

Chichester District Council

**Report of
the Independent Remuneration Panel**

on the review of the

Members' Allowances Scheme

December 2015

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1. Introduction by the Panel

This is the fourth review of the Council's Members' Allowances Scheme undertaken by the Independent Remuneration Panel – the previous reviews having been undertaken in 2003, 2007/08, and 2011.

The composition of the panel has changed since the last review. Mr Peter Headey has resigned, and we have been joined by Mr John Thompson, who is also a member of Arun District Council's Independent Remuneration Panel, in the hope that this will enable a mutually beneficial sharing of experience and ideas.

We were supported by John Ward, Head of Finance and Governance Services, and Philip Coleman, Member Services Manager. We wish to record our thanks for all their help with our review.

We carried out our review from October to December 2015, holding four meetings – on 13 October and 2, 15 and 23 November.

The scheme of allowances has always been set at levels that recognise that there is a very strong voluntary public service element to this service.

Our recommendations this time maintain that tradition. They aim to ensure that councillors are not out-of-pocket, and that the allowances reflect a fair recognition of the responsibility and time devoted to the various roles they fulfil. The allowances should, therefore, strike a balance that avoids financial penalties on members and does not impose an unreasonable burden on council taxpayers.

We are aware of the Council's uncertain financial situation. This has not been our primary concern, but we have felt it important that our recommendations should be realistic and consistent. Our recommendations, if accepted, would maintain members' allowances in Chichester District generally close to the average for neighbouring councils and for comparable councils in South East England. We recognise that it is difficult for councillors to make judgments in public on their own remuneration, which is why they are required to consider a report from an Independent Panel before they do so. We believe our recommendations represent good value for council taxpayers, who have the benefit of dedicated representatives of their choosing.

It is for the Council to consider our recommendations and weigh them against other priorities in deciding on their scheme of members allowances.

John Pressdee (Chairman)
Michael Bevis
John Thompson

2. Summary of the Panel's Recommendations

The recommendations of the Panel are summarised as follows:-

2.1 The Basic and Special Responsibility Allowances should be fixed for four years, unless exceptional circumstances arise, and therefore some allowance for inflation should be made in setting them.

2.2 The Basic Allowance

The Basic Allowance should be increased to £4,725 with effect from 1 April 2016.

2.3 Special Responsibility Allowances

The Special Responsibility Allowances should be paid to the same post holders as now.

Our recommendations as to the level of Special Responsibility allowances are summarised in the following table:

Position	Current allowance	Proposed allowance
Council Chairman	£4,751	£5,000
Leader	£13,989	£14,500
Deputy Leader	£6,863	£7,200
Cabinet Member	£6,652	£7,000
Leader of Opposition	£5,386	£4,500
Chairmen of Committees: <i>Planning</i>	£4,751	£6,000
<i>Overview & Scrutiny</i>		£5,500
<i>Corporate Governance & Audit</i>		£4,000
<i>Licensing</i>		£4,000
Chairman of Standards Committee	£643	£500
Members of Licensing Sub-Committees	> 5 mtgs pa £ 318	> 5 mtgs pa £300

Other provisions relating to Special Responsibility Allowances remain unchanged:-

- (a) Councillors are entitled to receive only one Special Responsibility Allowance at the same time.
- (b) If the Chairman of the Council or a committee is absent for a continuous period of more than 2 months his SRA will be paid instead to the Vice-Chairman if he takes on the responsibilities during that period of absence.

2.4 Travelling and Subsistence Allowances

Travelling and subsistence allowances should continue to be paid at the same rates as those applicable to staff.

Travelling and subsistence allowances should continue to be paid for the same range of official duties as now, but in addition travelling allowances should be payable for attendance at political party group meetings (subject to restrictions), for meetings relating ward matters with officers at the Council's offices, and for members with wards in or partly in the National Park to attend meetings of the Planning Committee of the South Downs National Park Authority.

2.5 Co-optees Allowance

We suggest a payment of £50 per meeting in appropriate cases for independent persons, such as ourselves, who advise and assist the Council.

2.6 Other changes

In other respects the Members' Allowances Scheme should remain substantially unchanged.

2.7 ICT Consumables Allowance

After the election in May 2015 nearly all members accepted a tablet device from the Council for the conduct of Council business. In recognition of this, the separate allowance for consumables paid to members who use their own IT equipment for Council duties should be discontinued.

2.8 Commencement

The above changes to the Allowances Scheme come into effect on 1 April 2016.

3. The Panel's review of the allowances scheme

Background

3.1 We received and considered the following background information:

- Extracts from Government Guidance on Members Allowances Schemes (Appendix 2)
- Report of the Independent Remuneration Panel on the review of the Members' Allowances Scheme 2011
- The current Members' Allowances Scheme
- South East Employers' Survey of Members' Allowances 2015 of allowances paid in comparable councils.
- The Council's pre-election 'Become a Councillor' leaflet, used to encourage people to stand for election
- The Council's role profile of a councillor
- A list of the Council's committees
- The photographic list of members, identifying those who were newly elected
- A list of members with special responsibilities
- The views of members of Chichester District Council. We approved a questionnaire, which was sent to all members on 10 September 2015. Where practical this repeated questions included in a similar survey in 2011, in order to provide comparative data. 34 out of the 48 members completed a questionnaire – a response rate of 72%.
- We also interviewed the following nine members, as a representative sample by role, gender, political party, length of service and geographical location:-
 - Mr Tony Dignum
 - Mr Bob Hayes
 - Mr Roger Barrow
 - Mr John F Elliott
 - Mr Gordon McAra
 - Mr Mark Dunn
 - Mr Richard Plowman
 - Mrs Susan Taylor
 - Mr Nick Thomas

Issues

3.2 There have been three previous reviews of Members Allowances – in 2003, and 2007/08 and 2011. The Review in 2003 was the first after new Regulations and Government guidance, and was quite fundamental in character. The Review in 2007/08 was carried out with a lighter touch. In 2011 and now in 2015 the reviews were somewhere between the two - not as comprehensive as in 2003, but more fundamental than 2007/08.

3.3 We saw our core tasks as being to advise on:-

- The amounts to be paid in the Basic Allowance and the Special Responsibility Allowances (SRAs)
- Whether the list of recipients of SRAs should remain the same

- Whether the roles of committee chairmen should all carry the same allowance
 - Whether the allowances should be fixed until the next review or an index should be used for annual up-rating (or down-rating) of the allowances
 - Whether the members' travelling and subsistence allowances should continue to be the same as those for staff
 - The duties for which travelling and subsistence allowances should be payable
 - The Dependants' Carers' Allowance
 - The Allowance for purchase of ICT consumables
 - How ward activities should be recognised
- 3.4 Some of the factors we wished to consider in reviewing the above issues were:-
- Have the roles and responsibilities of councillors changed?
 - Has the workload/time commitment of councillors changed?
 - How do the allowances paid compare with those of other similar authorities in the region and with changes in staff pay?
 - Are the differentials between the various roles for which SRAs are paid right?
 - How should ward activities be recognised?

Index Linking

- 3.5 The current Members' Allowances Scheme provides that the levels of the Basic Allowance and Special Responsibility Allowance shall be varied with effect from the beginning of a financial year in accordance with the change in the All Items Retail Price Index (RPI) for the previous September.
- 3.6 We have considered whether this should continue and the possible use of alternative indices such as the Consumer Prices Index (CPI) or a link to staff pay awards.
- 3.7 However, we believe that, particularly at this time of low inflation, there are advantages in fixing the allowances until the next review, which normally will follow after the 2019 election. It provides certainty for budgeting purposes, and it avoids members having to consider annually whether or not to adjust their allowances. If inflation increases or other factors vary significantly, it will be perfectly possible to invite us to carry out an early review.
- 3.8 **We recommend that there should be no indexation and the allowances should be fixed for four years or until the next review.**

The Basic Allowance

- 3.9 The basic allowance is payable to all members of the Council. It must be the same for each member, and so we are not allowed to vary it to take account of factors such as the size and make-up of the ward, its distance from the Council headquarters or variations in individual councillors' commitment. It is intended to recognise the time commitment of all councillors, including such

inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes and telephones.

- 3.10 The allowances are not intended to be a wage. The Government guidance states:
- “It is important that some element of the work of members continues to be voluntary - that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected members, and further to ensure that, despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained.”
- 3.11 We were told that, since our 2011/12 review, the Council has increased the Basic Allowance from our recommended figure of £4,300 to £4,541. This is because it has been uprated for inflation by reference to the Retail Prices Index (as the Scheme provides) by 3.2% in 2014 and by 2.3% in 2015, after being frozen in 2013. Had it been uprated in 2013 also, by RPI of 2.6%, the current allowance would now be £4,658. RPI in September 2015 was +0.8%, which could imply an increase to £4,695 in April 2016. By comparison, during this period the staff received no increase until 1 April 2013, since when it has averaged 1% per annum.
- 3.12 According to the replies to our questionnaire, the hours spent by members on council duties vary widely, so much so that it is difficult to conclude that there is a “typical” time commitment.
- 3.13 However, compared with the 2011 survey, the questionnaires revealed a marked reduction in the stated time councillors spend on council and related duties, with average hours a month down from 68 to 44.
- 3.14 This is difficult to explain. The 2011 figure of 68 hours per month was confirmed by the councillors’ census in 2013 (albeit before the 2015 election). The most significant reduction in structural workload that could have affected the result is the reduction from two Area Development Management Committees, involving 18 and 15 members respectively, each meeting every four weeks, to a single Planning Committee with 15 members meeting every four weeks. Of itself, this would not account for the reduction. Some members might have included their special responsibility duties in the 2011 survey. But again this would not account for the difference.
- 3.15 It is notable that new members’ stated average hours per month (33) is markedly less than returned members (53). This might be because they have not yet established themselves or because (more being of working age) they have other demands on their time.
- 3.16 Replies to another question showed that, of the returned members, 11 thought the time commitment had increased since 2011, 8 thought it had stayed the same, and none had thought it had reduced. This is inconsistent with the answers to the first question. We can reach no firm conclusion from the questionnaire on whether average time spent as a councillor has actually

declined. However, there certainly seems little evidence that the time commitment has increased.

- 3.17 In response to our questionnaire, 21 members felt that the current level of basic allowance should remain the same, compared with 12 who did not. Of those who did not, most thought it should be a little higher, but one suggested a reduction. The average suggestion (not counting those who thought it should stay the same) was £4,906.
- 3.18 Members feel that the allowances paid in neighbouring authorities should be an important influence in determining allowances. According to the South East Employers (SEE) survey, the mean basic allowance in the South East district councils was £4869 and the median £4663. For Chichester and its neighbours (other West Sussex districts, Havant, East Hants and Waverley) the mean was £4771 and the median £4609. Chichester ranks 30 out of 45 in the SEE data.
- 3.19 In making our recommendation about the basic allowance, we have made some allowance for inflation over the next four years and taken into account our recommendation (below) to discontinue the ICT Consumables Allowance.
- 3.20 We consider it appropriate that the basic allowance should continue to be a little below the mean, and **recommend a Basic Allowance of £4,725**.

Special Responsibility Allowances (SRAs)

Recipients of SRAs

- 3.21 SRAs are for those members of the council who have significant additional responsibilities, over and above the generally accepted duties of a councillor. At least one member of a minority political group must be entitled to a SRA.
- 3.22 The present Members' Allowances Scheme provides SRAs for the following:-
Chairman of the Council
Leader of the Council
Deputy Leader
Leader of the Opposition
Member of the Cabinet
Chairman of the Overview and Scrutiny Committee
Chairman of the Corporate Governance and Audit Committee
Chairman of an Area Development Control Committee
Chairman of the Licensing and Enforcement Committee
Chairman of the Standards Committee
Members of the Alcohol and Entertainments Licensing Sub Committees and/or the General Licensing Sub Committees (including Substitute members) who attend more than 5 such meetings a year
- 3.23 We have reviewed this list. We believe all the above roles should continue to receive an SRA.

3.24 A few suggestions were made in replies to our questionnaire about payment of SRAs to possible other recipients, such as vice-chairmen of council and committees. We did not find any of these suggestions to be strongly supported and make **no recommendations** for additions to the list of SRAs.

3.25 The current scheme also provides that:

- (a) Councillors are entitled to receive only one Special Responsibility Allowance at the same time.
- (b) If the Chairman of the Council or a committee is absent for a continuous period of more than 2 months his SRA will be paid instead to the Vice-Chairman if he takes on the responsibilities during that period of absence.

We recommend that these provisions continue.

Level of SRAs

3.26 We have carefully considered the level of SRAs in the light of members' replies to our questionnaire and data on SRAs paid in other councils. Our conclusions are as follows:-

Chairman of Council

3.27 This is a time-consuming role. In addition to chairing Council meetings there is a substantial civic and ceremonial role. On the other hand, it is also an honour and there is a separate budget for Chairman's expenses. **We recommend that this SRA should be £5,000.**

Leader, Deputy Leader and Cabinet Members

3.28 Our questionnaire survey showed that the time spent on special responsibility duties by Cabinet Members was very much higher than that of committee chairmen. It is arguable that the level of responsibility also is greater. We, therefore, believe that the widened differential between Cabinet Members and Committee Chairmen that we established in our last report is fully justified.

3.29 The following table shows where Chichester ranks in the South East Employers (SEE) survey.

Leader	25/45
Deputy Leader	22/34
Cabinet member	26/41

3.30 **We recommend the following SRAs:**

	Recommended	Current
Leader	£14,500	£13,989
Deputy Leader	£ 7,200	£ 6,863
Cabinet member	£ 7,000	£ 6,652

Leader of the Opposition

- 3.31 Since our last review this role has diminished. There are now two minority party groups of equal size, and the role is held by the Leader of the Independent Group. The combined number of minority councillors is six, compared with eight Liberal Democrats and two Independent in 2011. **We recommend that this SRA is reduced to £4,500.**

Chairmen of Committees

- 3.32 In the last review we favoured, for simplicity, the same level of allowance for all committee chairmen. However, there are differences in workload and number of meetings and we believe that the time has come that this should be recognised.
- 3.33 One change since the last review is that the two Area Development Control Committees have been replaced by a single Planning Committee, meeting every four weeks. This is a considerably greater frequency than any other committee. Many meetings last for a long time, on several occasions all day. The Chairman has a high profile role, frequently having to maintain proper procedures on very contentious matters under close scrutiny by the public. We believe that this role justifies a higher allowance than other committee chairmen.
- 3.34 The Chairman of the Overview and Scrutiny Committee also carries considerable responsibilities. This frequency of meetings is higher than other committees, and the Committee also works through a number of Task and Finish Groups. The Committee has the important role of holding the Cabinet to account, and also scrutinises the activities of other public organisations external to the Council. The Chairman has a particular personal role in this, not least being responsible for adjudicating on call-in requests and requests to proceed with urgent agenda items of which full notice has not been given.
- 3.35 The remaining committees, i.e. the Corporate Governance and Audit Committee and the combined Licensing Committees, meet less frequently and, in our judgement, the roles of the chairmen are less demanding. We also make a recommendation for an allowance for the Chairman of the Standards Committee (which meets far less frequently) in the knowledge that currently this allowance is not paid because this Chairman receives an SRA as a Cabinet Member.
- 3.36 **We recommend that the SRAs for Chairmen of Committees are as follows:**

Chairman	Recommended	Current
Planning	£6,000	£4,751
Overview and Scrutiny	£5,500	£4,751
Corporate Governance and Audit	£4,000	£4,751
Licensing (combined)	£4,000	£4,751

Standards	£500	£643
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- 3.37 **We recommend that an allowance of £300 continues to be paid to members of the Licensing Committees who attend more than five sub-committee meetings in any one year.**

Travelling and Subsistence Allowances

Level of allowances

- 3.38 We share the view of the overwhelming majority of members that allowances should be available for travel and subsistence, and believe that they should broadly cover costs.
- 3.39 According to our questionnaire, the majority of members feel that the current link with allowances payable to staff should be maintained. We **recommend** accordingly.

Duties for which the allowance should be payable

- 3.40 The Regulations list the duties for which travelling and subsistence allowances can be paid, and Appendix 3.1 of the current Members' Allowances Scheme broadly follows that list. However, the Regulations have a catch-all clause which states that these allowances can also be paid for "any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees". Appendix 3 (2) of the Scheme includes a list of such duties already approved by the Council.
- 3.41 We have considered whether we should recommend any clarification or additions to this list. In particular, suggestions were made to us about party group meetings, meetings of the South Downs National Park Authority, and various aspects of ward responsibilities.
- 3.42 In considering our recommendations, we are very conscious of the large geographical area covered by the District, and that Chichester is not centrally located within it. We consider it important that residents in the more distant parts of the District should not be disadvantaged or feel less well-served because their elected members incur additional expense in making important journeys to the Council offices.
- 3.43 In an executive form of governance, where many important decisions are made by the small number of members comprising the Cabinet, the party group meetings can be an important means of enabling the majority of non-Cabinet members to bring influence to bear on these decisions. We believe, therefore, that there is a justifiable case for paying travelling expenses for attendance at such meetings. However, because these meetings are not subject to public scrutiny or officer support, we believe safeguards are needed to prevent abuse. Drawing on a similar arrangement at West Sussex County Council, we, therefore, **recommend that travelling expenses be payable for attendance at party group meetings held specifically for the purpose**

of, or in connection with, the discharge of the functions of the Council, subject to:

(a) the approval not extending to more than twelve meetings a year; and

(b) each group secretary being required to certify that any such group meeting has been principally concerned with District Council business and to provide records of attendance to the Member Services Manager.

- 3.44 It was pointed out to us that in the South Downs National Park, it is the National Park Authority, rather than the Council, which is the Local Planning Authority. Although most planning applications are dealt with by the Council under an agency agreement, major applications and the Local Plan for the National Park are dealt with by the Park Authority. **We recommend that members whose wards are partly or wholly within the South Downs National Park should be able to claim travelling expenses to attend meetings of the National Park Authority's Planning Committee.**
- 3.45 We have considered what expenses, if any, should be paid in relation to ward business. The scheme already provides for payment of expenses for attendance at meetings of parish councils and for certain visits to the sites of planning applications. We additionally **recommend that travelling expenses should be paid for meetings with officers at the Council's offices to discuss business relating to the Member's ward.**
- 3.46 We also considered whether travelling expenses should be paid for other duties, such as meetings with organisations or individuals within members' wards. However, we believe that such journeys would be difficult to verify and, therefore, **recommend that, apart from those duties specifically covered by the scheme, travelling expenses should not be payable for duties that take place within the Member's ward.**
- 3.47 We also support some tidying up of the list of official duties, which are highlighted in Appendix 3 to this report, which the Member Services Manager assures us reflects what happens in practice.

Dependants' Carer's Allowance

- 3.48 The current Members' Allowances Scheme provides:-

"A Councillor shall be entitled to be paid a Dependants' Carers' Allowance at the rate specified in Appendix 1 (*the National Minimum Wage*) to enable him to provide for the care of children, disabled or sick relatives whilst the Councillor is engaged on the duties set out in Appendix 3. Such an allowance shall not be paid in respect of carers who are parents, spouses, co-habitees or members of the same household as the Councillor."

- 3.49 We understand one councillor currently claims this allowance. **We recommend that this allowance should remain as currently applicable, save that the National Minimum Wage should be replaced by the**

National Living Wage following its introduction on 1 April 2016 and the substitution of the word “partners” for co-habitees.

Other aspects of the Members’ Allowances Scheme

- 3.50 We make no recommendations for any other changes to the Members’ Allowances Scheme.

ICT Consumables Allowance

- 3.51 In 2007 the Council introduced payment of an allowance to members who use their own IT equipment for their Council work, as opposed to receiving equipment supplied by the Council. The allowance was intended to cover consumables such as paper and ink cartridges. The allowance currently is £100 a year and in 2014/15 35 members received it.
- 3.52 After the 2015 election, councillors were offered a tablet device provided by the Council in order to gain access to their council email account, committee papers, and other documents and electronic material that they rely on to fulfil their duties. Almost all accepted the offered device and so in 2015/16 only three members received the allowance.
- 3.53 Our survey showed that opinion was divided about whether an allowance for consumables should continue to be paid. On the face of it, the fact that almost all members now have equipment provided by the Council, should negate the need for the allowance. However, a number of members made representations to us that the allowance should continue on the basis that, despite the tablet device they still need to use their own ICT equipment and to print documents. From our survey, opinion among members is fairly evenly divided.
- 3.54 Given that nearly all members now have a Council issued tablet, it is difficult to make the former distinction between those who are entitled to the allowance because they do not have ICT equipment issued by the Council and those who do. We believe that the use of ICT equipment has become part of daily life for most people, in the same way as the telephone. We believe that use of such equipment should now be regarded as part of all members’ role, that (like the telephone) it should be covered by the Basic Allowance, and that there is no longer justification for continuing a separate allowance. We have, therefore, taken this into account in our recommendation on the level of Basic Allowance (see paragraph 3.20 above). **We recommend that the separate allowance for ICT consumables, previously paid to some members, be discontinued.**

A note on taxation

- 3.55 Member allowances and expenses are paid through payroll and are subject to PAYE. All member allowances are subject to tax. The amount of tax paid, of course, depends on the individual’s tax code. However, HMRC have agreed that a proportion of the allowances is tax free, and these tax free allowances

are updated annually based on the March retail prices index and are notified to members by the Payroll Manager. The tax-free element of the current Basic Allowance is £722.

- 3.56 Mileage paid in excess of the HMRC mileage rate is also subject to tax. The current mileage rate for staff and members is 46.9 pence per mile whilst the HMRC rate is currently 45 pence per mile. Therefore 1.9 pence per mile is taxable. Again, the amount of tax paid would depend on the individual's tax code.

Co-optees' allowances

- 3.57 We were asked to advise on remuneration of Co-optees who assist the Council. These include, for example, Independent Persons appointed under the Localism Act 2011 to advise on Standards matters and Members of the Independent Remuneration Panel, but there may from time to time be others such as those invited to advise the Overview and Scrutiny Committee. The Standards Independent Persons have a contract of employment whereby they receive a modest payment equivalent to the allowance which used to be paid to the former independent Chairman of the Standards Committee, and we do not wish to disturb that arrangement.
- 3.58 We suggest **that an appropriate level of remuneration would be £50 per meeting, unless there is an existing contract of employment as in the case of the Standards Independent Persons.**

Financial Summary of the Panel's recommendations.

Summary of recommendations	No. of Members	Current Allowances 2014-2015 £	Recommended Annual Allowances £	Total £
<i>Basic Allowance</i>				
Members of Council	48	4,541	4,725	226,800
<i>Special Responsibility Allowances</i>				
Chairman of the Council	1	4,751	5,000	5,000
Leader	1	13,989	14,500	14,500
Deputy Leader	1	6,863	7,200	7,200
Leader of the Opposition	1	5,386	4,500	4,500
Member of the Cabinet	5	6,652	7,000	35,000
Chairman of Planning Committee	1	4,751	6,000	6,000
Chairman of the Overview and Scrutiny Committee	1	4,751	5,500	5,500
Chairman of the Corporate Governance and Audit Committee	1	4,751	4,000	4,000
Chairman of Licensing Committees	1	4,751	4,000	4,000
Chairman of Standards Committee	1	643	500	500
Members of the Licensing Sub-Committees (including Substitute Members)				
6 or more meetings attended per annum		318	300	
Total of Annual Basic and Special Responsibility Allowances				313,000

The schedule of recommended annual allowances establishes a new base effective from 1st April 2016.

Budget Effect

Basic allowance: increase from £4,541 to £4,725	£8,832
Special responsibility allowances:	
- increase in Chairman's allowance from £4,751 to £5,000	£249
- increase in Cabinet member allowance from £6,652 to £7,000	£1,740
- increase in Leader allowance from £13,989 to £14,500	£511
- increase in Deputy Leader allowance from £6,863 to £7,200	£337
- decrease in Leader of Opposition allowance from £5,386 to £4,500	- £886
- variations in allowances for committee chairmen	£353
Travelling allowance for attendance at party group meetings and other changes (estimate)	£3,000
Discontinuance of IT Consumables allowance:	- £3,500
National Insurance implications of proposed changes	£349
Total impact of proposed changes	£10,975

Extracts from Government Guidance on Members Allowances Schemes

These extracts are taken from “New Council Constitutions: Guidance on Regulation for Local Authority Allowances”, published by the Department for Communities and Local Government (DCLG).

What allowances can be paid?

7. In summary, the allowances which are or may be payable to members of local authorities are as follows:

- basic allowance
- special responsibility allowance
- dependants' carers' allowance
- travelling and subsistence allowance.

8. The new co-optees' allowance may be payable to co-opted and appointed members of principal councils and non-elected members of other bodies appointed or nominated by a principal council.

Basic allowance

9. Each local authority must make provision in its scheme of allowances for a basic, flat rate allowance payable to all members of the authority. The allowance must be the same for each member. The allowance may be paid in a lump sum, or in instalments through the year.

10. Basic allowance is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes.

Special responsibility allowance

11. Each local authority may also make provision in its scheme for the payment of special responsibility allowances for those councillors who have significant responsibilities. Special responsibility allowance may be payable for duties which fall within the following categories:

- acting as leader or deputy leader of a political group
- membership of the executive, where an authority is operating executive arrangements
- presiding at meetings of a committee, sub-committee, or joint committee
- representing the authority at meetings of another body
- membership of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods

- acting as a spokesperson for a political group on a committee or sub-committee
- membership of an adoption appeals panel or panel dealing with licensing or controlling any activity
- any other activities in relation to the discharge of the authority's functions as to require equal or greater effort of the member than any of the activities listed above.

12. A scheme must also specify the amounts of allowance to be paid for each such responsibility.

13. Where one political group is in control, and where an authority has decided to pay special responsibility allowances, the authority must make provision for the payment of a special responsibility allowance to at least one member of a minority group.

14. [Applies to London]

Dependants' carers' allowance

15. A scheme of allowances may also include the payment of a dependants' carers' allowance to those councillors who incur expenditure for the care of children or other dependants whilst undertaking particular duties. These duties are specified in the Regulations and are as follows:

- a meeting of the executive
- a meeting of a committee of the executive
- a meeting of the authority
- a meeting of a committee or sub-committee of the authority
- a meeting of some other body to which the authority make appointments or nominations, or
- a meeting of a committee or sub-committee of a body to which the authority make appointments or nominations
- a meeting which has **both** been authorised by the authority, a committee, or subcommittee of the authority or a joint committee of the authority and one or more other authorities, or a sub-committee of a joint committee **and** to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups)
- a meeting of a local authority association of which the authority is a member
- duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened
- duties undertaken on behalf of the authority 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
- duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996
- any other duty approved by the authority in connection with discharging the

duties of the authority or its committees or sub-committees.

Travelling and subsistence allowance

16. Each local authority may also make provision in its scheme for the payment of a travelling and subsistence allowance to its members, including co-opted members.

17. This may include provision for the payment of an allowance for those members who travel by bicycle or other non-motorised transport.

18. The Regulations also allows for waste disposal authorities and joint boards on which authorities are represented to pay a travelling and subsistence allowance to its members.

19. The Regulations provide that travelling and subsistence allowances may be paid for:

- a meeting of the executive
- a meeting of a committee of the executive
- a meeting of the authority
- a meeting of a committee or sub-committee of the authority
- a meeting of some other body to which the authority make appointments or nominations
- a meeting of a committee or sub-committee of a body to which the authority make appointments or nominations
- a meeting which has both been authorised by the authority, a committee, or subcommittee of the authority or a joint committee of the authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups)
- a meeting of a local authority association of which the authority is a member
- duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened
- duties undertaken on behalf of the authority 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
- duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996
- any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.

Co-optees' allowance

20. Each local authority may also make provision in its scheme for the payment of a co-optees' allowance, for attendance at conferences and meetings, to any co-opted and appointed members of a council's committees or sub-committees.

21. The co-optees' allowance will in general be an annual allowance, and it may vary from one co-opted member to another. Authorities have the ability to pay a proportion of the annual allowance in proportion to part of the year for which a member of a relevant committee or sub-committee serves on that committee or sub-committee.

22. Where either a co-opted or an appointed member is appointed chair of the committee on which they are co-opted or appointed, the co-optees' allowance they receive must be of an amount no less than the equivalent special responsibility allowances being made available to chairs of equivalent committees of the council.

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The work of the panel

61. The regulations provide for independent remuneration panels to have the following functions:

- to make recommendations to the authority as to the amount of basic allowance that should be payable to its elected members
- to make recommendations to the authority about the responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance
- to make recommendations to the authority about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
- to make recommendations as to the amount of co-optees' allowance
- to make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined
- to make recommendations on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended
- to make recommendations as to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run
- to make recommendations as to which members of an authority are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972
- as to treating basic allowance and special responsibility allowance as amounts in respect of which such pensions are payable.

[Note: Councillors' access to the Local Government Pension Scheme was discontinued by regulations made in 2014]

62. The local authority will need to ensure that the panel is clear about its remit and the timetable in which it is working. The local authority will need to provide the panel with information about the roles of councillors in the authority and the way in which the authority operates and discharges its functions. The panel will need information about the business of the council.

63. The panel will need to have regard to this information. In addition, the panel may itself consider recent research on the role of councillors, or perhaps seek information about the work of other independent remuneration panels.

64. The council should provide the panel with the necessary resources to do this where it so chooses and should also provide the panel with copies of this guidance.

65. The independent remuneration panel will need to take into account this Guidance, in particular the factors highlighted in paragraphs 67-81 below, when making its recommendations to the council.

Making a scheme of allowances

66. In making the scheme of allowances a council should have regard to factors and issues in paragraphs 67-81 below.

Basic allowance

67. Paragraph 10 details the sorts of things basic allowance is intended to cover. Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated.

68. It is important that some element of the work of members continues to be voluntary - that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected members, and further to ensure that, despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained.

69. The local authority may wish to agree a rate for remuneration. They may chose to be guided by the LGA daily rate which is based on the national (male) median white-collar wage.

Alternatively they may wish to look at local and regional wage rates as these may seem more appropriate as measures for the allowances paid to members of its community. Local authorities may also wish to consider the allowances and remuneration which is paid to other members of the voluntary sector e.g. members of local health trusts.

Special responsibility allowance

70. Special responsibility allowance (SRA) may be paid to those members of the council who have significant additional responsibilities, over and above the generally accepted duties of a councillor. These special responsibilities must be related to the discharge of the authority's functions.

71. The Regulations do not limit the number of special responsibility allowances which may be paid, nor do the regulations prohibit the payment of more than one special responsibility allowance to any one member.

72. However, these are important considerations for local authorities. If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the additional roles of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.

73. It does not necessarily follow that a particular responsibility which is vested to a particular member is a significant additional responsibility for which a special responsibility allowance should be paid. Local authorities will need to consider such particular responsibilities very carefully. Whilst such responsibilities may be unique to a particular member it may be that all or most members have some such responsibility to varying degrees. Such duties may not lead to a significant extra workload for any one particular member above another. These sorts of responsibilities should be recognised as a time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which a special responsibility allowance should be recommended.

74. In addition, any particular local authority will need to look carefully at the nature of its constitution when determining its scheme. New arrangements will mean that there are inevitable changes in the positions of responsibility on the Council, both in terms of number and workload. Some councillors will be spending significantly more of their time on council duties than has ever previously been the case. On the other hand, changes in the traditional committee structure will mean that there are far fewer committees and, as a consequence, fewer councillors engaged as chairs and vice-chairs of numerous committees.

75. In a case where a local authority has agreed that the holder of the chair of its overview and scrutiny committees should be rotated that local authority will need to assure itself of the additional responsibilities of the temporary chairs before determining what allowances to recommend.

76. Having determined which duties should be acknowledged as significant additional responsibilities, the local authority will need to consider the levels of special responsibility allowance which are attached to each post. A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this may be the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance. One way of calculating special responsibility allowances may be to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance for either the elected mayor or the leader.

Dependants' carers' allowance

77. The panel may recommend that such an allowance is made available to elected members of the authority. It may also recommend a level for this allowance.

78. Local authorities will wish to consider whether this allowance should be set at an hourly rate which may vary depending on the sort of care which has been required.

They may wish to consider whether the allowance should be subject to a maximum cap or alternatively, whether the allowances paid will be equal to the costs incurred.

Travel and subsistence allowance

79. The panel may recommend that allowances are made available to members in respect of travelling and subsistence. It may recommend which duties shall attract travel and subsistence allowances, and the levels of any such allowance.

80. Panels should consider a level of allowance which might be reasonably expected to cover a member's travel and subsistence costs. The panel may recommend, for example a system of direct invoicing or an annual or monthly allowance designed to cover all travel or subsistence within a particular period. In making their recommendation, the panel should take into account the need for a system which can operate efficiently and cost-effectively.

Co-optees' allowance

81. The panel may recommend payments for those who serve on the committees or subcommittees of an authority but who are not members of an authority. It may also make a recommendation as to the level of such an allowance. In doing so it may wish to consider the degree of time and effort put in by co-optees. Some element of the contribution made by co-optees should be voluntary. However, consideration should be given for the need to encourage non-councillors to give their services to local government, and to ensuring that co-optees are not financially disadvantaged by their civic activity.

**CHICHESTER DISTRICT COUNCIL
REVISED SCHEME OF MEMBERS' ALLOWANCES (2016)**

Chichester District Council ("the Council"), in exercise of the powers conferred by Section 18 of the Local Government and Housing Act 1989, Section 100 of the Local Government Act 2000 and The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended), hereby makes the following scheme:

Commencement

1. This Scheme shall have effect from 1st April 2016 and for subsequent years.

Definitions

2. In this scheme,

"Councillor" means a Councillor elected to the Council;

"year" means the 12 months ending with 31st March.

Basic Allowance

3. (1) Subject to the provisions of this Scheme, for each year a basic allowance as set out in Appendix 1 shall be paid to each Councillor.
- (2) Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, his entitlement shall be to payment of such part of the Basic Allowance as bears to the whole the same proportion as the number of days during which his term of office as Councillor subsists bears to the number of days in that year.

Special Responsibility Allowances

4. (1) For each year a Special Responsibility Allowance shall be paid to those Councillors who hold the special responsibilities in relation to the Council that are specified in Appendix 1.
- (2) Where the Councillors are divided into different political groups and a majority belongs to one of those groups, a Special Responsibility Allowance shall be paid to the leader of the largest minority group, or if the largest minority groups are of equal size then, in the absence of an agreement between them as to who the Official Leader of the Opposition will be, then the allowance shall be shared equally between them.
- (3) Subject to the provisions of this Scheme, the amount of each such allowance shall be the amount specified against that special responsibility in Appendix 1.

- (4) Where a Councillor does not have throughout the whole of a year any such special responsibilities as entitle him to a Special Responsibility Allowance, his entitlement shall be to payment of such part of the special responsibility allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.

Dependants' Carers' Allowance

5. A Councillor shall be entitled to be paid a Dependants' Carers' Allowance at the rate specified in Appendix 1 to enable him to provide for the care of children, disabled or sick relatives whilst the Councillor is engaged on the duties set out in Appendix 3. Such an allowance shall not be paid in respect of carers who are parents, spouses, partners or members of the same household as the Councillor.

Travelling and Subsistence Allowances

6. A Member shall be entitled to be paid Travelling and Subsistence Allowances at the rates specified in Appendix 2 in respect of travelling and subsistence undertaken in connection with or relating to the duties set out in Appendix 3.

Disqualification etc. of a Member

7. Where an allowance has already been made in respect of any period during which the Member concerned
 - (a) ceases to be a Member; or
 - (b) is in any other way not entitled to receive an allowance in respect of that period

the Council may require that such part of the allowance as relates to any such period be repaid to the Council.

Election to forgo allowances

8. A Member may by notice in writing given to the Chief Executive elect to forego all or any part of his entitlement to an allowance under this scheme.

Claims and payments

9.
 - (1) Payments of Basic and Special Responsibility Allowances shall be payable monthly in arrears through the Council's payroll.
 - (2) Claims for Travelling and Subsistence Allowances and Dependants' Carers' Allowance shall be submitted to the Council within two months of the expenditure being incurred. Claims will not be considered beyond this time limit unless there are extenuating circumstances.

Dual Membership

10. Where a member is also a member of another authority (as defined in Regulation 3), that member may not receive allowances from more than one authority in respect of the same duties.

Review and Backdating of Reassessments

11. (1) The levels of the Basic Allowance and Special Responsibility Allowance specified in this scheme shall continue until they are next reviewed.

(2) The provisions of this scheme shall be reviewed by the Independent Remuneration Panel within four years.
12. Reassessments of the allowances in future years shall not be automatically backdated to 1st April in these years unless there are specific reasons to the contrary.

APPENDIX 1 TO THE SCHEME

1. **Basic allowance** (Paragraph 3)

The amount of Basic Allowance payable to each Councillor shall be £4,725 per year.

2. **Special Responsibility Allowances** (Paragraph 4)

The amounts of Special Responsibility Allowances and the special responsibilities for which they shall be payable shall be as follows:-

	£ per year
Chairman of the Council	5,000
Leader of the Council	14,500
Deputy Leader	7,200
Leader of the Opposition	4,000
Member of the Cabinet	7,000
Chairman of the Planning Committee	6,000
Chairman of the Overview & Scrutiny Committee	5,500
Chairman of the Corporate Governance & Audit Committee	4,000
Chairman of the Alcohol & Entertainments and General Licensing Committees	4,000
Chairman of the Standards Committee	500
Members of the Alcohol & Entertainments Licensing Sub-Committees and/or the General Licensing Sub-Committees (including Substitute members):-	
1 – 5 meetings attended per annum	no payment
6 or more meetings attended per annum	300

Notes : (a) Councillors are entitled to receive only one Special Responsibility Allowance at the same time.

(b) If the Chairman of the Council or a committee is absent for a continuous period of more than 2 months his SRA will be paid instead to the Vice Chairman if he takes on the responsibilities during that period of absence.

3. **Dependants' Carers' Allowance** (Paragraph 5)

The amount of the Dependants' Carers' Allowance shall be the same as the National Living Wage (£7.20 per hour from 1.4.16), or the National Minimum Wage (£6.70 per hour) if the carer is aged under 25.

APPENDIX 2 TO THE SCHEME

The rates under the Scheme shall be as follows:-

1. Travelling

- | | | |
|-------|--|---|
| (i) | Travel to seminars/conferences and training courses held outside of the district | Cost of standard class rail fare; by own car only in exceptional circumstances at 34p per mile. |
| (ii) | Travel to meetings and other events by own car (up to maximum of 8,500 miles per annum) | 46.9p per mile, plus 5p per mile for cars with CO ₂ emissions of less than 135g/km |
| (iii) | Car parking – at cost
Travel by train - standard class rail fare
Taxi - if urgent and necessary - at cost
Bus - at cost
Motorcycle - 24p per mile
Cycles - 20p per mile
Member drives other member(s) or officer(s) on official Council duties – extra 5p per mile per passenger | |

2. Subsistence

- | | |
|--|--|
| (i) Breakfast | £7.78 (where travel starts before 7am and absence is less than 24 hours) |
| (ii) Lunch | £10.67 (for necessary absences of several hours spanning the normal lunch period leaving home/ office before 11am and returning after 3pm) |
| (iii) Tea | £4.25 (if unable to return to home/office by 6.30pm) |
| (iv) Evening Meal | £13.33 (if unable to return to home/office by 8.30pm) |
| (v) Out of Pocket Expenses for residential courses | £6.03 per night. |

3. Further Conditions

- a) To claim travel and/or subsistence allowance valid receipts or other evidence of the expenditure must be produced.
- b) If the expenditure on subsistence is less than the allowance, only the lesser figure will be reimbursed. No claim will be paid if the meal was provided free by the Council or another body.
- c) Allowances for tea and evening meal cannot be claimed for the same day.
- d) If an overnight stay is necessary, and not included in the course fee, normally only bed and breakfast and evening meal are reimbursed.

4. The above rates for Travelling and Subsistence shall be varied in accordance with the rates approved from time to time by Chichester District Council for its staff. **[Note: Rates shown above are those that apply from 1 April 2014]**

APPENDIX 3 TO THE SCHEME

1. DUTIES SPECIFIED IN THE REGULATIONS [Regulation 8(1)(a)-(f)]

- (a) Attendance at a meeting of the Council or of any Committee or Sub-Committee of the Council, or of any other body to which the Council makes appointments or nominations, or of any committee or sub-committee of such a body.
- (b) Attendance at any other meeting, the holding of which is authorised by the Council, or a Committee or Sub-Committee of the Council, or a Joint Committee of the Council and one or more local authorities or a Sub-Committee of such a Joint Committee, provided that where the Council is divided into two or more political groups it is a meeting to which Members of at least two such groups have been invited.
- (c) Attendance at a meeting of any association of authorities of which the Council is a member.
- (d) Attendance at meetings of the Cabinet or of any Panels or Forums appointed by the Cabinet.
- (e) Duties in pursuance of any standing order requiring a Member or Members to be present while tender documents are opened.
- (f) Duties in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the Council to inspect or authorise the inspection of premises.

2. DUTIES APPROVED BY THE COUNCIL [Regulation 8(1) (h)]

1. Liaison meetings with:-
 - (1) Local Chambers of Commerce
 - (2) Local Branches of the National Farmers' Union
 - (3) Local Amenity Societies and
 - (4) Annual Liaison Meeting with Parish Councils
2. Attendance of Councillors to observe the proceedings at meetings of Committees and Panels of which they are not Members.
3. Site meetings of the Planning Committee but excluding attendance by local representatives unless specifically approved. For this purpose, site meetings are those meetings the holding of which has been previously authorised by

the Committee or other formally constituted Panel of Councillors in order to assist it in formulating a decision or recommendation on any matter formally before it for consideration; and that authorisation expressly designated the meeting as an approved duty for the purpose of payment of Councillors' allowances.

4. Meetings, visits or other arrangements made on an ad hoc basis between meetings of the relevant bodies if approval is given in accordance with the power delegated to the Head of Finance and Governance Services.
5. In-house training seminars or external training events if approval is given in accordance with the power delegated to the Head of Finance and Governance Services.
6. Annual visit to the coast to assess coastal management priorities and/or the Annual Property tour and other excursions, tours and site visits arranged for members in the course of official District Council duties.
7. Such activities as the Chairman of the Council, the Vice-Chairman of the Council, a Cabinet Member or the chairman of a committee considers necessary for the effective performance of his/her duties.
8. Attendance at briefings for Chairmen and Vice-Chairmen of particular meetings.
9. Training and educational conferences where authorised by the Head of Finance and Governance Services in accordance with delegated powers.
10. Attendance at Parish Council meetings (including committees of the parish council) within the Member's ward where the District Councillor is not already a Member of that Parish Council.
11. Attendance at meetings of the South Downs National Park Authority's Planning Committee by members whose wards are partly or wholly within the National Park.
12. One visit by the local ward member to the site of a planning application to be considered by the Planning Committee for the purpose of preparing comments for the Committee.
13. Meetings with officers at the Council's offices to discuss business relating to the Member's ward. [Note: Apart from 10. and 12. above, travelling expenses are not payable for duties that take place within the Member's ward.]
14. Attendance at political party group meetings held specifically for the purpose of, or in connection with, the discharge of the functions of the Council, subject to:
 - (a) the approval not extending to more than twelve political group meetings a year; and

(b) each Group Secretary being required to certify that any such group meeting has been principally concerned with District Council business, and to provide records of attendance to the Member Services Manager.