

ARUN DISTRICT COUNCIL
SEVENTH REPORT OF THE INDEPENDENT PANEL ON MEMBERS' ALLOWANCES
SEPTEMBER 2013 [Final at 09.09.13]

1.0 BACKGROUND

- 1.1 The Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003 require Local Authorities to establish and maintain an Independent Panel to review Members' Allowances. The Regulations require Local Authorities to have regard to the recommendations of an Independent Panel when paying Allowances.
- 1.2 The Council appointed an Independent Panel in April 2001. So far, the Panel has completed reviews in 2001, 2002, 2004, 2006, 2007 and 2009.
- 1.3 The Panel has now concluded its seventh review of the Members' Allowances Scheme and related matters. This report makes recommendations covering:
- Basic Allowance (BA)
 - Special Responsibility Allowances (SRAs).
 - IT Allowances
 - Co-Opted, Independent Person, etc Allowances
 - Carers Allowances
 - Parish Council Allowances
 - Special Responsibility One-Off Payments
 - Travel and Subsistence Allowances
 - Pensions.

2.0 COMPOSITION OF THE PANEL

- 2.1 Following changes to the Panel's composition, the new Panel is:
- John Thompson – retired Marketing Director of a local company and Director and Trustee of the Aldingbourne Trust
 - Roger Hamson – retired civil servant and staff representative and volunteer patient driver for the NHS
 - Richard Jeffrey – retired insurance claims advisor and recent Middleton-on-Sea parish Councillor
 - John Morris - retired credit manager
 - Tony Shire – retired highways engineer and recent Parish, Town and County councillor.
- 2.2 The Panel first met to start its seventh review in November 2012. It has met on 6 occasions and 3 times with the Council's Audit & Governance Committee. In addition the Panel has interviewed Members and Officers. The Panel has been provided with a wide range of information from South East Employers, Arun's Chartered Institute of Public Finance Accountants (CIPFA) family group, adjacent Authorities and much data provided by Arun District Council's own Officers.

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3.0 TERMS OF REFERENCE

3.1 After consulting the Audit and Governance Committee, the Panel confirmed its Terms of Reference, namely:

- the nature and type of role and responsibility of Elected Members and the level of commitment involved
- the difference in responsibility and time commitment of Leading Members; Cabinet Members and back-bench Members and the Chairman and Vice-Chairman of the Council and other Members with specific responsibilities
- schemes operating elsewhere in authorities similar to Arun
- the level of remuneration paid for other types of public duties
- whether allowances should be payable to meet Members out of pocket expenses
- the need to attract and retain Members of appropriate calibre and representative of the demographic make-up of the District
- the need to ensure that the scheme is straight-forward and economic to operate and justified in terms of affordability (in the public's perception) and working within existing budgetary constraints
- a scheme that aims to compensate for the time put into the roles and responsibilities undertaken – bearing in mind that there should be an element of public service
- a scheme that encourages Councillors to work flexibly and to develop themselves and their role in the community.

3.2 The following general principles would also be taken into account:

- membership of the Council should be as inclusive as possible so as to allow all types of people to become a Councillor
- the need to encourage people to stand as Councillors – not to see a lack of remuneration/loss of earnings as a deterrent
- Members should be able to renounce all or part of their allowances
- account should be taken of hidden costs of Council membership
- account should be taken of any additional and/or onerous responsibilities undertaken by Members
- there should be an unremunerated element to service as a Member
- some recompense should be available to Councillors with care responsibilities
- the desirability of clearer public accountability for the work of Members
- allowances should be broadly in line with those paid by adjacent Authorities and those of a similar size
- the scheme of allowances should be equitable, transparent and simple to understand and administer while being affordable and justifiable in the perception of the public.

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4.0 RATIONALE

- 4.1 The previous Panel used a model that attempted to demonstrate the relationship between the various roles with regard to remuneration. This Panel decided that because of changes in legislation and other factors leading to frequent changes in workload at all levels in the Authority, it was better to look at the current position and set in place arrangements that were fair and flexible enough to allow such changes to be responded to promptly.
- 4.2 The Panel was mindful of the firm views of the Leader of the Council, and others, that the Panel should be sensitive to the public view regarding public sector expenditure. The Panel's approach was to try and redistribute the available funds to achieve a fairer distribution and greater consistency. The Panel also wished to make it clear that allowances are not compulsorily and any Member can opt not to take any allowance or indeed any recommended increases. Indeed some Members' forego mileage allowance to which they are entitled.

5.0 MEETINGS AND RESEARCH

- 5.1 Before embarking on the Review the Panel met with the Chairman and Vice Chairman of the Audit and Governance Committee primarily to discuss their Terms of Reference and main principles. The Panel then met with the Leader of the Council and presented their Terms of Reference to the Audit and Governance Committee where they were agreed.
- 5.2 The Panel decided to conduct a survey of Members. It had been several years since a survey had been carried out and the Panel felt that it would be useful to see how workloads had changed and to have some fresh data and views on other questions. About a week after the questionnaire had been issued the Panel received representations about the survey from the Chairman of the Audit and Governance Committee about the choice of a month for the questions and about the time spent on different activities, indicating that "some" Members might not be completing it. The Panel expressed the opinion that the data was quantitative and for comparison with previous survey results and hoped that Members would be encouraged to complete the questionnaire as a good response would help support recommendations that the Panel might make. Regrettably only 20 Members responded to the questionnaire.
- 5.3 The Panel offered all Members the opportunity to have their voice heard and held a combination of open sessions and one-to-one interviews. The Panel saw 23 Members. They interviewed various officers including the Head of Technology; the Head of Legal and Administration; and met on several occasions with the Head of Democratic Services and members of her team. They also received advice through the Head of Democratic Services on the budgetary position from the Group Accountant.

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- 5.4 The work of the Panel was hampered by the disappointing response from Members, both to the Questionnaire and the opportunities to meet with them. Some Members came to the meetings well prepared and were thus able to help the Panel formulate recommendations.
- 5.5 Notwithstanding that the matter of Job Descriptions for all constitutionally approved posts has been raised by previous Panels, there are no Job Descriptions for any post other than that of Chairman of the Council. The Terms of Reference set out in the Council's Constitution give no indication of workload or the level of responsibility exercised. While Job Descriptions are not a be all and end all, and indeed cannot be enforced as far as Members are concerned, they are used by many Authorities and would be useful especially for new Members and those being appointed to posts attracting Special Responsibility Allowances. The lack of job descriptions allied to the disappointing response of Members, made the Panel's job more difficult as the Panel had to rely upon oral and questionnaire evidence that was sometimes less than wholly objective. While it is outside the remit of the Panel to make a formal recommendation about Job Descriptions, the Panel hopes that consideration will be given to their introduction in time for the next review.
- 5.6 The concept that any one Committee is more "important" than another does not sit well with all Panel members and the Panel at one point contemplated a move to a "flat-rate" SRA for all Committee Chairs etc, rather than the hierarchal scale presently in use. It was learnt that many Authorities have adopted this approach. However it was felt that the lack of both Job Descriptions and work-load information precluded a full consideration of this proposal and it is proposed that this matter be deferred to the next review.
- 5.7 Prior to finalising its draft report the Panel shared their headline conclusions with the Chief Executive of the Council who offered some useful clarifications and suggestions. The Panel also consulted with the Chairman and Vice-Chairman of the Audit & Governance Committee and the Group Leaders on their draft report.
- 5.8 The report from the Independent Remuneration Panel, including changes being proposed, was presented informally at a Members' seminar on 5th September, then formally to the Council's Audit and Governance Committee on 26th September, prior to formal submission to Full Council on 23rd October.

6.0 BASIC ALLOWANCE

- 6.1 The Panel was mindful that the Basic Allowance was last increased in 2009. Interviews with Members highlighted that the Basic Allowance did not adequately reflect the workload, which in most instances, had increased. Councillors felt that the current Basic Allowance would not encourage younger working people to stand for election and some even suggested some Members were out of pocket.
- 6.2 Councillors had mixed views about the public service element: the balance of opinion was that there should be an unremunerated public service element,

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but opinions on the percentage were more varied than in previous years. The Panel takes the view that 30% remains reasonable.

- 6.3 Most councillors felt that the Basic Allowance was not adequate. However, they were fully aware of public sensitivities to public sector expenditure and the majority were of the view that the aim should be to stay within the overall existing budget.
- 6.4 The previous Panel proposed that there should be a link between the Basic Allowance paid to Members and the basic salary of Officers. The Panel are not convinced that this is the correct approach and believe that this should be the subject of further examination in their next review based on a comparison of practices within other councils. They would recommend no change to the existing arrangements until this work is concluded. However, the Panel is pleased to note that the 1% increase awarded to Officers and accepted by the NJC, payable from 1 April 2013, has already been extended to the Basic Allowance for Members from that date based on the resolution of the Council on 2 September 2009 taking this to £4,920.
- 6.5 The Panel found it very difficult to come to a clear fact based conclusion about the level of Basic Allowance as the response to the Panel's questionnaire was so low – only 20 Members out of 56 responded. The Panel had planned to calculate the average number of hours spent on backbench duties, reduce it by the public service element and relate this to an appropriate hourly rate published by South East Employers. With such a small number of respondents it was impossible to do this with any precision. However, based on the "all persons" weekly rate for the South East (which has increased by 8% in the last 12 months), the Basic Allowance represents the equivalent of about 12 hours a week of a back bench Member's time after allowing for the public service element.
- 6.6 Some Members from all Political Groups commented that some Councillors were frequently absent both from meetings and training. Whilst this cannot be a consideration in setting the level of Basic Allowance, the Panel noted that the Head of Democratic Services collects data on attendance at meetings, etc and this is made available to the Group Leaders and the Chief Executive for review.
- 6.7 Currently, Arun District Council's Basic Allowance for Councillors compares well with its CIPFA "family" of similar sized authorities and with other West Sussex Districts and Boroughs. The Panel noted that many Members felt that no two authorities were the same. However, the Panel is of the view that we must have regard (and no more) to what is going on around us
- 6.8 The Panel noted that in the last few years the budget for Members' Allowances has been consistently underspent, mostly but not exclusively on travel and subsistence (the budget for which has already been cut for 2013-14 as part of the financial savings), partly due to some Members not taking all their allowances and some restructuring of Committees. The Panel is of the view that the budget voted for by Full Council should be used for the purpose intended (ie. to remunerate Members) and any surplus occurring over a period of years should be used to increase the Basic Allowance. Each additional

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£1,000 taken from the under spend will fund an increase in the Basic Allowance £17.86 per Member per year. However, the Panel was advised by Officers that underspends on travel and subsistence within the total Members' Allowance budget cannot be vired to either the Basic or Special Responsibility Allowance budgets as travel and subsistence is only an estimate and not fixed against finite demand for this purpose.

- 6.9 In concluding all these issues, the Panel offers two options for increases in the Basic Allowance which currently is £4,920 a year, following the 1% increase:
1. Increase by savings in Special Responsibility Allowances to £5,055 – see paragraph 6.10 below
 2. Increase by the savings in Special Responsibility Allowances and some of the reduction in IT Allowance to £5,143 – see paragraph 6.11 below
- 6.10 The changes (replacement of Scrutiny Committees by the Overview Select Committee) and reductions in the SRA for the Chair and Vice Chair of Licensing and Enforcement amount to a reduction of £7,656 in the budget. This could be applied to fund an increase of £135 per year in the Basic Allowance.
- 6.11 In addition to the proposal in paragraph 6.10, the Panel at paragraph 8.6 recommends that the IT Allowance be reduced and suggests that some of the £5,600 saving be used to fund the extension in the use of portable devices and the balance be used to increase the Basic Allowance. Each additional £1,000 taken from the saving will fund an increase in the Basic Allowance £17.86 per Member per year.
- 6.12 **The Panel therefore offers two options, as set out in paragraphs 6.10 and 6.11 above.**
- 6.13 **The Panel also recommends that the Basic Allowance continues to be index linked to the annual staff pay settlement, as agreed in the last review in 2009, and this be a subject for further examination in the next review based on a comparison with other councils.**

7.0 SPECIAL RESPONSIBILITY ALLOWANCES

- 7.1 As part of the review of Special Responsibility Allowances (SRA), the Panel referred to the enabling legislation and were provided with advice by the one of the Authority's solicitors. From this it is clear that SRAs should be paid for work which represents a significant additional responsibility over and above the work that is remunerated through the Basic Allowance. There are also limits to the responsibilities that can attract the payment of an SRA.

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7.2 Chairman and Vice-Chairman of the Council

7.2.1 There had been no significant change in the role of the Chairman of the Council. The Panel noted the important civic functions this role performs. They reviewed comparative data of the number of functions that past Chairmen have attended since 2009, together with the work they have done for charitable causes all of which raises the positive profile of the Authority. **On this basis, the Panel concluded that the SRA should remain unchanged at £8,320 per annum.**

7.2.2 From this work there had been no significant change in the Vice Chairman role. The Panel also noted that the Vice-Chairman fills an important supporting role for the Chairman and on occasions stands in for the Chairman at major functions. The Vice-Chairman is also being prepared for the role of Chairman. **In view of this, the Panel felt that the SRA should remain unchanged at £2,745 per annum.**

7.3 Leader and Deputy Leader of the Council

7.3.1 It is clear that the Leader's workload is the equivalent to a full time job. The Leader is of the view that comparisons with other local authorities are of limited value as no two authorities are alike. The Leader also undertakes much work outside the Authority from which the Authority benefits greatly.

7.3.2 The Panel are mindful of the Leader's view that it would be unacceptable for the Members' Allowances budget to be exceeded. **The Panel recommends that the Leader's SRA should remain unchanged at £14,196 per annum.**

7.3.3 The Deputy Leader holds a Cabinet portfolio as well as acting as Deputy to the Leader. The current SRA payable to the Deputy Leader is higher than other District and Boroughs in West Sussex, and slightly above the South East Employers group. However, it is recognised that because of the Leader's high national profile the Deputy Leader has a significant deputising role. The Panel therefore took the view that remuneration should be above that payable to a Cabinet Member and that the current level of SRA was fair in reflecting the additional responsibilities undertaken. **On this basis, the Panel recommends that the Deputy Leader's SRA remain unchanged at £10,400.**

7.4 Cabinet Members

7.4.1 The Panel was able to interview all Cabinet Members. The Panel received information that showed that while there was the same number of meetings as in 2008-09. The average length of meetings had fallen slightly (1.66 hours to 1.27 hours) and the number of agenda items had fallen from an average of 14 per meeting to eight. This does not take into account changes in the complexity of business. Cabinet Members are currently in the upper quartile of both West Sussex Districts and Boroughs and the CIPFA family group.

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7.4.2 No Cabinet Member made representations concerning the amount of SRA paid to them. **The Panel therefore recommends that Cabinet Members SRAs remain unchanged at £8,320.**

7.5 Regulatory Committees

7.5.1 The Panel took the view that SRAs paid to committee members either as Chairman or Vice-Chairman or Members should reflect the level of responsibility exercised by the Committee concerned. Besides the Cabinet, the Development Control; Audit and Governance; and Licensing & Enforcement Committees have statutory duties and those of the latter are also of a quasi-judicial nature. There was much support for this proposition.

7.5.2 A number of Members expressed the opinion that Vice-Chairman posts should not attract an SRA. This would be a significant change in the arrangements for Members' Remuneration and the Panel, while attracted to the idea in principle, is of the view that this should be given more detailed consideration as part of the next review.

7.6 Development Control Committee

7.6.1 Recent announcements on planning from the Department of Communities and Local Government, especially around the relaxing of regulations and the increase in powers delegated to Officers suggest that the workload of the Development Control Committee may fall. Moreover there appears in recent years to have been a move towards decisions being made on the basis of compliance with local and other plans and the requirements of other statutory agencies – with much being undertaken by Officers. Comparative workloads between 2008-09 and 2012-13 suggest little change in duration of monthly meetings: although the number of agenda items is almost double as planning applications are considered and Parish opposed applications are taken by the Committee.

7.6.2 Having said that, the Panel were made very aware of the time devoted to the preparation and attendance at Development Control Committee meetings and the challenges for the Chairman and Vice Chairman for having to deal with the public dimension and appeals. The Panel was also advised that some of the Local Plan work and the planned additional runway at Gatwick may impact on the Committee's workload.

7.6.3 Given the increasing level of challenge and uncertainties over workload going forward, the **Panel is of the view that the SRAs paid to the Chairman, Vice Chairman and Members of the Development Control Committee should remain unchanged at £6,000, £1,980 and £750 respectively.**

7.6.4 Site Visits - the payment of an SRA for site visits has long been a contentious issue. The Panel makes no recommendation for an SRA for Site Visits, but notes that several Members complained that attendance at site meetings was disappointing.

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7.7 Licensing & Enforcement Committee

7.7.1 The workload of the Licensing and Enforcement Committee has dropped from monthly meetings lasting on average one hour 33 minutes and processing nine cases to meetings lasting just short of an hour and processing 3 cases. On this basis and without knowledge of any planned changes in workload it is the Panel's view that the allowances paid to the Chairman and Vice-Chairman should be reduced. Mindful that an immediate reduction that reflects the changed work load would be unfair to the recipients the **Panel proposes that the SRA be reduced from £5,550 and £1,832 respectively to £4,000 and £1,200**, with further consideration being given to these SRAs at the next review. **The small allowance paid to Members of the Licensing and Enforcement Committee should remain unchanged at £250.**

7.8 Standards Committee

7.8.1 Since the passing of the Localism Act and the subsequent abolishing of Standards for England, the work load of the Committee has dropped. The Committee meets four times a year and some recent meetings have been cancelled. However, the Chairmanship which has reverted from an Independent Person to an Elected Member has contributed to work on the Code of Conduct, new procedures for processing dispensations and the development of training. The SRA was reduced when an Independent Member was appointed, as the Chairman's role would be limited. **The Panel recommends that the SRA for the Chairman of the Standards Committee remain unchanged at £1,500 a year. The £50 a meeting allowance for independent persons and co-opted members of the Committee also should remain unchanged.**

7.9 Audit and Governance Committee

7.9.1 Since the last review some aspects of governance has been added to the Committee's responsibilities. The last Panel recommended an SRA for the Chairman and Vice Chairman. The Committee meets at least four times a year and makes an annual report to Full Council. The Chairman has specific responsibilities in relation to the statutory audit of the Authority's Accounts, especially so since the imminent demise of the Audit Commission. **The Panel recommends that allowances paid to the Chairman and Vice-Chairman remain unchanged at £3,750 and £1,238 respectively.**

7.10 Other Committees, Working Groups, etc

7.10.1 The Panel were aware that there are several committees, groups, panels, etc that have responsibilities and workloads that Members' interviewed considered might attract an SRA. The Panel took account of advice from the Legal Team on how the enabling regulations set down clearly (s.5) where an SRA can be paid.

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7.10.2 The Panel's view is that although the working groups, working parties and panels do all work to rules set in the Council's Constitution, they do not all have decision making responsibilities as the Cabinet and Committees do. Combined with the legal position on when SRAs can be paid, they could not recommend the payment of any SRA.

7.10.3 In particular, the Panel did consider the question of extending the payment of an SRA to Chairman of the 3 Working Groups that have been in existence for the last 3 years as this was raised during interviews. The legislation governing the payment of SRAs only refers to a member who presides over a committee or sub-committee and the advice received from the Council's Legal Team is that this cannot include Chairman of Working Groups. Therefore, the Panel can make no recommendation to introduce an SRA for this role.

7.11 The Overview Select Committee

7.11.1 The Panel was advised that the Overview Select Committee had taken over the responsibilities of the two former Scrutiny Committees for policy development and service reviews. The Committee meets at least 6 times a year and makes an annual report to Full Council. The Committee prepares a detailed work plan and also deals with "called in" matters. On the basis of the Chairman and Vice-Chairman's workload being maintained on a similar basis to the previous scrutiny arrangements, **the Panel recommends that the Chairman and Vice-Chairman of the Committee be paid an allowance of £4,870 and £1,607** – this is the same as was paid to the Chairman and Vice Chairman of the former Performance Scrutiny and Policy Scrutiny Committees that have since been replaced by the Overview Select Committee.

7.11.2 As referred to in 7.10.2, the Panel also considered the role of the 3 Working Groups that support the scrutiny functions of the Council. No recommendation for payment of an SRA can be made on the basis of the legal advice received.

7.12 Staff Appeals Panels

7.12.1 The Panel was asked to specifically look at the workload of this Panel in view of the level of responsibility involved in appeal hearings. No full year SRA is recommended, based on the ad hoc nature of its workload, but it is this group where the Special Responsibility One-Off Payment (see para 12 below) is used to remunerate as there is no work plan, but when work does arrive it is very intensive and time consuming; and the Members involved need to be trained so they are able to deal with complex and sensitive cases.

7.13 LEADERS OF OPPOSITION GROUPS

7.13.1 The Panel noted the outcome of the consideration of this SRA following the last Panel's report in September 2009 when it was agreed that an SRA would only be payable to the Leader of the Opposition and not the other minority Group Leaders. The Panel is of the view that the Leader of the Opposition has an important and responsible constitutional role to play and this should be

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reflected in an appropriate SRA, all the more so as the Leader of the Opposition is to some extent representing three political groupings and with a small number of Members from opposition parties has limited resources to draw upon. The Panel did believe the importance of this role demanded an increase in the level of SRA payable so it was closer to that paid to Committee Chairmen. **The Panel therefore recommends that the allowance paid to the Leader of the Opposition be increased from £3,917 to £5,000 a year.**

7.13.2 The Panel did again consider the role of the minority Group Leaders and whether this role warranted an SRA on the basis of responsibilities over and above those covered by the Basic Allowance. The Panel could not find any evidence to support payment of an SRA to the minority Group Leaders.

8.0 INFORMATION TECHNOLOGY (IT) ALLOWANCE

8.1 This subject above all others has generated the most interest and differences in opinion. The Panel are clear that no one will be completely satisfied with what is recommended. There is still one Member who chooses not to use all aspects of IT. For those who do and offered opinions, again there was a wide range of views. The Panel were persuaded not to incorporate the IT Allowance in to the Basic Allowance.

8.2 The Panel took the view that the Allowance can be broken down into:

- Hardware
- Software (including Licences), and
- Consumables

8.3 The cost of products in all three groups is falling (although the prices of branded consumables and paper are rising slightly), but this is offset by cheaper and more reliable compatible ink products.

8.4 The Panel was advised that Members are provided with hard copies of all Committee papers and most other documents: normally five days before meetings, although sometimes papers are sent to Members by email with hard copies made available at the meeting. However, Members commented that increasingly often papers arrived very close to meetings and had to be printed out or they wanted duplicates for Full Council meetings. Several members had had their portable devices linked into the Authorities system in a pilot arrangement. This cost £75.00 and was deducted from the Members' IT Allowance as was the £10 annual MS Office licence charge. The vast majority of Members were clear that they preferred to work from hard copies rather than devices. We were advised by the Democratic Services team that they aim to get papers to Members five days before meetings, as the legislation requires. Where this is not possible copies of papers are sent electronically and hard copies are available at meetings.

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- 8.5 Our limited research suggests that some Authorities do not pay allowance but provide all the IT equipment and supplies that Members need. There are arguments in favour of this, including:
- Improved security (repairs would be undertaken by approved persons and the equipment would be returned when the Member ceased to serve on the Council)
 - The advantage that all Members would have to use the Arun email address
 - Cost savings from bulk public purchasing of equipment and consumables
- 8.6 The Panel also carried out some analysis of the costs of IT to Members on the basis of what we were told and conclude that the annual costs break down as follows:
- Contribution to hardware maintenance and replacement = £100.00
 - Paper – 5,000 sheets for A4 = £25.00
 - Ink – maximum of £75.00
 - Phone lines and broadband – contribution of £40.00 (Members should not need to incur any additional costs for using their own telephone lines and broadband)
- 8.7 The Panel's views are that the IT Allowance is a de facto contribution to Members' IT costs which will vary widely according to workloads, working methods and printer used and that there are compelling arguments for reducing the allowance. **The Panel recommends that the IT Allowance be reduced to £240.** The Panel also recommends that part of the saving should be applied to increasing the Basic Allowance (Paragraph 6.11). The Panel also offers the view that the cost of connecting Members' personal portable devices to the Authority's network should be paid for by the Authority from some of the savings which might be retained by the Authority to extend the use of alternative IT devices. However, the Panel recognises that the current arrangements are part of a pilot, still to be reviewed so have asked the Head of Democratic Services to consider this suggestion in taking forward this review.

OTHER ALLOWANCES

9.0 CO-OPTED MEMBERS, INDEPENDENT PERSONS, WITNESSES ETC

- 9.1 An allowance is payable to Members co-opted to Committees and Panels; those appointed to Committees as Independent Persons and witnesses. **The Panel concluded that this should remain unchanged at £50 per meeting attended.**

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10.0 CARERS ALLOWANCE

10.1 The Panel heard from the Head of Democratic Services that some claims are made. No Member suggested a change to the allowance. The Panel would like to emphasise again that this allowance is available for all forms of care, not just childcare. **The Panel therefore recommends no change to this payment which should remain at £10 per hour.**

11.0 TOWN/PARISH COUNCIL ALLOWANCES

11.1 Based on the current Parish Allowances Scheme agreed in April 2010, all Town/Parish Councillors are entitled to receive a Basic Parish Allowance which is 10% of the District Council Members' Basic Allowance, subject to the scheme being adopted by their council. The cost of these allowances is met from the individual Parish or Town Council's precept and is not a charge on the District Council's budget. **In the absence of any representations for this scheme to be reviewed, the Panel recommends no change to the current arrangements.**

12.0 SPECIAL RESPONSIBILITY ONE-OFF PAYMENTS

12.1 The Panel was invited to look at the arrangements for Special Responsibility one-off payments. These are made to Members for work on panels, etc for which the workload requires a level of responsibility over and above that covered by the Basis Allowance; is demand driven and when work is required is highly intensive. **The Panel supports such arrangements and recommends that the decision to make such payments be delegated to the Chief Executive of the Council on the advice of the Head of Democratic Services.**

13.0 TRAVEL AND SUBSISTENCE

13.1 Several Members were exercised by the fact that some Officers receive a higher car mileage allowance than the 45 pence per mile payable to Members. This situation relates to a small number of Officers only whose remuneration package on appointment, or their work, includes a mileage allowance, together with a few Essential Car Users. The 45pence rate also reflects the fact that some years ago the Members' mileage allowance was extended to cover all journeys made by car on official business.

13.2 On subsistence while there were one or two comments about the arrangements - no specific representations were received requesting a change.

13.3 **On the basis of its review, the Panel recommends that the mileage rate remain at 45 pence per mile for all journeys on Council business and that subsistence be paid on the current basis of the allowances that are paid to officers:** and supports the current arrangement of the Head of Democratic Services having the authority to approve higher rates where Members make a case for this.

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14.0 PENSIONS

14.1 For some years Members have been able to join the Local Government Pension Scheme and there has been some take up. Members make this decision based on their own circumstances. The Authority does not offer advice to Members. The Panel recommends no changes to these arrangements.

15.0 FINANCIAL IMPLICATIONS

15.1 The impacts on the budget are as follows:

	Current			Proposed			Change		
Basic Allowance	4920	56	275520	5055	56	283080	7560		135
Option 1 (para 6.10)									
SRA									
Chair - L&E	5550	1	5550	4000	1	4000	-1550		-1550
V Chair L&E	1832	1	1832	1200	1	1200	-632		-632
Chairs Scrutiny	4870	2	9740	0	2	0	-9740		-4870
V Chairs Scrutiny	1607	2	3214	0	2	0	-3214		-1607
Opposition Groups	3917	1	3917	5000	1	5000	1083		1083
<i>New:</i>									
Chair of Overview				4870	1	4870	4870		4870
Vice Chair of Overview				1607	1	1607	1607		1607
Total - Option 1			299773			299757	-16		
Option 2 (para 6.11)									
Basic Allowance	4920	56	275520	5055	56	283080			
IT Allowance reduction				88	56	4928			
Basic Allowance with £4,928 from IT Allowance added				5143		288008			
			299773			304685			

15.2 A balanced redistribution of the Basic and Special Responsibility Allowances funded from changes in organisation; reductions in SRAs and a reduction in the IT Allowance (Option 2 – see para 6.11) applied to increase the Basic Allowance.

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16.0 EFFECTIVE DATE

16.1 **The Panel recommends that all approved Allowances come into effect on 1 November 2013.** The Panel is aware that the Council could decide to backdate to the start of the financial year, 1 April 2013; or to the new Council year of 22 May 2013. However, backdating is not being recommended in view of the changes being made to some allowances and that this would require a reclaim of the funds involved.

17.0 RENUNCIATION AND MULTIPLE ALLOWANCES

17.1 The Panel concluded that Councillors may renounce their entitlement to all or part of their allowances and those Members who undertake more than one role that attracts an allowance may be paid all the allowances to which they are entitled, subject to the above.

18.0 RECOMMENDATIONS (relevant paragraphs in brackets)

18.1 The Panel makes the following recommendations:

- (1) The Panel offers two options for an increase in the Basic Allowance which is currently £4,920 a year:

Option 1: Increase by savings in Special Responsibility Allowances to £5,055 – see paragraph 6.10; or

Option 2 : Increase by the savings in Special Responsibility Allowances and some of the reduction in IT Allowance to £5,143 – see paragraph 6.11

- (2) The Basic Allowance continues to be index linked to the annual staff pay settlement, as agreed in the last review in 2009, and this be a subject for further examination in the next review based on a comparison with other Councils. (Paragraph 6.13)
- (3) The Special Responsibility Allowance payable to the Chairman of the Council and the Vice-Chairman of the Council remain unchanged at £8,320 and £2,745. (Paragraph 7.2)
- (4) The Special Responsibility Allowance payable to the Leader of the Council remains unchanged at £14,196 and there be no change to the Special Responsibility Allowance payable to the Deputy Leader of the Council at £10,400. (Paragraph 7.3)
- (5) The Special Responsibility Allowance payable to Cabinet Members remains unchanged at £8,320. (Paragraph 7.4)

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- (6) The Special Responsibility Allowance payable to the Chairman and Vice-Chairman of the Development Control Committee remains unchanged at £6,000 and £1,980 and that the Special Responsibility Allowance payable to Members of the Development Control Committee remains unchanged at £750. (Paragraph 7.6)
- (7) The Special Responsibility Allowance payable to the Chairman and Vice-Chairman of the Licensing and Enforcement/Licensing Committee be decreased from £5,550 to £4,000 and £1,832 to £1,200. The Special Responsibility Allowance payable to Members of the Licensing and Enforcement/Licensing Committee remains unchanged at £250. (Paragraph 7.7)
- (8) The Special Responsibility Allowance payable to the Chairman of the Standards Committee remains unchanged at £1,500 and the meeting allowance for Independent Persons of the Committee remains unchanged at £50 per meeting. (Paragraph 7.8)
- (9) The Special Responsibility Allowance payable to the Chairman and Vice-Chairman of the Audit & Governance Committee remain unchanged at £3,750 and £1,238. (Paragraph 7.9)
- (10) The Special Responsibility payable to the Chairman and Vice-Chairman of the Overview Select Committee remains unchanged on the basis of the previous level for the Scrutiny Chairman and Vice-Chairman at £4,870 and £1,607. (Paragraph 7.11)
- (11) The Special Responsibility Allowance paid to Appeals Panel Members should remain at £50 per half day meeting. (Paragraph 7.12)
- (12) The Special Responsibility Allowance paid to the Leader of the Opposition be increased from £3,917 to £5,000. (Paragraph 7.13)
- (13) The IT Allowance be reduced to £240 per annum with part of the saving being applied to the Basic Allowance. (Paragraph 8.0)
- (14) The meeting allowance paid to Co-opted Members, Independent Persons and Witnesses to Committees and Panels remains unchanged at £50 per meeting attended. (Paragraph 9.0).
- (15) The Carers Allowance of £10 per hour remains unchanged. (Paragraph 10.0)
- (16) The arrangements for the Parish Basic Allowance, based on this being 10% of the District Council Members' Basic Allowance, remain unchanged. (Paragraph 11.0)

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- (17) Special Responsibility one-off payments continue to be paid on an outline basis of £50 per half day for one off intensive projects, subject to the decision to pay payments being delegated to the Chief Executive of the Council on the advice of the Head of Democratic Services. (Paragraph 12.0).
- (18) The arrangements for travel and subsistence expenses remain unchanged. (Paragraph 13.0).
- (19) The arrangements for pensions for Members remain unchanged. (Paragraph 14).
- (20) The new allowances scheme to come into effect from 1 November 2013.

19.0 THANKS

- 19.1 Members of the Panel would like to place on record their thanks to those Members who attended interviews and completed the questionnaire and to the Officers, especially in Democratic Services, for their advice and guidance and for their support in arranging interviews and providing much useful information.