

Report to	South Downs National Park Authority
Date	26 March 2015
By	Chief Executive
Title of Report	Independent Review of Member Allowances
Purpose of Report	To advise the Authority on the 2015 Independent Review of the Scheme of Member Allowances

Recommendation: The Authority is recommended to:

- 1) Consider the outcomes of the independent review of the Scheme of Allowances and;**
 - 2) Adopt a scheme of Members Allowances to take effect from 1 April 2015.**
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1. Introduction

- 1.1 The adoption of a scheme of Members' allowances by the Authority is governed by the Local Authorities (Members' Allowances) (England) Regulations 2003 (The Regulations). These regulations require that the scheme of allowances is made at the start of each year and where indexation is in place, this be reviewed at least every four years. This review has been undertaken to ensure the Authority is compliant with this requirement.

2. Background

- 2.1 There is no requirement for the SDNPA to commission an independent external review of its allowances, however, it is widely held to be good practice to do so.
- 2.2 Dr Declan Hall undertook a review in 2010 and 2011 for the Authority and was appointed to undertake this third review and formulate recommendations to the Authority. His review is attached at **Appendix I**. Dr Hall gained his experience at the Institute of Local Government at Birmingham University and elsewhere, and has carried out many remuneration reviews on behalf of local authorities and National Park Authorities in England and Wales.
- 2.3 The review explains the rationale and methodology that was applied. Regard has been had to other National Park Authority schemes, and the report analyses these in detail. The SDNPA is also required to have regard to the recommendations to local authorities in the National Park area by their Independent Remuneration Panels ("IRP recommendations"). This information was also supplied and taken into account.
- 2.4 In order to ensure the review was as well informed about local circumstances as possible, the reviewer carried out a number of interviews in February 2015. These included interviews with: the Authority Chair and Deputy Chair, Committee Chairs and Members of SMT. An invitation was extended to all Authority Members to submit written views and comments to the reviewer, and it is understood that several responses were received.
- 2.5 A summary of the independently recommended Member allowances can be found in **Appendix 2** to the report.
- 2.8 The Regulations provide that a scheme can make provision for annual adjustment of allowances by reference to an index specified in the scheme. Where the only change made to a scheme in any year is that affected by such annual adjustment in accordance with such index, this is not classed as an amendment of the scheme for the purposes of the Regulations. The main implication of this is that the Authority would not be required to have

regard to any IRP recommendations prior to applying the indexation adjustment. An index can be relied upon for a period of up to four years.

- 2.9 A proposed Scheme of Members' Allowances, based upon the recommendations from the independent review report is attached as **Appendix 3**.

3. Resources

- 3.1 If the Authority were to accept the report recommendations in full, the total annual cost of Member's allowances would increase by up to £1,387 for the year 2015/16 (subject to indexation rates). Subsequent increases would also take place, without reference back to the NPA, each year until 2019.
- 3.2 The 2015/16 increase would be met from within the existing Member Allowances budget. Funding for further increases would need to be considered as part of the Authority's budget setting process.

4. Risk Management

- 4.1 By commissioning an independent and external review, based on objective data and benchmarking against other similar schemes, the Authority has taken steps to ensure a reasoned, well founded and transparent remuneration scheme is adopted.

5. Human Rights, Equality, and Health and Safety

- 5.1 By commissioning an independent and external review that considers other similar schemes, the review aims to ensure both that Members are fairly remunerated for their roles without unfairly burdening the taxpayer. The review recognises the principle that Members are expected to give part of their time voluntarily, whilst also trying to ensure that they are not financially disadvantaged.

6. External Consultees

- 6.1 None.

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Appendices
1 – List of Recommendations and Summary of Impact of Changes
2 – Scheme of Allowances (based on recommendation of the independent reviewer)
3 – Definition of Approved Duties
4 – Independent Review of Member Allowances Feb 2015

SDNPA Consultees
Chief Executive Officer, Director of Corporate Services, Monitoring Officer.

Background Documents
Independent Review of Members' Allowances for the SDNPA, June 2010 & December 2011 <http://southdowns.gov.uk/wp-content/uploads/2015/01/Scheme-of-Member-Allowances.pdf>

List of recommendations and summary of proposed changes to scheme of allowances:

1. It is recommended that the current Basic Allowance of £2,860 remains unaltered, subject to any index the Authority may decide to apply in the future - for a maximum of 4 years.
2. It is recommended that there is no change to the current SRA (£5,720) for the Chair of the South Downs NPA, subject to any indexation that may be applied
3. It is recommended that there is no change to the current SRA (£4,335) for the Deputy Chair of the South Downs NPA subject to any indexation that might apply
4. It is recommended that there is no change to the current SRA (£3,432) for the Chair of the Planning Committee subject to any indexation that might apply.
5. It is recommended that the SRA for the Vice Chair of the Planning Committee is £686 subject to any indexation that might apply.
6. It is not recommended that the ordinary Members of the Planning Committee are paid a SRA.
7. It is recommended that the SRA for the Chair of the Policy & Programme Committee be maintained at £1,144, subject to any index that may be applied.
8. It is not recommended that the Vice Chair of the Policy & Programme Committee is paid an SRA at this stage
9. The recommended SRA for the Chair of the Governance Committee is £858, subject to any indexation that may be applied
10. It is not recommended that the Vice Chair of the Governance Committee is paid an SRA.
11. It is recommended that the South Downs NPA adopt a 1-SRA only rule, in that regardless of the number of remunerated posts a Member hold they are only able to draw down 1 SRA, being the highest.
12. It is recommended that the provision for a Co-optees' Allowance is removed from the South Downs NPA allowances scheme.
13. It is recommended that current Travel and Subsistence Allowances rates and conditions be maintained.
14. It is recommended that there is no change to the current definition of approved duties for which Members can claim travel and subsistence allowances
15. It is recommended that the following indices are applied to the following allowances:
 - **Basic Allowance and SRAs Allowances:**
 - Indexed to the annual percentage increase in salary for the South Downs NPA staff, where such a cost of living increase is implemented in a particular year.
 - **Subsistence Allowances:**
 - Indexed to the same rates applicable to Officers of the South Downs NPA
 - **Mileage Allowances:**
 - Indexed to the HMRC approved mileage rates
16. It is further recommended that the proposals contained in this report are implemented no later than Authority's Annual General Meeting on 25 June 2015, or any date before then as agreed by the Authority.

Summary of impact of changes

Allowance	Current	Proposed*
Basic Allowance	£2,860	£2,860
Chair of the Authority	£5,720	£5,720
Deputy Chair of the Authority	£4,335	£4,335
Chair of Planning Committee	£3,432	£3,432
Deputy Chair of Planning Committee	£514	£686
Chair of Governance Committee	£572	£858
Chair of Policy and Programme Committee	£1,144	£1,144

*Subject to indexation, if agreed.

SDNPA

Scheme of Members' Allowances

Approved March 2015

1. INTRODUCTION

- South Downs National Park Authority's scheme provides for payment of:
 - **Basic Allowance** which is a flat rate payable to each Member, excluding co-opted Members;
 - **Special Responsibility Allowance** for Members undertaking additional roles as defined by the Authority.

2. GENERAL POINTS

- The term "Member" means a Member of the South Downs National Park Authority.
- Members have the option of not claiming all or part of any allowance. The Chief Executive must be notified in writing by the Member if they wish to choose this option.
- All enquiries relating to Members' Allowances should be made to the Governance and Support Services Manager.

3. BASIC ALLOWANCE

- Is payable to all Members, excluding Co-opted Members.
- Where the Member's term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.
- **The basic allowance is £2860 per annum and is annually increased in line with any staff cost of living pay award applied.**

4. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

- Is payable in addition to the Basic Allowance.
- Is payable to Members who have been given significant additional responsibilities e.g. Chairman, Deputy Chairman.
- Where a Member does not have throughout the whole of a year any such special responsibilities as entitled him/her to a special responsibility allowance, he/she is entitled to the appropriate proportion of the annual allowance.
- Does not include any element for travel expenses, which are claimable in the normal way for any Special Responsibility Allowance duty.
- **Special responsibility allowance rates are set out below. These are annually increased in line with any staff cost of living pay award applied:**

Chairman of the Authority	£5,720
Deputy Chairman of the Authority	£4,335
Chairman of Planning Committee	£3,432
Deputy Chairman of Planning Committee	£686
Chairman of Policy and Programme Committee	£1,144
Chairman of Governance Committee	£858

5. TRAVEL ALLOWANCE

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in **Appendix I**).
- Can be claimed by Co-opted Members and the Independent Person.
- Should be claimed promptly (within two months of expenditure being incurred) on the Members' claim form.
- Expenditure on tolls, parking fees etc. may be claimed for re-imbusement on production of receipts.

6. SUBSISTENCE ALLOWANCE

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in **Appendix I**).
- Can be claimed by Co-opted Members and the Independent Person.
- Is claimable for the actual cost of the meal or overnight expenses up to the same maximum set out for staff which is updated annually.
- Should be claimed promptly (within two months of expenditure being incurred) on the Members' claim form. Receipts must be attached to the claim whenever possible to support the claim.
- Is not claimable in respect of alcoholic drinks.

7. PAYMENT OF ALLOWANCES

- Basic Allowance and Special Responsibility Allowance are paid automatically monthly after completion of:
 - Written undertaking to comply with the Code of Conduct for Members
 - Declaration of interests
 - Tax, National Insurance and Bank detail forms.
- Travel and subsistence Allowances must be claimed within two months on the Members' claim form.
- Allowances must not be claimed where the Member is entitled to receive payment from another public body in respect of the same duties.

8. WITHHOLDING ALLOWANCES

- Where any Member (including a Co-opted Member) is suspended or partially suspended from responsibilities or duties in accordance with the 2003 Members' Allowances and subsequent regulations, the Governance Committee may determine that any of the following allowances:
 - (a) The part of Basic Allowance payable in respect of the period of suspension or partial suspension
 - (b) The part of Special Responsibility Allowance payable in respect of the responsibilities or duties during the period of suspension or partial suspension
 - (c) Any travel or subsistence payable in respect of the responsibilities or duties during the period of suspension or partial suspension may be withheld.
 - Where payment of any allowance has already been made in respect of any period during which the Member concerned is:
 - (a) Suspended or partially suspended from responsibilities or duties in accordance with Part III of the Local Government Act 2000 or regulations made under that Part;
 - (b) Ceases to be a Member or
 - (c) Is in any other way not entitled to receive the allowance in respect of that period
- Governance Committee may require that such part of the allowance that relates to any such period be repaid to the South Downs NPA.

Definition of Approved Duties:

- (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 the authority makes appointments or nominations, 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;
- (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 pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are opened;
- (f) 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;
- (g) 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
- (h) The carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees

