

Report of:	Strategic Director of Finance, Governance and Support
AGENDA ITEM 14	
Submitted to:	COUNCIL – 4 September 2019
Subject:	Members' Allowances

Summary

Proposed decision(s)
(i) That Council consider and agree to one of the two options identified this report: a) The recommendations proposed by the Independent Panel on Members' Remuneration; b) No change (to retain the current Scheme of Allowance).

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	No	N/A	N/A

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
N/A	N/A	N/A

Ward(s) affected
All wards will be affected equally.

What is the purpose of this report?

To provide Members with the opportunity to consider the proposals of the Independent Panel on Members Remuneration OR retain the current scheme of allowances. In doing so Members will also adopt the relevant Scheme of Allowances.

Why does this report require a Member decision?

The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis. There is also a requirement for the Council to have due regard to the recommendations of the Independent Panel on Members Remuneration.

Members Allowances are reviewed by the Independent Panel on Members Remuneration annually, and undergo a full review every four years. The Panel carried out a full review in

early 2018 and submitted their recommendations to Council. It was decided to defer those recommendations until after the local elections in May 2019. The Panel's latest report details of their findings and recommendations and can be found at **Appendix 1**. The financial effect of the Panel's Proposals, once fully implemented, would be a budget increase in the region of £48,000 over a period of 4 years.

In order to comply with the above regulations, the Council can choose to retain the current Scheme of Allowances for 2019/20.

Report Background

The details, findings and recommendations of each proposals can be found in the respective enclosed reports. **Appendix 1** is the report of the Independent Remuneration Panel and **Appendix 2** is the proposed Schemes of Allowance.

Other potential decisions and why these have not been recommended

Not applicable.

Impact(s) of recommended decision(s)

Legal

Not applicable.

Financial

If the recommendations from the Independent Panel on Members' Remuneration are accepted this will add approximately, £48,000 staged over a four year period, to the Council's budget. This will need to be considered as a budget pressure going forward. The increase does not take into account any inflation or staff pay award rises.

Policy Framework

The report does not impact on the Council's policy framework.

Equality and Diversity

Not applicable.

Risk

If the recommendations of the Independent Panel are not accepted, the Basic Rate of Allowance for elected Members will remain de-aligned from the Council's neighbours and may affect future recruitment of Members or skew the demographic profile of the Council so that it does not represent the community it serves.

Actions to be taken to implement the decision(s)

The Head of Democratic Services to advise payroll of any changes.

The Head of Democratic Services to publicise relevant Scheme of Allowances based on recommendations proposed in this report. The Scheme of Allowances for each set of recommendations can be found at **Appendix 2**.

Appendices

Appendix 1 – Report of the Independent Remuneration Panel

Appendix 2 – Schemes of Allowance

Background papers

New Council Constitutions – Guidance on Consolidated Regulations for Local Authority Allowances.

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MEMBERS' REMUNERATION – APPENDIX 1

REPORT OF THE INDEPENDENT PANEL ON MEMBERS' REMUNERATION

Panel Membership

1. The establishment of an Independent Panel on Members Remuneration, and its resultant recommendations is required under sections 20 and 21 of the Local Authorities (Members' Allowances) (England) Regulations 2003. The Panel consists of five members, and meet on an annual basis to review Members Remuneration.
2. The Panel are keen to stress that in their deliberations they have carefully reviewed all the relevant information; respectfully considered all representations made to them; are sensitive to wider economic considerations and have acted independently of all other considerations. Throughout their deliberations that panel were keen to adhere to the following principles:
 - The Basic Allowance for Councillors is too low and the Teesside average should be cited as a minimum;
 - Any increase to the Basic Allowance should reflect any staff pay awards.

Review - 2018

3. In 2018 the panel were informed that while Members' allowances are reviewed by the panel annually, there is an expectation that a full and robust review is undertaken every four years which encompasses the amount of allowances paid and the mechanisms by which they are assigned.
4. It was also explained that in a report produced in 2002 by the Independent Panel recommended basic allowance of £7,500 was to be achieved by "staging" increases over two financial years. It was noted that the proposed basic rate of £7,500 remained unachieved in 2018.
5. The full, four yearly, review was undertaken in early 2018 and considered at the council's Annual general meeting on 16 May 2018. At the AGM it was decided to defer the report's recommendations until after the combined local elections in May 2019.

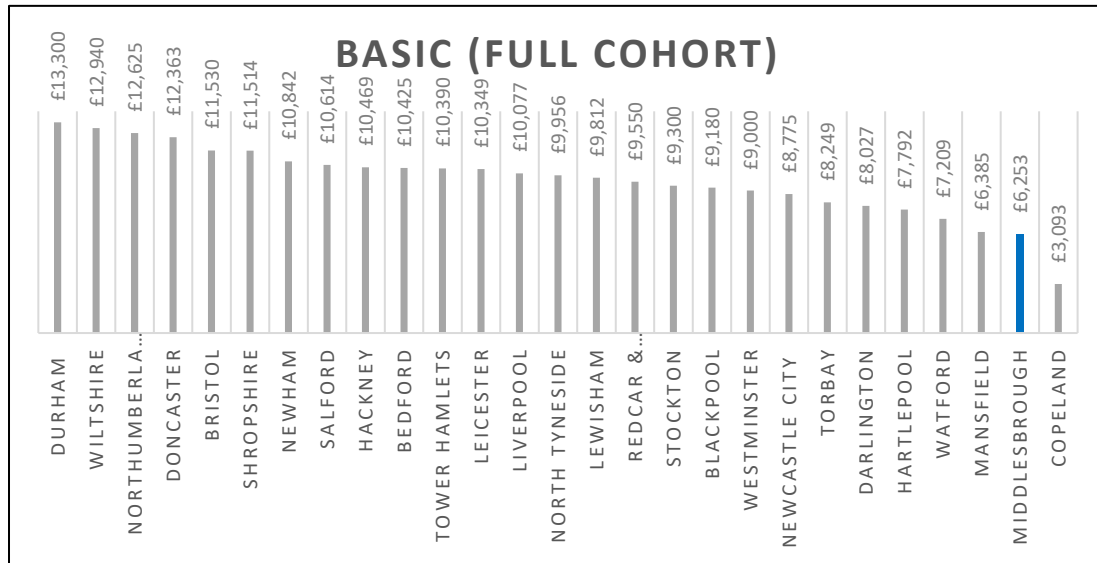
Allowances

6. The Panel were advised, and wish to convey to Members, that when considering allowances they have strong regard for the current economic conditions for local authorities; recent pay settlements for MBC employees; whether the level of remuneration reflect the responsibilities and commitment expected of Councillors and are they set at levels which also recognise the well established principle of voluntary unpaid public service.
7. In determining the rate of Special Responsibility Allowances the Council previously agreed to use a banding scheme index model, based on multiples of the Basic Allowance. In conducting the review, the panel examined the levels of the Basic and Special Responsibility Allowances.

8. In terms of the full review in 2018, the Panel were provided with background information which included the current cost of Members Allowances to the Council, meeting statistics, executive portfolio's, an overview of all roles currently receiving an SRA and comparator information for other local and Mayoral authorities in order to assist the Panel with their deliberations. All elected members were also invited to put written representations to the Panel. Representations were received from 3 Members.
9. The panel were provided with information, in relation to a range of other Council's Scheme of Allowances (a total of 27). This cohort included local and Mayoral Councils with Leader and Cabinet models to ascertain what allowances were paid to Members for the different roles they carried out.
10. The full cohort were contacted regarding their scheme of allowances and asked about their respective methods of allocating allowances (11 responding directly). There are various means Councils use to allocate allowances and generally these can be grouped into 'Multiplier' and 'Attendance' systems, with approximately half of the cohort using Multiplier systems and tend to use the basic rate and multiply this depending on role. For example in Middlesbrough, that uses the Multiplier system, the Mayor receives 10x the basic rate whereas an Executive Member receives 2x the basic rate. Attendance systems, however, allocate allowances based on attendance at committee meetings.
11. It was noted that it is not possible to do comparison on an exact like for like basis, as each authority has a different political structure and committee/panel make-up, however the roles were examined on a best fit basis.
12. During the meetings the Panel were also provided with an overview of each of the roles currently receiving an SRA and statistical information regarding the number of Committee meetings held in Middlesbrough. In order to help inform their deliberations they were also shown electronic diaries of some of those elected members to give examples of the level of time and commitment required in those roles.
13. The Panel considered the current allowances using the current index scheme, and determined that some changes were required to ensure Members' remuneration continues to be fit-for purpose. These changes are discussed in further detail below.

Basic Allowance

14. When reviewing the basic allowance the Panel had regard for the current economic climate and examined comparative allowances in both elected Mayoral authorities and authorities with traditional Leader / Cabinet models of governance. These comparators were examined nationally, regionally and locally.



15. The Panel found that the basic allowance in Middlesbrough was considerably lower than the majority of other authorities (see table below). The average for Mayoral authorities' basic allowances was £9251 with the Teesside average being £8184. As SRA's are also currently based on a multiplier of the basic allowance the Panel felt the level of the basic allowance should also be considered in greater detail in this review.
16. After reviewing comparator data and listening to representations made by Members the panel felt Middlesbrough's basic allowance has become de-aligned from its local neighbours and other similar authorities. To redress this the basic allowance should be increased to the average basic allowances paid by other Teesside authorities. Consequently, the panel recommended the basic allowance be increased from £6253 to £8184 per year, phased in over a four year period.
17. In April 2018, in general, staff were awarded a 2% pay increase which also increased the basic allowance to £6,506 per member.
18. The Panel maintained its recommendation that the basic allowance should continue to 'shadow' staff pay increase awards going forward.

Special Responsibility Allowances (SRA)

19. The Panel were advised that the 'Guidance on Consolidated Regulations for Local Authority Allowances' states that SRAs should only be paid when Councillors have "significant additional responsibilities" over and above the generally accepted responsibilities of a Councillor.
20. The panel were advised that the current method of determining Special Responsibility Allowances was based on a 'multiplier', using the basic allowance as a base then multiplying it by a factor ranging from 0.5 to 10, depending on the role. The variables used to determine the multiplier factors, such as levels of responsibility, were created in 2003 and were considered to be still valid.
21. When considering the roles identified in the scheme of allowances that attracted a

special responsibility allowance, the Panel also considered the above representations.

22. Some comments suggested an increase in the level of the SRA for specific committees, namely the Licensing Committee, to reflect increased workloads and numbers of committees held. However, the Panel were keen to express that when considering SRAs that they look at a role in its entirety and that an allowance was not solely based on the number of meetings held/attended. For example; they would take into consideration the depth and range of the portfolio; the level of responsibility; policy development; work with senior officers; level of accountability and decision making and the time commitment required. For Overview and Scrutiny other commitments were also considered, e.g. researching topics, site visits, external meetings with contributors to panels, effective challenge and the coordination and selection of topics for review and call ins etc.,
23. In their deliberation the Panel can only take into account the level of responsibility and commitment required for the role, they cannot take into account personal perceptions of those making representations of a person appointed to a post and therefore these have not been taken into consideration.
24. With regard to the Mayor the Panel examined the responsibilities of the Mayor and considered comparators with other Mayoral authorities and found that the allowance to the Mayor of Middlesbrough to be slightly below the average of other Mayoral authorities. It was also felt that regardless of the population or the size of an authority, the time, commitment and responsibilities of an elected Mayor are comparable.
25. In their deliberations the panel were very keen to express their concern about the possible impact of increasing the basic rate of allowance in relation to SRAs using the current index, "multiplier" model. Using this model, increasing the basic would increase SRAs above an acceptable level and place an unreasonable demand on council budgets during this time of austerity. The panel also considered how such changes to allowances may be perceived by both the Council and the wider community.
26. The panel felt those roles attracting an SRA were all still relevant, recognising the time commitment and responsibilities involved. It was also recognised that, generally, the rates afforded to special responsibility allowances in Middlesbrough were comparatively higher than other Local Authorities but still believed the amounts were not unreasonable, based on the above. Nevertheless, the panel felt that despite this, the levels of Special Responsibility Allowances should be reduced as a consequence of increases to the Basic Allowance.
27. A number of options were considered when exploring possible reductions, for example reducing all SRAs by 1/8th and making increases to the basic allowance cost neutral. All options considered, however, were discussed with the intention of spreading the reduction over a four year period.
28. The panel were also sensitive to the fact that a reduction to the SRAs must be seen as restorative and not punitive in nature.
29. The panel were aware that due to the 'multiplier' system any increases to the basic allowance would, by default, increase the levels of SRA accordingly. Consequently, the Panel felt in order to achieve balance between increasing the basic allowance, there should be mitigating action to redress imbalances and to try and ease the potential pressure on the public purse, and agreed there should be a reduction in the levels of

SRA afforded. After considering a number of options the panel decided that a 14% reduction should be applied to all SRAs and phased in over a period of 4 years.

30. In recommending reductions to the SRAs the panel recognise this would break the multiplier system and felt that whilst the imbalance is being addressed the Council's current index model should be suspended. The panel also recommended that during this period any future staff pay awards should not be applied to SRAs, including the most recent staff pay award for 2018/19. The panel were aware that would require careful monitoring as to not create a further imbalance to SRA's and therefore recommended that they review the situation after 2 years.

31. The panel recognise the valued work and commitment provided by all members.

Travel & Subsistence

32. A representation was made to abolish in authority travel claims. The Panel considered that the legislation allowed for travel and that it was important not to disenfranchise members. It also recognised that recent changes to the scheme meant that claims made were not excessive and therefore no changes were recommended

33. The Panel considered the rates for mileage that are currently based on the inland revenue national rates i.e. 45p per mile; and subsistence in line with those paid to staff. The Panel recommended no change.

34. The Panel agreed that Co-Opted Members should be allowed to make claims for allowances based on the fact that they are acting voluntarily and that the current £10 per meeting rate remained reasonable and that no changes should be made.

Dependent Carers Allowance

35. Members can claim an allowance for dependents that they care for (adults or children). This is to allow their attendance at Council meetings. This rate of allowance is currently based on the national living wage and limited to 7 hours per week. The Panel recommended no change

Pensions

36. The 'Scheme of Allowances' sets out which Members of the authority are to be entitled to pensions In accordance with a scheme made under Section 7 of the Superannuation Act 1972.

37. In making that provision an authority may only include someone who has first been recommended by the Independent Panel. The current position is that no members receive a pension. The Panel considered comparative schemes in other authorities; the possible costs and the fact that no representations were made to alter this position, therefore no changes were recommended.

Review – 2019

38. The Panel has considered the analysis above and its recommendations of 2018 and feels that the landscape of Members' allowances has not changed sufficiently to warrant another "full" review.

39. It has, however, considered the local political landscape since the Local Elections in May 2019 and has received representations from the elected Mayor and 10 other Councillors, including a group response between June and July 2019.
40. Having taken all representations into account and having had regard of wider economic considerations, the Panel's overall view and rationale towards Members' Allowances in 2019 remain as they did in 2018. Namely, the Basic Allowance is too low, has become de-aligned with its neighbours and does not reflect the work carried out by Councillors.
41. Having regard to wider economic conditions, and in line with the recommendations of 2018, the level of SRAs should be reduced to lessen the budget pressure that would be faced by increasing the Basic Allowance.
42. The Panel also feel that rates to all other aspects of the Scheme of Allowances, such as Travel and subsistence, should remain at current levels.
43. As a consequence, the Panel feel that the Basic allowance should be increased to the Teesside Average of £8,300 (correct at the time of writing) and be phased in over four years.
44. The Panel also feels that Special Responsibility Allowances should be reduced by 14% and that this should take effect immediately. The panel agreed that no increase in inflation or in staff pay awards should be applied but this would be reviewed on an annual basis. This should lessen budgetary pressures.
45. After considering each of the Executive Member portfolios the panel feels the role of Deputy Mayor encompasses new responsibilities that are likely to result in increased workload above what would normally be expected. In light of this the Panel feel the SRA assigned to the Deputy Mayor should remain at current levels. The Panel agreed that this would be reviewed after six months.
46. The Panel has regard for the current political situation in the Council, in that no single group exercises overall control of the Council. The Panel recommended that, in line with the Council's constitution, the leaders of the two largest Minority Groups receive an allowance currently at the rate of half the basic. Should the Council agree to the recommendations below this allowance would also be reduced by 14%.
47. A breakdown of the Panel's recommendations can be found at **Appendix A**. It is important to note that any financial information relating to Council budgets is based on 2018 information and will have grown in line with inflation since then. This is identified in the Appendix.

What decision(s) are being asked for?

The recommendations of the Panel for 2019 – 2020 are as follows:

- I. Only increases in the Basic Allowance should be reflective of staff pay awards going forward.
- II. That the basic rate of allowance for Councillors be increased to match the Teesside average for that payment, namely from £6,506 to £8,300.
- III. That the increase in the basic rate of allowance be introduced over a 4 year period.

- IV. That the rate of Special Responsibility Allowance be decreased by 14% in a single reduction and should take effect from September 2019.
- V. That the rate of Special Responsibility Allowance for the role of Deputy Mayor remain at current levels and be reviewed within 6 months.
- VI. That a Special Responsibility Allowance be awarded to the two largest minority group leaders, as stipulated in the Council's Constitution.
- VII. The multiplier system be suspended for a period of four years with a view to review this after two years.
- VIII. All other parts of the Scheme of Allowances not mentioned above to remain the same.

Why is this being recommended?

The Panel are keen to stress they feel the Basic Allowance has been too low for a considerable period some time and has become de-aligned with local, regional and national neighbours. The net effect could arguable be a negative impact on Member demographics and leads to financial hardship for Members with work commitments. The allowances also need to reflect the level of work, time and commitment of the role of Councillor and to provide a reasoned approach to the impact the recommendations will have to the Council.

Appendix A – Option 1 Recommendations of the Independent Panel on Members’ Remuneration

All Members (including the Mayor) are entitled to a Basic Allowance, currently valued at £6,506 (x 47 = £305,782). An increase of £449 per year, per Councillor, will be applied over 4 years until each Member receives £8,300 per year (x 47 = £390,100)

There are 25 roles that merit a Special Responsibility Allowance (SRA) = £273,252. A 14% reduction to all SRAs will be applied with immediate effect, reducing the SRA budget by approximately £35,000 to help mitigate increases on the Basic Allowance. It should be noted that only 1 SRA can be claimed, irrespective of how many roles a Member takes on.

The table below shows the impact of the Panel’s recommendations, once they have been fully realised in 2022.

Role (Positions)	Current “Gross”	Proposed “Gross” (by 2022)	+/- “Gross”	+/- “Gross”
Mayor (1)	£71,566 <i>SRA £65,506/ Basic £6,506</i>	£64,252 <i>SRA £55,952/ Basic £8,300</i>	−£7,314	−10%
Deputy Mayor (1)	£26,024 <i>SRA £19,518/ Basic £6,506</i>	£27,818 <i>SRA £19,518/ Basic £8,300</i>	+£1,794	+7%
Executive Member (6)	£19,518 <i>SRA £13,012/ Basic £6,506</i>	£19,490 <i>SRA £11,190/ Basic £8,300</i>	−£28	+0%
Chair of Overview & Scrutiny Board (1)	£19,518 <i>SRA £13,012/ Basic £6,506</i>	£19,490 <i>SRA £11,190/ Basic £8,300</i>	−£28	+0%
Chair of Licensing Committee (1)	£16,265 <i>SRA £9,759/ Basic £6,506</i>	£16,693 <i>SRA £8,393/ Basic £8,300</i>	+£428	+3%
Chair of Planning Committee (1)	£16,265 <i>SRA £9,759/ Basic £6,506</i>	£16,693 <i>SRA £8,393/ Basic £8,300</i>	+£428	+3%
Chair of the Council (1)	£13,012 <i>SRA £6,506/ Basic £6,506</i>	£13,895 <i>SRA £5,595/ Basic £8,300</i>	+£883	+7%
Chair of Corp. Affairs & Audit Committee (1)	£13,012 <i>SRA £6,506/ Basic £6,506</i>	£13,895 <i>SRA £5,595/ Basic £8,300</i>	+£883	+7%
Chairs of Scrutiny Panels (6)	£13,012 <i>SRA £6,506/ Basic £6,506</i>	£13,895 <i>SRA £5,595/ Basic £8,300</i>	+£883	+7%
Chair of Standards Committee (1)	£9,759 <i>SRA £3,253/ Basic £6,506</i>	£11,098 <i>SRA £2,798/ Basic £8,300</i>	+£1,339	+14%
Chair of Staff Appeals Committee (1)	£9,759 <i>SRA £3,253/ Basic £6,506</i>	£11,098 <i>SRA £2,798/ Basic £8,300</i>	+£1,339	+14%
Chair of Teesside Pension Fund & Investment Panel (1)	£9,759 <i>SRA £3,253/ Basic £6,506</i>	£11,098 <i>SRA £2,798/ Basic £8,300</i>	+£1,339	+14%
Majority Group Leader	£16,265 <i>SRA £9,759/ Basic £6,506</i>	£16,693 <i>SRA £8,393/ Basic £8,300</i>	+£428	+3%
Largest Minority Group Leader (max. 2 providing they comprise 10% of Council)	£9,759 <i>SRA £3,253/ Basic £6,506</i>	£11,759 <i>SRA £2,798/ Basic £8,300</i>	+£1,339	+14%
Total Gross Allowance	£263,493	£267,204	+£3,711	

APPENDIX 2 – SCHEMES OF ALLOWANCE

MIDDLESBROUGH COUNCIL MIDDLESBROUGH BOROUGH COUNCIL

MEMBERS' SCHEME OF ALLOWANCES 2019/20

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 2019 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**

The Local Authorities (Members' Allowances) (England) Regulations 2003 provide for the payment of a basic allowance in respect of each year to each member of an authority, and the amount of such an allowance shall be the same for each such member. Subject to paragraphs 10 and 11 the allowance will be paid to each elected Councillor for the year 1st April 2019 to 31st March 2020.

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 2019 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 overall 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 there is no majority group only the two largest minority groups will receive a special responsibility allowance. 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 next largest minority Group.

4.6 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 subsistence 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. **Telephone / Broadband Allowance**

8.1 A member is entitled to a communications allowance of a £15 contribution towards their telephone connections and a £10 contribution towards broadband connections. One claim per household, subject to annual proof of service.

9. **Pensions**

9.1 No councillor shall be entitled to pensions in accordance with 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 Head of Democratic Services.
- 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 7th 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 (A) – (Option1: Remuneration Panel Proposals)

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 2019/20 - £6,995 x 47 Members (including Mayor) = £328,765

SPECIAL RESPONSIBILTY ALLOWANCES (SRAs)

<u>OFFICE</u>	No of Positions	ALLOWANCE	<u>Total</u>
Mayor	1	£55,952	£55,952
Deputy Mayor	1	£19,518	£19,518
Executive Members	6	£11,190	£67,140
Chair of Overview & Scrutiny Board	1	£11,190	£11,190
Chair of Licensing Committee	1	£8,393	£8,393
Chair of Planning & Development Committee	1	£8,393	£8,393
Chair of the Council	1	£5,595	£5,595
Chair of Corporate Affairs and Audit Committee	1	£5,595	£5,595
Chairs of Scrutiny Panels	6	£5,595	£33,570
Chair of Standards Committee	1	£2,798	£2,798
Chair of Staff Appeals Committee	1	£2,798	£2,798
Chair of Teesside Pension Fund & Investment Panel	1	£2,798	£2,798
Political Group Leaders:			
Majority Group (currently not claimed)	1	£8,393	£8,393
Largest Minority Groups – maximum x 2 providing they have 10% of Council membership	2	£2,798	£5,596
Total cost of SRA	25	£151,006	£237,729

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 1 B – No change

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 2019/20 - £6,506 x 47 members (including Mayor) = £305,782

SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)

<u>OFFICE</u>	No of Positions	<u>ALLOWANCE</u>	<u>Total</u>
Mayor	1	£65,060	£65,060
Deputy Mayor	1	£19,518	£19,518
Executive Members (x 6 embers)	6	£13,012	£78,072
Chair of Overview & Scrutiny Board	1	£13,012	£13,012
Chair of Licensing Committee	1	£9,759	£9,759
Chair of Planning & Development Committee	1	£9,759	£9,759
Chair of the Council	1	£6,506	£6,506
Chair of Corporate Affairs and Audit Committee	1	£6,506	£6,506
Chairs of Scrutiny Panels	6	£6,506	£39,036
Chair of Standards Committee	1	£3,253	£3,253
Chair of Staff Appeals Committee	1	£3,253	£3,253
Chair of Teesside Pension Fund & Investment Panel	1	£3,253	£3,253
Political Group Leaders:			
Majority Group (currently not claimed)	1	£9,759	£9,759
Largest Minority Groups - maximum x 2 providing they have 10% of Council membership	2	£3,253	£6,506
Total cost to Council	25	£172,409	£273,252

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.