

REPORT OF THE BOSTON BOROUGH COUNCIL
INDEPENDENT REMUNERATION PANEL
FOR MEMBER ALLOWANCES FOR
THE FINANCIAL YEAR 2022-23

1. Introduction

The Independent Remuneration Panel has a responsibility to make recommendations to the Council on the level of allowances to be paid to members of the Council. This report has been prepared in accordance with current legislation and guidance.

The recognised principles for the Independent Remuneration Panel when considering a scheme of remuneration are that it should be: -

- justifiable and defensible, based on logical construction;
- transparent and simple to understand and administer;
- should neither discourage nor encourage candidates for financial considerations;

A key consideration for the Panel was that the scheme should minimise financial barriers as much as possible, without setting a level that would attract people to stand for Council solely for the allowances, taking into account published guidance which suggests that the basic allowance should be set at a level such that: *an average person who takes a day off work per week for Council duties, would not then be out of pocket.*

2. Review process

The Independent Remuneration Panel met on 8 July 2022 to commence a review on the Members Allowances for 2022-23.

It was noted that in 2018 the Panel undertook a comprehensive review with the aim of establishing a remuneration framework that would hold good for at least four years.

Having considered the current benchmarking information with other Lincolnshire authorities and those in the CIPFA 'family group' for Boston Borough Council, the Panel felt that it had largely achieved its aims and that a light touch review was all that was required for the financial year 2022/23.

3. Basic Allowance

The Panel considered the level of basic allowance taking into account that this was not a wage or salary and the position of councillor carried with it an expectation of a voluntary element.

The Panel noted that the current level of £4,692 per annum was at mid-point across the authorities in Lincolnshire, and third lowest within the CIPFA family group. However, having taken into account the average basic allowance across the Lincolnshire authorities and the CIPFA family group, excluding the extremes, it was considered that the variance was within an acceptable tolerance and the basic allowance remained fit for purpose, fair and equitable.

There were no comments received from Members specifically referencing the levels of basic allowance.

However, the Panel was very conscious of comments relating to non-attendance by some members of the Council who were receiving their allowances and not contributing any time or representation, other than the minimum required to retain their position as a councillor. The Panel accepted there was no provision to base or withhold allowances in such circumstances.

The Panel recommends that the level of basic allowance remains at £4,692

4. Special Responsibility Allowances

The main focus for the Independent Remuneration Panel, when considering the levels of special responsibility allowance, was to try and achieve a fair and equitable scheme, recognising the responsibilities and time commitment required for each position and being sufficient to compensate an average working person who may be required to take unpaid leave to carry out such duties.

The guidance for SRAs states that the positions which receive special responsibility allowances should have **significant** responsibility attached to them.

The Regulations provide that special responsibility allowances may be paid for special responsibilities within one or more of the following categories:-

- Membership of the executive;
- Acting as leader or deputy leader of a political group;
- Presiding at meetings of a committee or sub-committee of the authority;
- Representing the authority at meetings of, or arranged by, any other body;
- Membership of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods;
- Acting as a spokesperson of a political group on a committee or sub-committee of the authority;
- Such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned above whether or not that activity is specified in the scheme.

Having studied the information provided and deliberated on the issues the Panel agreed that the posts which currently attracted SRA payments was comprehensive and the majority of the positions had sufficient responsibility and time commitment attached to them to warrant payment of a SRA.

However, the Panel was conscious of the role and responsibility of the Chairman of the Boston Town Area Committee which did not currently receive a SRA. Having considered the workload, the frequency of meetings and responsibility attached to the role the Panel agreed to recommend that a SRA of £1280 be introduced for the position, in line with that paid for a Chairman of a scrutiny committee.

The Panel recognised that the Boston Town Area Committee could be compared with that of a Parish Council where the Chairman did not receive an allowance, but noted that

BTAC was a standing committee of the Council exercising executive functions delegated by Cabinet, and as such should be treated in the same way as other committees.

A comment had been raised regarding the wording of the Special Responsibility Allowance for attendance at Licensing Hearings. The Council had recently adopted a new model Code of Conduct, which could result in Standards Hearings having to be convened that had the same level of responsibility as for Licensing Hearings. Therefore, it was agreed to recommend that the wording of the SRA be amended to Hearings Panels to cover this eventuality.

The Panel considered the responses provided from Members in respect of SRAs, the majority of which related to allowances being introduced for the position of Vice-Chairmen of Committees.

Having reviewed the comparison information for SRAs across the Lincolnshire authorities and the CIPFA family group it was noted that only 3 authorities in the family group paid SRAs to Vice-Chairmen other than for the Planning Committee and Licensing Committee, and similarly only 4 of the 7 Lincolnshire authorities had these allowances in place.

The position of vice-chairmen of committees, with the exception of the Planning Committee, was felt not to have significant responsibility attached to it. Other than attending briefings the vice-chairman had no more responsibility than other members of the committee, unless being called upon to chair a meeting in the absence of the Chairman.

Taking into account the information provided and comments from Members, the Panel agreed to keep SRAs for vice-chairmen under review and consider as part of the next comprehensive review of the allowances scheme.

The Panel recommends that:-

- 1. The Special Responsibility Allowances remain at current levels.**
- 2. The wording for the Special Responsibility Allowance for Licensing Hearings be amended to Hearing Panels to include attendance at Standards Hearings.**
- 3. A Special Responsibility Allowance be introduced for the Chairman of the Boston Town Area Committee of £1280, back dated to April 2022.**

5. Dependant Carers' Allowance

The Dependant Carers' Allowance payable by the Council is currently reimbursement of actual expenditure subject to set conditions which compares well to other Lincolnshire authorities and the CIPFA Family Group.

The Panel considered the current levels of allowance and agreed that they remained fit for purpose. During the review process the Panel received no representations suggesting that there was a need for the allowance to be amended.

Accordingly, the Panel is not recommending any change at this time.

6. Travel and Subsistence

The mileage allowances were set at the current HMRC tax free levels, which the Panel recognised was being impacted by the current level of fuel prices. However, it was agreed to recommend retaining the existing allowances and review if and when HMRC changed the tax free limits.

The subsistence allowances were set at the same level as those for officers and it was felt there was no necessity to revise at the current time.

Again, the Panel received no representation suggesting that there was a need for the current travel and subsistence levels to be reviewed.

Accordingly, the Panel is not recommending any change at this time.

7. Annual Adjustment of Allowance Levels

In accordance with the provisions of relevant legislation, a scheme of allowances may make provision for an annual adjustment of allowances to be ascertained by reference to an index which may be specified by the authority and contained in the scheme.

The Panel considered various options for linkage to an annual adjustment, including the Retail Price Index and Consumer Price Index, and their preference was to continue to link with staff pay awards for a four year period from April 2023.

8. Amendments to the Members Allowance Scheme

It was noted that the current published Members Allowance Scheme did not make reference to the travel costs of the Mayor and Deputy Mayor being an approved duty under Schedule 2 of the scheme.

Since 2019, the Mayor and Deputy Mayor had been expected to drive themselves to Mayoral engagements and claim travel costs via the Members Allowance Scheme. Therefore this should be reflected in the list of approved duties.

The Panel recommends that the published Members Allowance Scheme be updated to include Mayoral travel costs as an approved duty within Schedule 2 of the Scheme.

9. Disparity of Allowances across the South and East Lincolnshire Councils Partnership

The Panel noted comment in the responses from Members regarding the disparity of allowances paid to Members across the authorities in the South and East Lincolnshire Councils Partnership.

The allowances paid by those authorities had been included in the benchmarking information considered by the Panel, and disregarding the lowest and highest across the range the Panel was satisfied that the scheme for Boston Borough Council achieved parity within acceptable tolerances across Lincolnshire and the CIPFA family group.

In accordance with the Regulations those Councils had their own Independent Remuneration Panels established which made recommendations to the Sovereign Councils. As such this was not a matter within the remit or responsibilities of the Boston IRP.

10. Conclusion

The key focus of the Independent Remuneration Panel, when considering revisions to the scheme, was to achieve allowances that would not deter an average working person from standing for Council, or result in Councillors being financially disadvantaged, if they had to take unpaid leave from their job to carry out Council duties.

The Panel was aware of the restrictions of the current economic climate and the Council's understandable reluctance to accept significant increases in allowances.

When considering the issues involved the Panel took into account government guidance that some elements of the work of members should be voluntary – that some hours are not remunerated. However, this must be balanced against the need to ensure that significant financial loss is not suffered by elected members and to further ensure that, despite the input required, people from all age groups and all sections of the community are encouraged to come forward as elected members and that their service to the community is retained.

The Panel believes the proposed allowances achieve this balance and urges the Council to adopt its recommendations in respect of the allowances scheme.

MEMBERS ALLOWANCES SCHEME 2022/23

PROPOSED BASIC ALLOWANCE AND SPECIAL RESPONSIBILITY ALLOWANCES

Allowance	Current	Proposed
Basic Allowance (Retain current level)	£4692	£4692
Leader of the Council (3x basic allowance)	£14076	£14076
Deputy Leader of the Council (50% of Leader)	£7038	£7038
Cabinet Members (1 ¼ times basic)	£5865	£5865
Scrutiny Chairmen- Environment & Performance Corporate & Community	£1280	£1280
Chairman of Audit & Governance Committee	£1280	£1280
Chairman of Planning Committee (1 x basic)	£4692	£4692
Vice-Chairman of Planning Committee (50% of Chairman's)	£2346	£2346
Member of the Planning Committee (excluding Chairman and Vice-Chairman)	£640	£640
Chairman of the Boston Town Area Committee	Nil	£1280
Chairman of Licensing/Regulatory and Appeals Committee	£1280	£1280
Hearing Panels	£53 per hearing / day	£53 per hearing / day
Mayor	£5865	£5865
Deputy Mayor	£880	£880
Opposition Group Leader's Allowance	£107 per member excluding Leader of the Group	£107 per member excluding Leader of the Group

Eligible Members are permitted to claim a maximum of 2 SRAs, with the exception of the Leader and Deputy Leader who may not claim a Cabinet Members Allowance in addition to the Leader and Deputy Leader allowance.

All allowances to be reviewed after 12 months.

Allowances to be effective from 1 April 2022 and linked to staff pay awards for 4 year period.