**APPENDIX 1** 

## 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
<b>Basic Allowance</b> <sup>1</sup>	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	£1884
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
<u>Total</u> (BA + SRAs + Civic + Co-optees)				£1,017,822

<sup>&</sup>lt;sup>1</sup>In 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.

#### <u>SRAs Considered but not recommended – Vice Chairs of the Standards</u> <u>Committee and the Audit & Risk Committee</u>

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:

- <u>Childcare element</u> 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 <u>and</u> children who have special caring needs
- <u>Weekly cap on number of hours claimable</u> 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 1<sup>st</sup> 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 13<sup>th</sup> 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 Governance<sup>2</sup>.

### 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)

<sup>&</sup>lt;sup>2</sup> 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)
- Logistical and practical support to the IRP was provided through Matthew 9. 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
  - 15<sup>th</sup> November 2019
  - 7<sup>th</sup> January 2020
  - 10<sup>th</sup> January 2020
  - 7<sup>th</sup> 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.<sup>3</sup> 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 Member and City Mayor remuneration to ensure that its elected 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.

<sup>&</sup>lt;sup>3</sup> 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. Declan Hall PhD 8

## 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.<sup>4</sup>

#### 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

<sup>&</sup>lt;sup>4</sup> 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.<sup>5</sup>
- 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"<sup>6</sup>. The LGA includes within "council business"
  - Council/committee meetings

<sup>&</sup>lt;sup>5</sup> See Role Description for Ward Councillor, Leicester City Council, 1<sup>st</sup> March 2019

<sup>&</sup>lt;sup>6</sup> 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.
- Other<sup>7</sup>
- 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.<sup>8</sup>

<sup>&</sup>lt;sup>7</sup> See LGA, National census of local authority councillors 2018, Chart 3, page 5

<sup>&</sup>lt;sup>8</sup> See LGAlert 62/10, Members' Allowances, 23 June 2010 Declan Hall PhD

- 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).<sup>9</sup> 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:Rate for Remuneration:
- 35% (50.05 days) £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. Benchmarking<sup>10</sup> shows that the current Leicester Basic Allowance is the median value:

•	Benchmarking group mean Basic Allowance	£10,907
٠	Benchmarking group median Basic Allowance	£10,767
	Laicastar City Council 2010/20 Racia 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

<sup>&</sup>lt;sup>9</sup> 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. <u>ASHE 2019 Average earnings placeofworkbylocalauthorityashetable7</u> <sup>10</sup> See Appendix BM1

- Benchmarking group mean Basic Allowance
- Representation received

£10,907 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 £75,000<sup>11</sup>. 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

<sup>&</sup>lt;sup>11</sup> <u>leics.pcc.police.uk/About-Us/OPCC/The-Office-of-the-Police-and-Crime-Commissioner</u> Declan Hall PhD

PCC area E – e.g., West Midlands – paid at  $\pounds$ 100,000). The Leicestershire PCC Leicestershire falls into the middle area C -  $\pounds$ 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:

•	<ul> <li>Deputy City Mayor (1)</li> </ul>		
•	As	sistant City Mayors (up to 8)	
	١.	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 FI	NANCIAL ENVE	LOPE	
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

Leicester City Council	IRP Report February 2020
<ul> <li>Chairs Scrutiny Commissions (7)</li> <li>Vice-Chairs Scrutiny Commissions (7)</li> </ul>	£8,502 £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) <sup>12</sup>

# 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:
  - <u>Quasi-judicial nature of committees</u>: both these committees make quasijudicial 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 <u>Planning Committee</u> 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 <u>Licensing and Public Safety Committee</u> has four scheduled meetings per year. However, much of the operational work of Licensing is dispensed through the two sub-committees:
      - The <u>Licensing Enforcement Sub-Committee</u>, which deals with general licensing applications including taxis
      - The <u>Licensing Hearings Sub-Committee</u> 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:

<sup>&</sup>lt;sup>12</sup> As there are no Opposition Groups on Council this SRA is not currently payable Declan Hall PhD

- <u>2018</u> 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.
- <u>2019</u> there were 26 Sub-Committee meetings with the Chair chairing 15, with the Co-Vice Chairs chairing the other nine subcommittee 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 incouncil 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
    - o 8 Councils do not pay an in-authority Travel Allowance
    - o 10 Councils retain a claims-based in-authority Travel Allowance
  - In-authority Subsistence Allowance
    - o 8 Councils do not pay an in-authority Subsistence Allowance
    - o 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."<sup>13</sup>

<sup>&</sup>lt;sup>13</sup> 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 inauthority 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
  - <u>Public Transport</u> paid at the amount of an ordinary fare or any available cheap fares (tickets/receipts required).
  - <u>Taxi</u> 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.

• <u>Private Transport Rates</u> 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.

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

 <u>Hired Motor Vehicle</u> The same rates as if the vehicle were privately (car/light van) 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.

• <u>Travel by Air</u> 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.

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

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
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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.
- The 2003 Regulations (7.1) specify the approved duties for which the DCA may 113. be claimed "in respect of such expenses of arranging for the care of their children or dependants as are necessarily incurred."<sup>14</sup> 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

<sup>&</sup>lt;sup>14</sup> 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
    - o 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 18<sup>th</sup> 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 nonexecutive 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 the following changes be made to the DCA:
  - <u>Childcare element</u>: the maximum hourly rate claimable is set at the Real Living Wage, currently £9.30 per hour
  - <u>Other Dependant Care</u> 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 <u>and</u> children who have special caring needs
  - <u>Weekly cap on number of hours claimable</u> 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 then 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:

<ul> <li>Lord Mayor:</li> </ul>	£17,571*
<ul> <li>Deputy Lord Mayor:</li> </ul>	£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 1<sup>st</sup> 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 accidently or deliberately used or seen by a 3<sup>rd</sup> 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

#### Members<sup>15</sup>

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)

<sup>&</sup>lt;sup>15</sup> Cllr N. Porter, the sole Liberal Democrat Member of the Council was invited to meet with the Panel but sent apologies. Declan Hall PhD 35

### 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
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- 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 13<sup>th</sup> 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
- Council report and minutes relating to IRP Report March 2016, Council Minutes 17<sup>th</sup> 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: <u>https://www.leicester.gov.uk/your-council/city-mayor-peter-soulsby/budget/</u>

# *Leicester City Council IRP Report February 2020*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 <i>,</i> 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 <i>,</i> 468	9,105		
<b>Tower Hamlets</b>	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.										

Leicester City Council

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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 <i>,</i> 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.										

Leicester City Council **IRP Report February 2020** BM2 Leicester City Council BM Group: Main Regulatory & Miscellaneous SRAs 2019/20 V/Chair Chair Comparator Chair Chair V/Chair Chair Audit Chair **Comments or Other** Council Strategic Planning Planning Licensing Licensing & Standard **Risk/Other** Planning S Chair Licensing Act Committee £5,213 Licensing Subs Mbrs Bedford 5.213 5,213 1.563 5.213 £25/£52 per mtng Plethora of Licensing, Taxi, Numerous Appeals SRAs paid **Bradford** 12.970 12.970 3.706 12.970 £5,558-£12,970, Mbrs Adoption + Planning + Licensing £2,965 2 Planning Committees, Chair HR £6,465, Lic Mbrs share pot **Bristol** (20/21) 6,466 6,465 £6,465 pro rata + Appeals Mbrs £75 p/mtng Audit Chair + Fostering/Adoption IRP Mbrs £2,768 6,916 2,768 2,768 6,916 Coventry 6,916 1,074 Mbrs Adoption + Licensing + Appeals £1,889 Derby 7.557 3.779 7.557 3.779 5,290 Chair Elections & Structures Committee £1,286, V/Chair Audit 8,231 3,473 7,717 3,859 7,717 Doncaster £2,444 Chair Pension Comttee £15,415, Chair Pensions Board, Hackney 17.116 17,116 7.707 2.387 Adoptions & Fostering IRP Mbrs £2,387 & Corporate Committee £7,707 3 Planning Committees Lewisham 6,130 9,195 6,130 1,000 Liverpool 8.659 8,659 Area Chairs £1.250 Luton 2,500 1,250 1.250 Chairs Staff Appeals + Pension Fund £3,253 Middlesbrough 3,253 9,758 9,758 6,506 Chairs H&WB £18,360, Investment & Accounts £7,140 Newham 7,140 20,241 7,140 18.360 Chair H&WB £3,187, Chair Appeals, Dep Chairs H&WB + N. Tyneside 3,187 2,229 2,100 1,564 2,100 3,187 Standards £2,229, V/Chair Audit £1,564 Area Chairs £6,763. Chair Staff Committee + Adoption Member Nottingham 6.763 6.763 3.381 3,381 £3,381 8.910 8.910 Salford 8,910 Chairs Land & Assets + Town £9,105, GP Chair + Dep Chair Sandwell 10,936 5,468 10,936 5,468 9,105 9.105 Town + Adoption Mbr £5,468, V/Chairs GP + Standards £2,734 **Tower Hamlets** Chair General Purposes £ 8,323, Chair Pensions £6,242 11.444 6.242 11.444 6,242 Chairs Pensions £10,000, V/Chairs Pensions + Audit £2,500 Wolverhampton 15.000 5.000 5.000 15.000 10.000 2 X Licensing V/Chairs **8,502** 2,126 8,502 2,126 6,234 3.033 Leicester 6,656 Mean 8,600 3,549 8.999 3,493 3,145 Median 8,231 3,580 6,506 3,033 3,473 8,110 1,250 2.500 2,126 1.250 1.564 1,000 Lowest Highest 17,116 5,468 20,241 5,468 12,970 9,105

Leicester City Council

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		BM3 Leicest	er BM Grou	ս <mark>p։ Gro</mark> ւ	ıp SRAs 8	Travel (ii	n-authorit	y) 2019/20
Comparator Council	Majority Group Leader/Chai r	Main Opposition Group Leader	Minor Opposition Group Leader	Majorit y Group Whip	Opposition Group Whip	Travel (in- authority)	Subsistenc e 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/mtng
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		<b>Yes - 1,2</b>	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			

## 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	
Elected Mayors Combined Authorities salaries <ul> <li>Greater Manchester</li> </ul>	£110,000
	£110,000 £89,000
Greater Manchester	
<ul><li>Greater Manchester</li><li>Liverpool City Region</li></ul>	£89,000
<ul> <li>Greater Manchester</li> <li>Liverpool City Region</li> <li>West Midlands</li> </ul>	£89,000 £79,000
<ul> <li>Greater Manchester</li> <li>Liverpool City Region</li> <li>West Midlands</li> <li>Cambridgeshire &amp; Peterborough</li> </ul>	£89,000 £79,000 £75,000
<ul> <li>Greater Manchester</li> <li>Liverpool City Region</li> <li>West Midlands</li> <li>Cambridgeshire &amp; Peterborough</li> <li>West of England</li> </ul>	£89,000 £79,000 £75,000 £65,000
<ul> <li>Greater Manchester</li> <li>Liverpool City Region</li> <li>West Midlands</li> <li>Cambridgeshire &amp; Peterborough</li> <li>West of England</li> <li>North of the Tyne</li> </ul>	£89,000 £79,000 £75,000 £65,000 £65,000

<sup>&</sup>lt;sup>16</sup> Post holder is also an MP and draws MPs salary only

# Leicester City Council IRP Report February 2020 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) <sup>17</sup> £55,500 (minimum 1/04/21) £60,000 (minimum 1/04/22)
•	Leicestershire Police & Crime Commissioner	£75,000

<sup>&</sup>lt;sup>17</sup> 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.