



*Meeting:* **Constitution Committee**

*Date/Time:* **Tuesday, 30 April 2024 at 12.15 pm**

*Location:* **Goscote Committee Room, County Hall, Glenfield**

*Contact:* **Mrs J. Twomey (Tel: 0116 305 2583)**

*Email:* **joanne.twomey@leics.gov.uk**

### **Membership**

Mr. N. J. Rushton CC (Chairman)

Mr. P. Bedford CC    Mr J. Poland CC  
Mr. L. Breckon JP CC    Mr. R. J. Shepherd CC  
Mr. M. T. Mullaney CC    Mrs D. Taylor CC

### **AGENDA**

<u>Item</u>	<u>Report by</u>	
1. Minutes of the meeting held on 15 May 2024		(Pages 3 - 4)
2. Question Time.		
3. Questions asked under Standing Order 7(3) and 7(5).		
4. To advise of any other items which the Chairman has decided to take as urgent.		
5. Declarations of interest.		
6. Report of the Independent Remuneration Panel on Members' Allowances	Chief Executive	(Pages 5 - 14)
7. Any other items which the Chairman has decided to take as urgent.		



8. Exclusion of the press and public

The public are likely to be excluded during the following item of business in accordance with section 100(a) of the Local Government Act 1972: -

- Charitable Trust Future Arrangements

9. Charitable Trust Future Arrangements

Director of Law  
and Governance

(Pages 15 - 38)



Minutes of a meeting of the Constitution Committee held at County Hall, Glenfield on Monday, 15 May 2023.

PRESENT

Mr. N. J. Rushton CC (in the Chair)

Mr. L. Breckon JP CC  
Mr. M. T. Mullaney CC  
Mr. O. O'Shea JP CC

Mr. R. J. Shepherd CC  
Mrs D. Taylor CC  
Mrs. M. Wright CC

In attendance

Mr T. Barkley CC

19. Minutes of the previous meeting.

The minutes of the meeting held on 21 March 2023 were taken as read, confirmed and signed.

20. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

21. Questions asked under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

22. Urgent items.

There were no urgent items for consideration.

23. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

24. Report of the Independent Remuneration Panel on Members' Allowances.

The Committee considered a report of the Chief Executive which presented the report of the Independent Remuneration Panel on Members' Allowances and invited the Committee to make recommendations to the County Council on proposals for a new scheme of allowances in the light of the contents of that report. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

RESOLVED:

That the County Council be recommended to approve the recommendations as set out in the report of the Independent Remuneration Panel on Members' Allowances.

25. Exclusion of the press and public.

RESOLVED:

That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Act and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

- Appointment of Independent Members to the Corporate Governance Committee

26. Appointment of Independent Members of Corporate Governance Committee.

The Committee considered a report of the Chief Executive on the process for appointing independent members to the County Council's Corporate Governance Committee. A copy of the report marked 'Agenda Item 8' is filed with these minutes. The report was not for publication by virtue of paragraph 1 of Schedule 12A of the Local Government Act 1972.

The 2 shortlisted candidates were then each interviewed in turn.

Mr T. Barkley CC, Chairman of the Corporate Governance Committee, joined the Committee and took part in the interviews in accordance with CIPFA Guidance.

RESOLVED:

That the County Council be recommended to appoint Mr A. Maxfield and Mr G. Grimes to serve as independent members of the Corporate Governance Committee for a term of two years up to the May annual Council meeting in 2025.

10.00 - 10.45 am  
15 May 2023

CHAIRMAN



## **CONSTITUTION COMMITTEE – 30 APRIL 2024**

### **REPORT OF THE CHIEF EXECUTIVE**

### **REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES**

#### **Purpose**

1. The purpose of this report is to present the report of the Independent Remuneration Panel on Members' Allowances and invite the Committee to make recommendations to the County Council on proposals for a new scheme of allowances in the light of the contents of that report.

#### **Background**

2. The statutory framework for members' allowances includes the following requirements:-
  - Each local authority is required to establish and maintain an Independent Remuneration Panel with the function of providing the local authority with advice on its scheme and the amounts to be paid. Local authorities must have regard to this advice.
  - Local authorities must, before the beginning of each year, make a scheme for the payment of a basic allowance for the year. The basic allowance must be payable to all members.
  - The scheme may include provision for the payment of special responsibility allowances, travel and subsistence allowances, a dependants' carers' allowance, and co-optees' allowance.
  - The approval of a members' allowances scheme has to be determined by the full Council and cannot be delegated to the Cabinet or a committee.
  - A scheme for members' allowances may be amended at any time but may only be revoked at the end of the year, i.e. 31 March. A further scheme must be available to replace the revoked scheme.

3. The Independent Remuneration Panel has recently met and its recommendations are set out in the report which is attached as an Appendix.

### **Resources Implications**

4. The Director of Corporate Resources has been consulted on this report.

### **Equality Implications/Other Impact Assessments**

5. The Scheme incorporates a Carers and Dependants Carers' Allowance.

### **Human Rights Implications**

6. None

### **Recommendation**

7. The Committee is asked to determine what recommendations it wishes to put forward to the County Council in response to the Report of the Independent Remuneration Panel on Members' Allowances.

### **Background Papers**

Leicestershire County Council Constitution – Part 6 – Members' Allowances Scheme

<https://democracy.leics.gov.uk/documents/s180355/Part6%20Members%20Allowance%20Scheme.pdf>

### **Circulation Under Local Issues Alert Procedure**

None.

### **Officer to Contact**

Graeme Wardle, Head of Member Services

☎ 0116 305 6102.

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### **Appendices**

Appendix – Report of Independent Remuneration Panel

**REPORT OF THE  
INDEPENDENT  
REMUNERATION PANEL ON  
MEMBERS' ALLOWANCES**

**MARCH 2024**

## **Introduction**

1. This report sets out the recommendations of the Independent Remuneration Panel appointed by Leicestershire County Council to review its current Members' Allowances Scheme. The Panel was constituted under the Local Authorities (Members' Allowances) (England) Regulations 2003.
2. The Regulations require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice about the allowances paid to Members. All Councils are required to seek the advice of the Panel before making changes to their allowances scheme and must 'pay regard' to the Panel's recommendations.

## **Membership of the Panel**

3. Leicestershire County Council's Independent Remuneration Panel comprises the following:-
  - Michael Pearson – (Chairman) – Former Bursar and Finance Director of Loughborough University.
  - Jayne Kelly – Former Solicitor working with various local authorities.
  - Gordon Grimes – Former HM Revenue and Customs Area Manager.

## **Support to the Panel**

4. The Panel was supported by the Head of Member Services and the Head of Democratic Services who provided advice and background information to support the Panel's deliberations.

## **Scope of the Review**

5. The Panel last met in March 2023 when it recommended that Basic and Special Responsibility Allowances increase by 3.88% for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 i.e. one year only.



6. The Panel was therefore re-convened to:-
- i) Review the annual increase to Basic and Special Responsibility Allowances for the financial year 2024/25 and beyond.
  - ii) Review the Travel and Subsistence Rates.
  - iii) Review Member Annual Reports.

### **Recommendations of the Panel**

#### **A. Review of Annual Increase to Basic and Special Responsibility Allowances**

7. The Panel met to review the indexation of Basic and Special Responsibility Allowances in accordance with Part 3 – of the Regulations, 10 (4 and 5), which are set out below.
- A scheme may make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority and where the only change made to a scheme in any year is that effected by such annual adjustment in accordance with such index the scheme shall be deemed not to have been amended.
  - 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 panel established in respect of that authority on the application of an index to its scheme.
8. The Panel in 2023 agreed, as stated in paragraph 5, to recommend an increase of 3.88 % to the Basic and Special Responsibility Allowances for one year only i.e. the financial year 2024/25. That increase was linked to the Local Government Employers offer for those pay points above the top of the national pay spine but graded below deputy chief officer. For the County Council this is Grades 14 to 17.

9. In considering future indexation the Panel was conscious of the County Councils' financial position and was therefore concerned about affordability. However, the Panel recognised that it had to be fair to Members as well as the taxpayers of Leicestershire when making its recommendation and concluded that the Basic and Special Responsibility Allowances should indeed be increased from 1<sup>st</sup> April 2024.
10. The Panel considered a number of options including linkage to the Employee Pay Award, Consumer Price Index and Average Earnings Indicator. The Panel felt that the most appropriate indexation mechanism to be the Employee Pay Award.
11. In deciding to link the increase to the Employee Pay Award the Panel noted that the employers had not made an offer in relation to the 2024/25. However, they were aware that the previous two pay awards i.e. 2022/23 and 2023/24 had included a fixed amount element.
12. The Panel observed that the Association of Local Authority Chief Executives and Senior Managers had recently submitted their pay claim by linking to the percentage increase for the top point of the national pay spine. Unison, GMB and Unite unions, who negotiate on behalf of the majority of local government employees, had also submitted a claim which was for £3,000 or 10% whichever is higher.
13. The Panel was therefore mindful that the 2024/25 offer may include a fixed element again and concluded that it wished to recommend that the indexation of the Basic and Special Responsibility Allowances be linked to the equivalent percentage increase awarded to those on the County Council's Grade 15 and in particular spinal column point 43.
14. The Panel was also minded to recommend that the Basic and Special Responsibility Allowances continue to be index linked to the equivalent percentage increase awarded to SCP 43, Grade 15, up to 31<sup>st</sup> March 2028.
15. The Panel concluded by recommending that any increase be implemented as soon as practicable after the employee pay award had been agreed and that it be back dated to 1<sup>st</sup> April of that year.

**The Panel recommends to Council that:-**

**Basic and Special Responsibility Allowances be increased by the equivalent percentage increase awarded to Spinal Column Point 43 of Grade 15, for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025. The increase be implemented as soon as practicable after the employee pay award is agreed and be back dated to 1<sup>st</sup> April.**

**That the arrangement for indexation of Basic and Special Responsibility Allowances continue until 31<sup>st</sup> March 2028 based upon the equivalent percentage increase on SCP 43, Grade 15, of the County Council's pay spine. The increase will be implemented when the employee pay award is agreed for each year and backdated to 1<sup>st</sup> April of that year.**

**B. Travel and Subsistence**

16. The Panel reviewed the Travel and Subsistence allowances and concluded no changes to the scheme were necessary.
17. The Panel noted that for the financial year 2022/23 that the amount of mileage that had been claimed was minimal and that Members were not submitting claims in relation to subsistence.

**The Panel recommends to Council that:-**

**The current levels of Travel and Subsistence allowances remain unchanged.**

**C. Member Annual Reports and Accountability**

18. In 2017 when making its report to the County Council, the Panel, as it had in previous reports, recommended that Members should provide a public account of their work during the municipal year by way of an Annual Report. In addition, the Panel also recommended that Group Leaders and Whips be responsible for ensuring that all Members of their Groups complete and submit an Annual Report. The County Council endorsed this recommendation at its Full County Council meeting in December 2017.

19. In June 2023 the Head of Member Services wrote to all Members, asking them to submit their Annual Report for the municipal year 2022/23.
20. At the same time as Members were asked to submit their Annual Report, the Head of Member Services also wrote to Group Leaders and Group Whips to remind them of the Council's recommendation that it was their responsibility to ensure that all Members of their Group completed a report.
21. A total of fifty-one Members produced an annual report all of which have been published on the County Council's website and can be accessed via the following:-  
  
from the Member's individual page see link  
<http://politics.leics.gov.uk/mgMemberIndex.aspx?bcr=1> and/or  
  
a dedicated page for Member Reports see link  
<http://politics.leics.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13200>
22. The Panel was very pleased with the number of annual reports returned and recognised the hard work of Members in producing a report. The Panel, therefore, wished to put on record its gratitude and thanks to all those Members who took the time to write and submit a report.
23. The Panel noted that the calibre and quality of reports had once again improved and they were providing, in their view, constituents with a greater understanding of the work of Members and the County Council. The Panel was particularly and equally impressed with those Members who included photographs in their reports using either the County Council provided template or their own template
24. However, the Panel observed that there were a small number of reports which contained very little content which, in the Panel's view, probably did not provide a fair reflection of the Member's activity during the year.

## **Recommendations**

**The Panel recommends to Council that:-**

**Those Members who submitted an Annual Report be thanked for doing so.**

**That the submission of Annual Reports continues for the next four years.**

**That those Members who did not submit a report in 2022/23 submit one for the municipal year 2023/24**

## **Summary of Recommendations**

**The Panel recommends to Council that:-**

- i. Basic and Special Responsibility Allowances be increased by the equivalent percentage increase awarded to Spinal Column Point 43 of Grade 15, for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025. The increase be implemented as soon as practicable after the employee pay award is agreed and be back dated to 1<sup>st</sup> April.**
- ii. That the arrangement for indexation of Basic and Special Responsibility Allowances continue until 31<sup>st</sup> March 2028 based upon the equivalent percentage increase on SCP 43, Grade 15, of the County Council's pay spine. The increase will be implemented when the employee pay award is agreed for each year and backdated to 1<sup>st</sup> April of that year.**
- iii. The current levels of Travel and Subsistence allowances remain unchanged.**
- iv. Those Members who submitted an Annual Report be thanked for doing so.**
- v. That the submission of Annual Reports continues for the next four years.**

- vi. That those Members who did not submit a report in 2022/23 submit one for the municipal year 2023/24**

By virtue of paragraph(s) 3, 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

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