

Part A

Report to: Council

Date of meeting: 24 January 2022

Report author: Democratic Services Manager

Title: Watford Borough Council's Members' Remuneration Scheme 2022-2026

1.0 Summary

1.1 At the Full Council meeting on 30 January 2018 the members' remuneration scheme was set for the following four years, 2018-2022.

1.2 As per the Local Authorities (Members Allowances) (England) Regulations 2003, four years is the maximum duration for an allowance scheme before requiring its review. Also in accordance with the regulations the council must seek recommendations from an Independent Members Remuneration Panel (IMRP) in respect of the allowances scheme.

1.3 In 2021 the IMRP met in person on two occasions:

4 October 2021 – to check information provided and hear submission from the Managing Director

5 October 2021 – to hear submissions from Mayor Taylor and Councillor Bell, Leader of the Labour Group and to discuss initial findings

The panel members had an additional online meeting on 12 October to discuss their findings and the final report and recommendations.

1.4 The IMRP report is attached as Appendix 2.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Not achieving appropriate	Potential for discouraging	Members to have regard to the advice	Treat	2

level of remuneration.	participation in the democratic process and not attracting a diverse range of high calibre candidates.	of the IMRP regarding the level of allowances.		
Any increases in Members' remuneration would impact on future budgets.	Increased budget	The quadrennial review ensures the scheme is set for four years and budgets can be planned based on the agreed recommendations.	Treat	4

3.0 Recommendations

- 3.1 To consider and respond to the specific recommendations of the IMRP as set out in Appendix 2 to the report and detailed in paragraph 4.3.
- 3.2 To agree a scheme for 2022-2026 subject to the council being able to request an interim review before the end of the four-year period.
- 3.3 That the current Panel members be reappointed for a further 4 years and each Panel member be paid £800 and that the Chair be paid £1,200 as a one off payment to cover the four-year period 2022-26.
- 3.4 That a recruitment process be commenced to obtain an additional IMRP member to bring the Panel back up to 4 and that the interview panel be the Appointments and Disciplinary Committee.

Further information:

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Report approved by: Carol Chen, Group Head of Democracy and Governance

4.0 Detailed proposal

4.1 Background

- 4.1.1 The IMRP has been in existence since 2000. It met annually to consider the operation of the Members Remuneration Scheme until the first quadrennial review in 2013. The latest quadrennial review is the third.
- 4.1.2 Members' allowances had been frozen since 2003 until the last scheme agreed in January 2018. Since April 2019 members' allowances have been increased in line with local government pay increases. The final pay increase for 2021 is still awaited and being negotiated with the trade unions. Once a pay award has been agreed it will be backdated to 1 April 2021.
- 4.1.3 The latest IMRP comprised three members, who are all independent of the council. Hazel Bentall has been a member since 2010. Lee Walsingham and Gill Crowson were appointed in 2013. Lee Walsingham was appointed as Chair of the IMRP in 2013, 2017 and 2021.

4.2 Information considered by the Panel

4.2.1 Submissions and background information

The IMRP received written submissions from the Liberal Democrat and Labour groups and the Managing Director. They also received personal submissions from the Managing Director, the Mayor and Councillor Bell as Leader of the Labour group.

4.2.2 The IMRP received the following documents to aid their deliberations:

- The Local Authorities (Members' Allowances) (England) Regulations 2003
- Terms of Reference 2021
- Independent Panel's report 20 July 2000
- Independent Panel's final report November 2017
- Extract of minutes from Council 30 January 2018
- Members Allowances Scheme (updated August 2020)
- Council Committees 2021/22
- Comparison data – Mayoral authorities
- Comparison data – Hertfordshire authorities
- Comparison data – other authorities

Following the meeting on 5 October the IMRP was provided with information about the Mayor's travel during 2019-20.

4.3 Panel's recommendations

A copy of the panel's final report is attached as Appendix 2.

4.3.1 Mayoral Remuneration

It is the Panel's recommendation that the Mayor's remuneration should remain at its current level and continue to be linked to local government settlements.

4.3.2 The Panel commented that the role needed to maintain a competitive remuneration to attract future candidates of the right calibre and gravitas. It was also noted that the comparisons showed that the remuneration was still competitive against similar roles and had been assisted by the remuneration benefitting from the annual increase linked to the Local Government pay reviews.

4.3.3 Travel Allowance for the Elected Mayor

It is the panel's recommendation that the Mayor's travel allowance should be increased to £700 to reflect the increase in travel costs.

Amount currently being received £650

4.3.4 Following discussion it was agreed the allowances should be reflective of expenditure, but must be backed up by receipts. This is monitored by the Mayor's Executive Assistant. In addition, as receipts were submitted, this should be reviewed annually to ensure expenditure had not significantly changed in relation to the allowance being paid.

4.3.5 Levels of basic allowance

It was the Panel's opinion that current arrangements should remain with basic allowance increasing in line with local government pay awards.

4.3.6 The panel felt the amount paid was still considered to be competitive with similar roles.

4.3.7 Special Responsibility Allowance

4.3.8 **It was the Panel's opinion that whilst not recommending an immediate increase in SRA, it should continue to be linked to local government pay settlements. The panel considers it appropriate to undertake a more detailed analysis of relative responsibilities of those receiving SRAs at the next review.**

4.3.9 The Panel adopted the principle that the Special Responsibility Allowance should reflect the actual responsibilities of the role and not the number of hours or any

other factor. There had been no case from the information provided to increase the allowances.

4.3.10 Chairman and Vice Chairman

It was the Panel's suggestion that:

- **Chairman – allowance should be increased to £4,500**
- **Vice Chairman – allowance should be decreased to £1,500**

4.3.11 The Panel observed the current allowances for the Chairman and Vice Chairman of £4,000 and £2,000 respectively. As a result of questioning during the verbal submissions it was noted the Chairman's position had significantly more responsibilities and workload than the Vice Chairman. The position of Vice Chairman was important to help prepare the postholder prepare for the move to Chairman the following year, however it did not justify a payment of 50% of that paid to the Chairman.

4.3.12 Travelling and subsistence allowance

It is the Panel's recommendation that these payments should remain unchanged.

4.3.13 The Panel considered these allowances should remain linked to the staff allowances as they reflected actual costs incurred.

4.3.14 Communications Allowance

It was felt that as there had not been any significant increase in cost for mobile and internet provision over recent years that the existing £12 communication allowance should remain unchanged.

4.3.15 Co-optees' Allowance

The Panel noted that the rates paid to co-optees had not changed since 2007. It was felt that at the time of the next review these rates should be reviewed to ensure rates were competitive and attracted suitably experienced panel members.

4.4 Finally the panel recommended that the next IMRP should again consist of four members rather than the required three. It is recommended that in addition to reappointing the current members for another 4 years a recruitment process is undertaken to increase the Panel to 4.

5.0 **Implications**

5.1 **Financial**

5.1.1 The Shared Director of Finance comments that increases in allowances tied to the staff pay award will be funded from the contingency budget proposed as part of the 2022/23 Budget elsewhere on this agenda.

5.2 **Legal Issues (Monitoring Officer)**

5.2.1 The Group Head of Democracy and Governance comments that whilst it is a legal requirement for the council to have an Independent Remuneration Panel to advise on members' remuneration it is entirely up to council as to whether it accepts the Panel's recommendations.

5.3 **Equalities, Human Rights and Data Protection**

5.3.1 As required by the regulations councillors should have regard to the recommendations of the IMRP. The basic allowance must be the same for all members. Council should have regard to the IMRP's recommendations in establishing an allowance scheme which does not deter people from standing for office and recognises the commitment and responsibility of councillors.

5.3.2 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 **Staffing**

5.4.1 None

5.5 **Accommodation**

5.5.1 None

5.6 **Community Safety/Crime and Disorder**

5.6.1 None

5.7 **Sustainability**

5.7.1 None

Appendices

Appendix 1 – Current Members Allowances Scheme (updated August 2020)

Appendix 2 – IMRP report 2021

Background papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

- Report of IMRP 2000
- Council report January 2018
- The Local Authorities (Members' Allowances) (England) Regulations 2003