,100	3,187	Chair H&WB £3,187, Chair Appeals, Dep Chairs H&WB + Standards £2,229, V/Chair Audit £1,564
Nottingham	6,763			6,763	3,381	3,381		Area Chairs £6,763. Chair Staff Committee + Adoption Member £3,381
Salford	8,910			8,910		8,910		
Sandwell	10,936	5,468		10,936	5,468	9,105	9,105	Chairs Land & Assets + Town £9,105, GP Chair + Dep Chair Town + Adoption Mbr £5,468, V/Chairs GP + Standards £2,734
Tower Hamlets	11,444		11,444	6,242		6,242		Chair General Purposes £8,323, Chair Pensions £6,242
Wolverhampton	15,000	5,000		15,000	5,000	10,000		Chairs Pensions £10,000, V/Chairs Pensions + Audit £2,500
Leicester	8,502	2,126		8,502	2,126	6,234	3,033	2 X Licensing V/Chairs
Mean	8,600	3,549		8,999	3,493	6,656	3,145	
Median	8,231	3,473		8,110	3,580	6,506	3,033	
Lowest	2,500	2,126		1,250	1,564	1,250	1,000	
Highest	17,116	5,468		20,241	5,468	12,970	9,105	

104

BM3 Leicester BM Group: Group SRAs & Travel (in-authority) 2019/20

Comparator Council	Majority Group Leader/Chair	Main Opposition Group Leader	Minor Opposition Group Leader	Majority Group Whip	Opposition Group Whip	Travel (in-authority)	Subsistence in-authority	Comments or Other
Bedford		£188 per member	£188 per member			Yes - claimed	Yes - claimed	Opposition Deputy Leaders & Spokespersons £94 per group member
Bradford	16,675	25,939	18,528		12,970	Yes - claimed	Yes - claimed	Opposition Dep Leader £16,675, Opposition Leader 3rd Group + Area Chairs £12,970
Bristol (20/21)	12,929	12,929	12,929	8,000	8,000	Yes - claimed	Yes - claimed	4 Groups qualify for Group Leader & Group Whip SRAs
Coventry		5,100				Yes - claimed	Yes - claimed	Opposition Dep Leader £2,550, Tel & Stationery Allowances up to £759 claimable
Derby		7,557	7,557			Yes - claimed	Yes - claimed	Opposition Deputy Leaders £3,779
Doncaster	6,431	2,572	1,286			No	No	Appeals Mbrs £50 p/mtnng
Hackney	2,387	12,710	8,473	5,203	2,387	No	No	If only 1 Opposition Group Leader's SRA £21,183, Majority Group Secretary £2,387
Lewisham	5,275	5,275	3,165	5,275		No	Yes > 4 hrs	Like most LBs has parental/sickness leave policy, ITC package provided
Liverpool		11,341	7,417	8,659	4,336	Yes - claimed	Yes > 4 hrs	ICT package provided + £330 support allowance
Luton		2,500				Yes - claimed	Yes - claimed	
Middlesbrough	9,758	3,253	3,253			Yes - claimed	Yes - claimed	Tel Allowance up to £300
Newham		7,140		15,300	3,570	No	No	Secretary Majority Group + Assistant Whip Majority Group-£3,570
N. Tyneside	3,187	3,187	3,187			Yes - claimed	Yes > 4 hrs	
Nottingham		6,763		10,144		No	No	
Salford		8,910	8,910			Yes - claimed	No	
Sandwell		Variable Bands				No	No	
Tower Hamlets	11,757	11,757	5,202			No	No	
Wolverhampton		15,000				No	No	Dep Leader Main Opposition £2,500
Leicester		1,134 p/yr + £284 p/ Mbr		8,502		Yes - 1,205 p/yr		£318 p/yr telecommunications & Support Allowance + IT/Mobile Phone Package
Mean	8,550	8,871	7,264	8,726	6,253			
Median	8,095	7,349	7,417	8,502	4,336			
Lowest	2,387	2,500	1,286	5,203	2,387			
Highest	16,675	25,939	18,528	15,300	12,970			

105

Leicester City Council: Winter 2019/20 Independent Review of Allowances

Benchmarking: Salaries of other public posts considered for benchmarking purposes – January 2020 unless indicated otherwise

UK/Devolved Nations – elected representatives

- UK MPs: £79,468
- Member of the (NI) Legislative Assembly: £50,050
- Member of the Scottish Parliament: £63,579
- Member of the Welsh Assembly: £67,649

London GLA/Other Public Bodies

- Mayor of London: £152,734
- Statutory Deputy Mayor £105,269
- Chair of London Assembly: £70,225
- London Assembly Members: £58,543
- Chair London Pension Funds Authority £50,800

Elected Mayors Combined Authorities salaries

- Greater Manchester £110,000
- Liverpool City Region £89,000
- West Midlands £79,000
- Cambridgeshire & Peterborough £75,000
- West of England £65,000
- North of the Tyne £65,000
- Tees Valley £38,500
- Sheffield City Region No remuneration¹⁶
- West Yorkshire Does not have elected mayor

¹⁶ Post holder is also an MP and draws MPs salary only

NHS – Non Executive Appointments Remunerations

- NHS Non-Executive £11,500 (1 April 2020)
- University Hospitals of Leicester NHS Trust Chair £35-£40,000 (2018/19)¹⁷
£55,500 (minimum 1/04/21)
£60,000 (minimum 1/04/22)
- Leicestershire Police & Crime Commissioner £75,000

¹⁷ UHL Full Annual Report 2018-19, p.31

Appendix 7 Defined Duties for the DCA 2003 Regulations (paragraph 7)

Dependants' carers' allowance

7.—(1) A scheme may provide for the payment to members of an authority of an allowance (“dependants’ carers’ allowance”) in respect of such expenses of arranging for the care of their children or dependants as are necessarily incurred in—

(a) the attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;

(b) the attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and at least one other local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee, provided that—

(i) where the authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited; or

(ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;

(c) the attendance at a meeting of any association of authorities of which the authority is a member;

(d) the attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements;

(e) the performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;

(f) the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;

(g) the performance of any duty in connection with arrangements made by the authority for the attendance of pupils at any school approved for the purposes of section 342 of the Education Act 1996 (approval of non-maintained special schools)(a); and

(h) the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees or sub-committees.

ELECTED MEMBERS' ALLOWANCES SCHEME 2020/2021

Note: Where the term 'Member' is used it will apply to Councillors and the City Mayor

Council, at its meeting on 19 March 2020, agreed a Members' Allowances Scheme, applicable for the 2020/2021 Municipal year which takes into account the recommendations of the Independent Panel on Members' Allowances which agreed a scheme of indexation through to the end of the Municipal year 2023/2024 .

The Scheme below operates from 1 April 2020 (subject to indexing as appropriate).

Members should be aware that allowances payable in return for acting as a 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

£10,974 per annum for each Member.

(b) Special Responsibility Allowances

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

City Mayor	£64,026
Deputy City Mayor	£43,245*
Assistant City Mayors	£18,040*
Chair, Overview Select Committee	£10,202
Vice Chair, Overview Select Committee	£2,550
Chair, Children Young People and Schools Scrutiny Commission	£8,502
Vice Chair, Children Young People and Schools Scrutiny Commission	£2,126
Chair, Health and Wellbeing Scrutiny Commission	£8,502
Vice-Chair, Health and Wellbeing Scrutiny Commission	£2,126
Chair, Neighbourhood Services and Community Involvement Scrutiny Commission	£8,502
Vice Chair, Neighbourhood Services and Community Involvement Scrutiny Commission	£2,126

Chair, Heritage, Culture, Leisure and Sport Scrutiny Commission	£8,502
Vice Chair, Heritage, Culture, Leisure and Sport Scrutiny Commission	£2,126
Chair, Adult Social Care Scrutiny Commission	£8,502
Vice Chair, Adult Social Care Scrutiny Commission	£2,126
Chair, Economic Development, Transport and Tourism Scrutiny Commission	£8,502
Vice Chair, Economic Development, Transport and Tourism Scrutiny Commission	£2,126
Chair, Housing Scrutiny Commission	£8,502
Vice Chair, Housing Scrutiny Commission	£2,126
Chair, Planning and Development Control	£10,202
Vice Chair, Planning and Development Control	£2,550
Chair, Licensing & Public Safety Committee	£10,202
Vice Chairs, Licensing & Public Safety Committee (two)	£2,550
Chair, Audit & Risk Committee	£6,234
Chair, Standards Committee	£3,033
Minority Group Leader	£1,134 per annum plus an additional £284 per Member.
Majority Group Whip	£8,502

*The City Mayor may choose to vary from the specified SRAs for the Deputy and Assistant City Mayor depending on the responsibilities undertaken, provided any variance does not result in the combined total allowances for these roles exceeding the total allocated budget for Executive SRAs.

Civic Allowances

Lord Mayor	£17,571*
Deputy Lord Mayor	£5,384
High Bailiff	£1,884

*£11,900 of the Lord Mayor's allowance will be provided via allowances, the other £5,671 will be administered by the Democratic & Members 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:-

<p>'Independent Persons', Standards Committee 'Independent Members', Standards Committee</p> <p>Note: The rate for these roles is not considered by the Independent Remuneration Panel as they come under separate legislation but are included here for completeness.</p>	<p>£2,185 plus travel expenses £539</p>
<p>Co-opted Members of Committees / Commissions</p>	<p>£539</p>

(e) Travel and Subsistence – Inside the City

£83.34 per month (£1,000 per annum) is payable to each Member. This is intended to cover all travel (including taxis) and subsistence costs for all activities within the City boundary.

(f) Telecommunications & Support Allowance

Paid to all Members at £26.50 per month (£318 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 a 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 a

Member on the basis set out in Article 7 of the Local Authorities (Members Allowances) (England) Regulations 2003 up to a limit of 30 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 the Payroll system.
- ii. Entitlement will commence from the fourth day after the date of the election or the date of making the Declaration of Acceptance of Office, whichever is later. Where not returned entitlement for the former Member will cease on the fourth day after the election.

Entitlement to allowances will be calculated on a pro rata basis avoiding any overlap of the same allowance.

- 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 of 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, where approved, in the furtherance of the Member's performance of their duties as a Member.
- iii. Other activities which, in the view of the Director of 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. Councillors using personal Ultra Low Emission Vehicles (ULEVs) or hybrid vehicles when travelling outside the city to be paid at the equivalent petrol mileage rate.	
	Car or Van*	45p per mile for the first 10,000 miles, 25p per mile thereafter
	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.
	*A valid VAT receipt for fuel is required for any car/van or motorcycle mileage claims or in the case of an ULEV, a mileage distance to be agreed with the Member and Civic Support Team
Hired Motor Vehicle (car/light van)	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.

Meal	Qualifying duty period (inclusive of travelling time)	Rate
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 the 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 hourly rate reimbursed for the independent care of a child under the age of 14 shall be up to a maximum of the current real living wage rate;
- The hourly rate reimbursed for the professional care of a dependant relative (applies to elderly persons / disabled adults and children, with special caring needs) shall be up to a maximum of 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.

