

Agenda item 4

For decision – Introducing a Cllr allowance

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Summary

Up until now FTC Councillors have received no financial support or compensation for their role, aside from training-related expenses. However, it is increasingly recognised that this creates a barrier not just to entry, but to being an active and effective councillor, particularly for those who are younger, working full or part-time, and / or have child and other caring responsibilities. As part of our ambition to be a fully inclusive, open, and accessible council it is proposed that we introduce a small and optional annual allowance for councillors.

Background

Town and Parish Councils

Currently it is only Principal Authorities that are legally allowed to reimburse councillors for child and other care costs to attend some meetings. The NALC has campaigned for this to be extended to Town and Parish councils, but has yet to be successful. This means that local councillors have to pay out of their own pocket for child and other care they need to attend meetings and fulfil their duties.

Also, while most Principal Authority councillors receive an allowance to enable them to spend time working with and for their communities, the majority of Town and Parish councillors do not.

Council and committee meetings are usually held in the evenings, but there are also informal meetings held during the working day. The work of local councillors also includes spending time talking to residents and engaging with local communities, answering emails and signposting residents to services, working with council staff on projects or work streams, being involved in other organisations and charities, reading and understanding reports and proposals, and sharing ideas and helping create proposals for Council.

This is at least partly why most local councils are filled by councillors from a very narrow demographic. The barrier to entry is too high for many, with the demands on time and energy too great for those who would need to balance the role with paid work (more likely those who are younger and from less privileged backgrounds), and with higher caring and domestic responsibilities (more likely women). This excludes many people who would otherwise be able to make vital and important contributions to their local councils and communities.

Other Somerset Town Councils

Following an initial query a few months ago, FTC staff researched what support we might be able to offer councillors to enable them to be more present. Staff had conversations with

Yeovil, Somerton, and Shepton Mallet councils, and the Somerset Association of Local Councils (SALC). All the Town Councils had very similar systems that provide an allowance to each councillor to be used at the councillor's discretion for things such as printing, childcare/dependent care costs etc. The allowances ranged from £450 in Somerton (11 councillors) to £1,159.71 in Yeovil (24 councillors, annual precept of £1.273 million). These councils also allow councillors to continue to claim expenses for travel.

Frome Town Council

FTC has grown a great deal over the last twelve years, and now has the equivalent of 32 full-time paid members of staff, an annual budget of around £2 million, and an ambitious and full work programme. This has in turn increased the workload and responsibility of our town councillors.

We have grown FTC in the belief that Local Authorities can do more for and with their communities than the bare minimum that is required of them, and that we can offer real value to Frome by doing so. We believe that there is incredible power and potential for change in local people taking action, and FTC can play an important part in this. It could be argued that the lack of allowances for Town and Parish Councillors reflects the undervaluation of what they can and do offer.

Frome Town Councillors

FTC is more diverse than most other town and local parishes - with (at the time of the election) councillors ranging in age from 22-74, with 8 women and 9 men, 3 councillors under the age of 40, 5 councillors under the age of 50, 2 with children under the age of 5, and 11 working either full or part time across a range of different industries, and in a wide variety of roles. This is a real strength.

However, we recognise that while we might be on the right path in terms of diversity, we are not as fully inclusive as we aspire to be. We want to make being an FTC Councillor a viable option for many who have traditionally been put off and excluded from the role. We hope that by introducing an allowance now, we will be in much stronger position to encourage an even wider range of people to run for our town council in 2025.

In addition, there are currently some councillors who are struggling to contribute as much as they would like to, or are having to make an unacceptable and unsustainable level of sacrifice in order to do so. While there is obviously not a direct correlation between time and effectiveness, we do think that there is minimum amount of time and energy required to be effective as a councillor. This means that both the council and the town are currently losing out on the voices, perspectives, ideas and energy of councillors who have so much to contribute.

Advice from NALC and a Remuneration Panel

We have carefully considered the advice from the National Association of Local Councils (NALC) circulated in August 2019. In this advice sheet is written the following:

Regulation 25 (2) and Regulation 28 provide that where a local councils proposes to pay the Parish Basic Allowance, it must have regard to the recommendations which have been made in respect of it by the parish remuneration panel in setting the level of that allowance. ”

However, this has proven tricky for FTC as it would normally fall to Mendip District Council to hold a remuneration panel. With the formation of the Unitary Authority MDC has no intention to do this before April 2023. A remuneration panel is currently being formed by Somerset Council but is not likely to consider towns and parishes at this stage. Therefore, at this point in time, there is not a panel to have regard of.

Other things to note:

1. The allowance would be administered through the PAYE system, as the allowance is treated as an income and is taxable
2. All members should be paid the same
3. A Cllr co-opted to the Council would not be eligible for the allowance
4. A Cllr can decide not to accept the allowance
5. There is an annual budgeted allowance specifically to allow the Mayor to carry out duties of office which covers things like tickets, charitable donations, and flowers.

A few figures

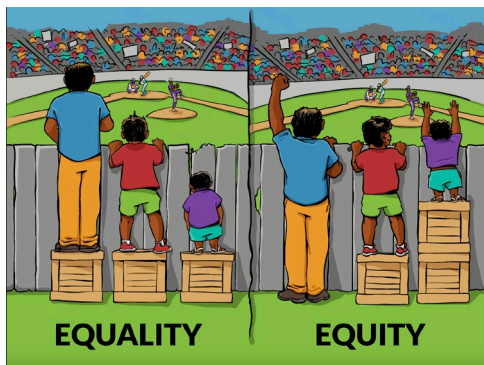
Please note the allowance suggested is not directly related to any of these figures but we've included them as useful background.

- The hours per week that current councillors estimate they spend on council-related work ranges from 3-5 hours, to almost 30 (for our leader). We estimate most councillors spend around 10 hours a week on average.
- Council Meetings are currently held once a month, and run for about 2 hours (time is also needed beforehand to read and digest the papers).
- The Real living wage is currently £10.90 an hour outside of London (<https://www.livingwage.org.uk/what-real-living-wage>), and in 2021 the average hourly pay for all employees was £13.57.
- 3 hours a week at real living wage for 48 weeks (assuming 4 weeks holiday) a year is £1569.
- 10 hours a week at real living wage for 48 weeks a year is £5232
- Childcare in Frome is currently around £27 for half a day, or £54 for a full working day.
- Babysitting in the evening is around £10 an hour.
- Mendip Councillors' allowance is £4484 as basic, with extras for additional responsibilities.

- Somerset County Councillors' allowance is £11,742 as basic, with extras for additional responsibilities rising to £45,000 for the leader.
- David Warbuton, Frome's current MP is on a salary of £84,144, and claimed £258,468.55 in expenses in 2022.

How we reached our proposal

We are proposing an optional annual allowance of £1500 per councillor. Post-tax this will be roughly £100 per month. We are offering this on the understanding that it will not be accepted by a number of councillors.



We are basing our proposal on the idea of equity not equality. If equality is treating everyone the same, then equity is treating everyone according to their needs. Not all councillors need, or even want to accept, an allowance - and by recognising this we feel able to offer a larger amount to a smaller number of councillors for whom it will make a real difference in terms of how much they can participate.

We also recognise that there is no one way to be an effective councillor so accepting the allowance will not be linked to any measurable output, but based on councillors asking themselves the question: "will accepting this allowance help me to be a more effective councillor for my community?". The allowance can be used, among other things, to cover child or other care costs, repay lost earnings to attend meetings, and pay for equipment that will support councillors' work.

While we don't expect this proposal to radically change our council's dynamics, we do hope it will contribute to a more equitable council alongside other changes we make to help break down all boundaries to both becoming and contributing fully as a councillor. We will review the allowance, and how effective it has been, in January 2024, and, if a remuneration panel has been created by Somerset Unitary Council, ask for their input.

The proposal

It is proposed we offer an optional allowance of £1,500 per councillor. The names of the councillors accepting the allowance will be published on FTC's website alongside our other financial reports. This would be paid quarterly through FTC's payroll system, and based on councillors answering question "will accepting this allowance help me to be a more effective councillor for my community?".

Recommendations

1. Introduce an optional Cllr allowance of £1,500 per Cllr
2. Delegate responsibility to the Business Manager to set up and administer the allowance for all Cllrs who choose to claim the allowance