

North Tyneside Council

Report to Council

Date: 28 November 2019

Title: Report of the Independent Remuneration Panel

Portfolio(s): Elected Mayor	Cabinet Member(s): Mrs N Redfearn	
Report from Service Area:	Law and Governance	
Responsible Officer:	Bryn Roberts, Head of Law and Governance	Tel: (0191) 643 5339
Wards affected:	All	

PART 1

1.1 Executive Summary:

This report requests the Council to consider the recommendation of the Independent Remuneration Panel in relation to the Members' Allowances Scheme for 2020/21.

The Authority is required to have in place a scheme for Members' Allowances and is required to have regard to the recommendations of the Independent Remuneration Panel when determining its Members' Allowance Scheme.

1.2 Recommendation(s):

It is recommended that Council:

- (1) consider the recommendations of the Independent Remuneration Panel; and
- (2) agree a Scheme of Members' Allowances for 2020/21, including the adoption of a parental leave policy for Members.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 11 October 2019.

1.4 Council Plan and Policy Framework

This report has no direct relevance to the Authority's Our North Tyneside Plan priorities or to the Policy Framework.

1.5 Information

Each local authority is required to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to full Council about the allowances to be paid to Elected Members.

The members of the Panel are Mr John Anderson CBE, Mr Les Watson, formerly of the Audit Commission and Dr Rachid Zemouri, Managing Director of ICAS Limited.

The Council is required to renew its Members' Allowance Scheme for each financial year.

Under the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) the Authority is required to have regard to the recommendations of the Independent Remuneration Panel when considering any changes to its Members' Allowances Scheme.

The level of Members' Allowances has been reviewed and consideration has been given to the current position regarding Basic and Special Responsibility Allowances. The Panel's recommendation is to make no changes to the level of allowances.

In previous years it has been agreed that Members' allowances will be index linked to the annual pay award for employees working under the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service.

The Panel considered the continuation of the index linked approach and its recommendation is to continue on this basis for the 2020/21 financial year.

The Panel will continue to monitor the Members' Allowances Scheme to ensure that the allowances reflect the level of duty/responsibility in the future.

The Panel also recommends that the Council approve the introduction of a parental leave policy for Members, including the payment of allowances for those Members taking parental leave and the payment of a Special Responsibility Allowance (SRA) if appropriate where a replacement Member is appointed to an SRA position held by the Member taking parental leave.

1.6 Decision options:

The following decision options are available for consideration by Council:

Option 1

Approve the recommendations of the Independent Remuneration Panel;

Option 2

Refer the matter back to the Independent Remuneration Panel for further consideration of specific issues identified by Council; or

Option 3

Defer consideration of the matter to obtain appropriate advice on the implications of any alternative proposals.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

The Authority is required to have in place a Members' Allowances Scheme before 1 April each year having had regard to the recommendations of the Independent Remuneration Panel.

1.8 Appendices:

Appendix: Report of the Independent Remuneration Panel November 2019.

1.9 Contact officers:

Paul Wheeler, Democratic Services Officer, Law and Governance, (0191) 643 5318
Claire Emmerson, Senior Manager Financial Planning and Strategy, 0191 643 8109

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- North Tyneside Council Constitution
- North Tyneside Members' Allowances Scheme
- Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The payment of Members' allowances under the proposed Members Allowance Scheme for 2020/21 and any additional Special Responsibility Allowances payable in respect of cover arrangements under the proposed parental leave policy, will be met from existing budgets in Law and Governance. It is not anticipated that the cost implications of introducing the policy will be significant; however, any variations will be reported as part of the usual financial management arrangements.

2.2 Legal

The Council is required to approve a Members' Allowances Scheme before the beginning of each financial year, following advice from the Independent Remuneration Panel, in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The Elected Mayor, Deputy Mayor and Head of Law and Governance have been consulted as part of the Independent Remuneration Panel's preparation of the report. The Constitution Task Group have been consulted on the proposed parental leave policy, as the introduction of such a policy will require a change to the Authority's Constitution (see agenda item 7).

2.3.2 External Consultation/Engagement

There has been no external consultation or engagement on the report of the Independent Remuneration Panel.

2.4 Human rights

There is currently no legal right to parental leave for elected Members. Members taking maternity, shared parental or adoption leave retain their ability under Section 85 of the Local Government Act 1972 to attend a meeting of the Council within a consecutive six-month period unless the reason for failure to attend is due to some reason approved by full Council prior to the expiration of that six-month period.

2.5 Equalities and diversity

The approval by the Council of a parental leave policy for Members will improve provision for new parents which will contribute towards increasing the diversity of experience, age and background of elected Members alongside retaining experienced, and particularly female Members. It will also make public office more accessible to individuals who might otherwise feel excluded from becoming a Member of the Council.

2.6 Risk management

The risks associated with this report will be managed in accordance with the North Tyneside Council risk management process.

2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no direct environment and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive
- Head(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service

Report of the North Tyneside Independent Remuneration Panel

2019

Executive Summary

The views of the Independent Remuneration Panel are required to be taken into account by the Council when considering any changes to the Members' Allowances Scheme. The Panel has been requested to consider and make recommendations in relation to the Members' Allowances Scheme for the 2020/21 financial year.

The Panel **recommends** that (1) the Members' Allowances Scheme for 2020/21 remain unchanged subject to (2) below; and
(2) a Parental Leave Policy for Members be introduced, as set out in Appendix 1 to this report.

1.0 INTRODUCTION

1.1 The Remuneration Panel was initially appointed in 2003 under the provisions of the Local Authorities (Members Allowances) (England) Regulations 2003. These regulations replaced the Local Authorities (Members Allowances) (England) Regulations 2001.

1.2 The Terms of Reference are as follows: -

- a) To consider issues and representations relating to Members' allowances and expenses.
- b) To make recommendations and provide advice to the Council

1.3 The current Panel comprises of Mr John Anderson CBE, Mr Les Watson, formerly of the Audit Commission and Dr Rachid Zemouri, Managing Director of ICAS Limited

2.0 BACKGROUND

2.1 The Panel is requested to give consideration to the current Members' Allowances Scheme and to make recommendations on the level of allowance for 2020/21.

3.0 MEMBERS' ALLOWANCE SCHEME

3.1 The Panel gave consideration to the Members' Allowances Scheme to determine if it was still set at an appropriate level.

3.2 In previous years it has been agreed that Members' allowances will be index linked to the annual pay award for employees working under the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service.

3.3 The Panel considered the continuation of the index linked approach and its recommendation is to continue on this basis for the 2020/21 financial year.

3.4 The Panel was made aware of the proposal for the Authority to adopt a parental leave policy for its members.

There is no uniform policy to support councillors who require maternity, paternity, adoption or parental leave. According to the Fawcett Society (2018 report) a 'lack of maternity/paternity provision or support' is a real barrier for women aged 18-44 to fulfil their role as a councillor and they called for the introduction of maternity rights at all councils, to make them more accessible for women.

To respond to this situation the Local Government Association (LGA) Labour Group is encouraging all Councils to draw up a policy to support councillors when they need to take time off after the birth or adoption of a child and a growing number of local authorities have either introduced such a policy (including Newcastle and Sunderland locally) or are in the process of doing so.

The policy allows councillors to step back from their duties of a councillor for up to 12 months after having a baby or adopting a child and still receive allowances and return to a position of equivalent standing on the Council, for example as a committee chair or cabinet member.

The Panel reviewed the detail of the proposed policy which is appended to this report.

The Panel will continue to monitor the Members' Allowances Scheme to ensure that the allowances reflect the level of duty/responsibility in the future.

3.5 The Panel **recommends** that:

(1) the Members' Allowances Scheme for 2020/21 remain unchanged, subject to (2) below; and

(2) a Parental Leave Policy for Members be introduced, as set out in Appendix 1 to this report.

4.0 BACKGROUND INFORMATION AND REFERENCES

- The Local Authorities (Members' Allowances) (England) Regulations 2003
- Previous reports of the Remuneration Panel
- Member's Allowances Schemes of Tyne and Wear Authorities, Mayoral Authorities and Statistical Neighbours
- Local Government Act 1972
- North Tyneside Council Constitution
- North Tyneside Members Allowances Scheme

Proposed Parental Leave Policy for Members

Introduction

This Policy sets out Members' entitlement to maternity, paternity, shared parental and adoption leave, and relevant allowances as agreed by North Tyneside Council on (date to be confirmed) for implementation from 1 April 2020.

The objective of the Policy is to ensure that insofar as possible Members are able to take appropriate leave at the time of birth or adoption, that both parents are able to take leave, and that reasonable and adequate arrangements are in place to provide cover for portfolio-holders in receipt of Special Responsibility Allowances (SRA) during any period of leave taken.

Improved provision for new parents will contribute towards increasing the diversity of experience, age and background of local authority councillors. It will also assist with retaining experienced councillors – particularly women – and making public office more accessible to individuals who might otherwise feel excluded from it.

There is at present no legal right to parental leave of any kind for people in elected public office.

1. Leave Periods

- 1.1 Members giving birth are entitled to up to 6 months maternity leave from the due date, with the option to extend up to 52 weeks with the agreement of the Head of Paid Service if required.
- 1.2 In addition, where the birth is premature, the Member is entitled to take leave during the period between the date of the birth and the due date in addition to the 6 months' period. In such cases any leave taken to cover prematurity of 28 days or less shall be deducted from any extension beyond the initial 6 months.
- 1.3 In exceptional circumstances, and only in cases of prematurity of 29 days or more, additional leave may be taken with the agreement of the Head of Paid Service, and such exceptional leave shall not be deducted from the total 52-week entitlement.
- 1.4 Members shall be entitled to take a minimum of 2 weeks paternity leave if they are the biological father or the nominated carer of their partner/spouse following the birth of their child(ren).
- 1.5 A Member who has made shared parental leave arrangements through their employment is requested to advise the Council of these at the earliest possible opportunity. Every effort will be made to replicate such arrangements in terms of leave from the Council.
- 1.6 Where both parents are Members, leave may be shared up to a maximum of 24 weeks for the first six months and 26 weeks for any leave agreed thereafter, up to a maximum of 50 weeks. Special and exceptional arrangements may be made in cases of prematurity.
- 1.7 A Member who adopts a child through an approved adoption agency shall be entitled to take up to six months adoption leave from the date of placement, with the option to extend up to 52 weeks with the agreement of the Head of Paid Service if required.
- 1.8 Any Member who takes maternity, shared parental or adoption leave retains their legal duty under the Local Government Act 1972 to attend a meeting of the Council within a

six-month period unless the Council meeting agrees to an extended leave of absence prior to the expiration of that six-month period.

- 1.9 Any Member intending to take maternity, paternity, shared parental or adoption leave will be responsible for ensuring that they comply with the relevant notice requirements of the Council, both in terms of the point at which the leave starts and the point at which they return.
- 1.10 Any Member taking leave should ensure that they respond to reasonable requests for information as promptly as possible, and that they keep officers and colleagues informed and updated in relation to intended dates of return and requests for extension of leave.

2. Basic Allowance

- 2.1 All Members shall continue to receive their Basic Allowance in full whilst on maternity, paternity or adoption leave.

3. Special Responsibility Allowances

- 3.1 Members entitled to a Special Responsibility Allowance shall continue to receive their allowance in full in the case of maternity, paternity, shared parental or adoption leave.
- 3.2 Where a replacement is appointed to cover the period of absence that person shall receive an SRA on a pro rata basis for the period of the temporary appointment.
- 3.3 The payment of Special Responsibility Allowances, whether to the primary SRA holder or a replacement, during a period of maternity, paternity, shared parental or adoption leave shall continue for a period of six months, or until the date of the next Annual Meeting of the Council, or until the date when the Member taking leave is up for election (whichever is soonest). At such a point, the position will be reviewed, and will be subject to a possible extension for a further six-month period.
- 3.4 Should a Member appointed to replace the Member on maternity, paternity, shared parental or adoption leave already hold a remunerated position, the ordinary rules relating to payment of more than one Special Responsibility Allowance shall apply.
- 3.5 Unless the Member taking leave is removed from their post at an Annual Meeting of the Council whilst on leave, or unless the Party to which they belong loses control of the Council during their leave period, they shall return at the end of their leave period to the same post, or to an alternative post with equivalent status and remuneration which they held before the leave began.

4. Resigning from Office and Elections

- 4.1 If a Member decides not to return at the end of their maternity, paternity, shared parental or adoption leave they must notify the Council at the earliest opportunity. All allowances will cease from the effective resignation date.
- 4.2 If an election is held during the Member's maternity, paternity, shared parental or adoption leave, and they are not re-elected, or decide not to stand for re-election, their basic allowance and SRA if appropriate will cease from the Monday after the election date when they would technically leave office.