

COMMITTEE REPORT

COUNCIL (ANNUAL)

16 MAY 2018

SCHEME OF ALLOWANCES 2018/2019

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HEAD OF LEGAL & DEMOCRATIC SERVICES

PURPOSE OF REPORT

1. To approve the Scheme of Allowances for the year 2018/19.

BACKGROUND

2. The Council receives an annual report from the Independent Panel on Members' Remuneration recommending which posts should be remunerated and the level of allowances to be paid to Members.

The Panel has made its recommendations in respect of the 2018/2019 municipal year and those recommendations are the subject of a separate report on this agenda.

The attached Scheme of Allowances reflects the recommendations of the Panel.

RECOMMENDATION

- 3 (a) That Council agrees the attached Scheme of Allowances.

BACKGROUND PAPERS

Report of the Independent Panel on Members' Remuneration
New Council Constitutions - Guidance on Consolidated regulations for Local Authority Allowances

KEY CONTACT

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MIDDLESBROUGH BOROUGH COUNCIL

MEMBERS' SCHEME OF ALLOWANCES 2018/19

That Middlesbrough Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 hereby makes the following Scheme:

1. This Scheme may be cited as the Middlesbrough Borough Council Members' Allowances Scheme, and shall have effect for the year commencing on 1st April 2017 and subsequent years, unless amended by the Council.

2. In this Scheme:

"Councillor" means a Member of the Middlesbrough Borough Council who is an elected Councillor or Elected Mayor and where appropriate, a Co-opted Member.

"year" means the 12 months ending with 31st March.

3. **Basic Allowance**

Subject to paragraphs 8, 10 and 11 a basic allowance of £8184 shall be paid to each elected Councillor for the year 1st April 2018 to 31st March 2019.

4. **Special Responsibility Allowances**

4.1 For each year a special responsibility allowance shall also be paid to those Councillors who hold the special responsibilities in relation to the Authority that are specified in Schedule 1, PROVIDED THAT no Member shall be entitled to receive more than one Special Responsibility Allowance.

4.2 Special Responsibility Allowances are arrived at by an agreed multiple of the basic allowance (see Schedule 1) that is reviewed every 4 years. This process has been suspended from 1 April 2018 and will be further reviewed in 2020

4.3 Subject to paragraphs 8 and 10 the amount of each such allowances shall be the amount specified against that special responsibility in that Schedule.

4.4 A special responsibility allowance relating to the duties of a Political Group Leader shall be payable to the leader of the majority Group and to the leaders of the two largest minority Groups, where each of the minority Groups comprise at least 10% of the total number of Members of the Council.

4.5 Where only one of the two largest minority Groups comprise at least 10% of the total number of Members of the Council, a special responsibility allowance relating

to the duties of Political Group Leader shall be payable to the leader of the majority Group and to the largest minority Group.

4.6 Where neither of the two largest minority Groups comprise 10% of the total number of Members of the Council, a special responsibility allowance relating to the duties of political Group leader shall be payable to the leader of the majority Group and to the leader of the largest minority Group.

4.7 Where neither of the two largest minority Groups comprise 10% of the total number of Members of the Council, and the two largest minority Groups have the same number of Members of the Council, a special responsibility allowance relating to the duties of Political Group Leader shall be payable to the leader of the majority Group and to alternate between each of the two largest minority groups each year.

5. **Travelling and Subsistence Allowance – Councillors**

5.1 A Councillor shall be entitled to receive appropriate travel and subsistence allowances where he/she necessarily incurs expenditure on travel or subsistence in order to perform an approved duty.

5.2 The amount of the allowance payable to a Member in respect of subsistence shall be the same as that approved by the Authority in respect of officers of the Council who are paid officer rates.

5.3 The allowance payable shall be increased or decreased to the same extent as determined by the Authority in respect of officers.

5.4 The allowance payable to a Member in respect of travel mileage shall be paid at the Inland Revenue rate (45p per mile).

5.5 For the purposes of this paragraph approved duties shall include all those duties which are specified in Part I of Schedule 2 to this Scheme.

6. **Travelling and Subsistence – Co-opted Members**

6.1 A Co-opted Member shall be entitled to receive appropriate travel and subsistence allowances as specified in Part II of Schedule 2 to this Scheme.

7. **Dependent Carers Allowance**

7.1 A Councillor or Co-opted Member shall be entitled to receive a dependent carers allowance to provide for child or adult care, where he/she has necessarily incurred that expenditure in respect of a dependent who is looked after by a registered

provider whilst the Councillor or Co-opted Member is carrying out an approved duty.

7.2 A Councillor or Co-opted Member shall be entitled to receive a dependent carer's allowance where he/she has necessarily incurred that expenditure in respect of an adult who is looked after by a registered provider whilst the Councillor or Co-opted Member is carrying out an approved duty.

7.3 The dependent carers allowance referred to in paragraph 7.2 above shall be paid per hour and be in line with the national living wage and limited to 7 hours per week.

7.4 For the purposes of this paragraph an approved duty is any duty listed in Part I of Schedule 2 to this Scheme.

8 Suspension and Disqualification

8.1 No Councillor, including Co-opted Members shall be entitled to, nor receive, any Basic Allowance, Special Responsibility Allowance, Travel and Subsistence Allowance, Dependent Carers Allowance or Co-optees Allowance whilst he or she is suspended or disqualified.

8.2 Any payment of any allowance referred to in paragraph 9.1 which has been paid to a Member or Co-opted Member in respect of a period during which the Councillor or Co-opted Member has been suspended or disqualified shall be repaid by the Councillor in accordance with a direction issued by the Strategic Director of Finance, Governance and Support.

9 Pensions

9.1 The Councillors specified in Schedule 3 to this Scheme shall be entitled to pensions in accordance with a scheme made under Section 7 of the Superannuation Act 1972, or any re-enactment thereof.

9.2 The allowances to be treated as amounts in respect of which pensions are payable are those specified in Schedule 3 to this Scheme.

10 Renunciation

A Councillor may by notice in writing given to the Strategic Director of Finance Governance and Support, elect to forego any part of his entitlement to an allowance under this Scheme.

11 Part-year Entitlements

11.1 The provision of this paragraph shall have effect to regulate the entitlements of a Councillor to basic and special responsibility where, in the course of a year, this

Scheme is amended or that Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

- 11.2 If an amendment to this Scheme changes the amount to which a Councillor is entitled by way of a basic allowances or a special responsibility allowance, then in relation to each of the periods:
- a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - b) beginning with the day on which an amendment takes effect and ending with the day that on which the next amendment takes effect, or (if none) with the year,

The entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this Scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- 11.3 Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her term of office subsists bears to the number of days in that year.
- 11.4 Where this Scheme is amended as mentioned in sub-paragraph 11.2, and the term of office of a Councillor does not subsist throughout the period mentioned in sub-paragraph 11.2a, the entitlement of any such Councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a Councillor subsists bears to the number of days in that period.
- 11.5 Where a Councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.
- 11.6 Where a remunerated person has been absent due to exceptional circumstances, and another Member acts as chair for more than 50% of the meetings in any Municipal Year or chairperson is absent for more than two consecutive months, then the person who has acted as chair shall be remunerated in place of the appointed chairperson (on a pro rata basis).

Where payment of any allowance has already been made to the initially appointed person the authority may require that such part of the allowances paid to the appointed person for any such period to be repaid to the authority (determined by the Monitoring Officer).

- 11.7 Where this Scheme is amended as mentioned in sub-paragraph 11.2 and a Councillor has during part, but does not have throughout the whole, of any period

mentioned in sub-paragraph 11.2a of that paragraph any such responsibilities as entitle him or her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

11.8 Where a scheme of allowances is amended, the Council can choose to apply any amendment retrospectively to the beginning of the financial year in which the amendment is made.

12 **Claims and Payments**

12.1 Payments of allowances shall be made as follows:

- a) Basic Allowances: Automatically Paid Monthly
- b) Special Responsibility Allowances: Automatically Paid Monthly
- c) Travel and Subsistence Allowance: Monthly (Claim)
- d) Dependent Carers Allowance: Monthly (Claim)
- e) Co-optees Allowance: Monthly (Claim)

12.2 All payments shall be made direct to a Bank or Building Society.

12.3 A claim for expenses/subsistence under this scheme shall be made within two months of the date of the meeting in respect of which the claim is made.

12.4 Claims for travel and subsistence (other than mileage for approved duties) shall only be approved where receipts of expenditure have been provided and have been incurred in relation to an approved duty or with the approval of the Monitoring Officer.

12.5 For each claim, Members shall submit a signed statement acknowledging that they are entitled to claim the expenses and where appropriate that they hold the appropriate valid driving documentation.

12.6 Members should submit their claims by the 3rd day of the month

12.7 The Strategic Director of Finance, Governance and Support shall have authority to agree a different frequency of payment with an individual Member on request.

SCHEDULE 1

The following are specified as the special responsibilities in respect of which special responsibility allowances are payable, and the amounts of those allowances (such amounts to be varied in accordance with any variation made to the basic allowance)

BASIC 2018/19 - £8184

<u>OFFICE</u>	<u>ALLOWANCE</u>
Mayor	£60,341
Deputy Mayor	£18,102
Executive Members	£12,068
Chair of Overview & Scrutiny Board	£12,068
Chair of Licensing Committee	£9,052
Chair of Planning & Development Committee	£9,052
Chair of the Council	£6,034
Chair of Corporate Affairs and Audit Committee	£6,034
Chairs of Scrutiny Panels	£6,034
Chair of Standards Committee	£3,017
Chair of Staff Appeals Committee	£3,017
Chair of Teesside Pension Fund & Investment Panel	£3,017
Political Group Leaders:	
Majority Group	£9,052
Largest Minority Groups - maximum x 2 providing they have 10% of Council membership	£3,017

Banding Scheme Index – The Council’s “Multiplier” System of calculating Special Responsibility Allowances has been suspended for a period of 4 years, or until it is next reviewed.

SCHEDULE 2

TRAVEL & SUBSISTENCE ALLOWANCES

Part 1 Duties that may qualify for Travelling & Subsistence Allowances

- 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 a member has been appointed to by the authority, 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 one or more 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 providing no other attendance / mileage allowance is paid;
- 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 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;
- f) 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 (approval of non-maintained special schools) of the Education Act 1996, and
- g) the carrying out of any other duty approved by the Authority, or any duty of a class so approved, for the purposes of, or in connection with, the discharge of the functions of the Authority or of any of its Committees or Sub Committees. For the purpose of this Section approved duties shall include the following:
 - i) travel in connection with Scrutiny site visits or investigations
 - ii) authorised attendance at Seminars or Conferences
- i) In cases of urgency, the Monitoring Officer is authorised to approve duties where there is insufficient time to report to Corporate Affairs and Audit Committee.

Part II **Co-opted Members Travelling & Subsistence Allowances**

- a) Co-opted Members of the following Council bodies shall be entitled to receive a combined travel & subsistence allowance as specified in paragraph (b) following production of a signed declaration that expenses had been incurred:
- (i) Scrutiny Committees (including Overview & Scrutiny Board, Scrutiny Panels and Scrutiny Working Groups);
 - (ii) Standards Committee (including Sub Committees and Panels)
 - (iii) The Independent Panel on Members' Remuneration, and
 - (iv) Teesside Pension Fund & Investment Panel
- b) The amount of the combined Travel & Subsistence Allowance shall be £10 per meeting.

SCHEDULE 3

PENSIONS

MEMBERS

ALLOWANCE

None

Nil