

Report of the Independent Allowances and Remuneration Panel to Wealden District Council – January 2015

Introduction

1. This is the 14th Annual report of the Independent Allowances and Remuneration Panel, established by Wealden District Council to make recommendations to the Council as to the amount of allowances which should be payable to its elected and co-opted members and independent members of the public sitting on committees (Allowances Scheme).

Summary

2. Following its deliberations, the Panel **recommends** the following in relation to the Allowances Scheme for 2015/16:
 - (a) The Basic Allowance be increased by £86 and be paid to each of the 55 Councillors at £4,386 per annum;
 - (b) Special Responsibility Allowance (SRA) payments be increased by and pay to the following office holders as indicated below:

Chairman of the Council	£4,549
Vice-Chairman of Council	£1,122
Leader of the Council	£12,832
Minority Group Leader(s) (where group is 5 or more members)	£1,020 plus £165 per member
Minority Group Leader or Spokesperson (where group is less than 5 members)	£362
Cabinet Member (up to 6)	£5,304
Chairman of Overview & Scrutiny Committee (1)	£3,585
Chairman of a Planning Committee (2)	£4,004
Deputy Chairman of a Planning Committee (2)	£1,336
Chairman of Audit and Finance Committee	£3,585
Chairman of Licensing Committee	£1,301
Chairman of Personnel Committee	£2,678
Chairman of Standards Committee	£1,301
Independent Persons on the Standards Committee	£780

- (c) The policy to fix Travelling Allowances in line with HM Revenue & Customs 'Approved Mileage Allowance Payment' rates be re-affirmed;
- (d) There be no increase to Subsistence Allowances or Carers' Allowances, but Wealden's policy of reimbursing reasonable actual costs of care above the level of the allowance be endorsed;
- (e) The SRA payment of £362 per year continue to be payable to the leader or spokesperson of the largest minority political group be paid where:

- i. the group has fewer than five members;
- ii. such leader or spokesperson is not in receipt of an SRA which exceeds £359 for any other reason; and
- iii. no other minority political group leader or spokesperson is receiving an SRA for undertaking the role of leader or spokesperson of the largest minority group.

Background

3. Under Section 99 of the Local Government Act 2000 a local authority can only amend its Allowances Scheme following a review by an independent panel. The Wealden Independent Allowances and Remuneration Panel established for this purpose comprises three members: Martin Varley (Chairman), Michael Kettell, and Edward Stone.

Consideration

4. The Panel met on Monday, 27th October 2014 (Martin Varley and Edward Stone in person, with Michael Kettell by conference call as he was incapacitated with a broken leg). The Panel subsequently dealt with the preparation of this report through discussion and advice from officers by email.
5. The Panel in its considerations took account of:
 - (a) The Panel report to the Council for 2014/15;
 - (b) The Cabinet reports to the Council for 2014/15 and decision notices;
 - (c) The Council's Constitution: Part 6, Members' Allowances Scheme adopted from 1st May 2014;
 - (d) Responses from an invitation to Councillors to submit their views of the current scheme, following the Panel's meeting of 27th October 2014;
 - (e) South East Employers' 2013/14 survey of South East local authorities' members' allowances– summary report and the full data; and
 - (f) The Council's draft budget for 2015/16; and.
 - (g) Information from the Director of Governance and Corporate Services and Democratic Services Manager as to proposed changes in the Council's policy for the provision of IT hardware to Members.

Basic Allowance

6. In making its recommendations in relation to the level of Basic Allowance, is the Panel noted that the current level is £4,300., The current Basic Allowance includes an increase of 1% over the previous rate from 1 April 2014, in line with the Panel's recommendation for 2014/15.
7. The Panel was advised that the draft budget for 2015/16 had been issued for consultation includes a provision for an overall increase in Members' allowance payments of 1%. In that draft budget there is a provision for an increase in staff pay (including performance-related benefits) of 2.4%. In the past the Panel has recommended increases in Members' Basic Allowance which the Council has not adopted. Consequently, the Basic Allowance has been devalued in real terms over the last 14 year period and perhaps more so than salaries and wages generally. The Panel has taken account of the budgetary constraints on the Council and has been cautious in making recommendations in excess of anticipated awards of salary to officers. In light

- of the proposals for increases in staff pay the Panel is of the view that an increase of 2% in the Basic Allowance would be appropriate.
8. The Panel invited all Councillors to submit any views on the Allowances Scheme and levels of specific allowances not later than 12 November 2014. The Panel has received one response, which emphasised that it was important that the allowances were increased given the rise in the cost of living, and the growing workload for Councillors, in particular in relation to their community leadership roles.
 9. The Panel has taken account of the fact that the Council is nearing the end of its four year electoral cycle. Based on previous elections, a number of new Councillors are likely be elected from May 2015. The Panel has over a number of years questioned whether there is any evidence to suggest that Basic Allowance either attracts or dissuades potential candidates some from standing for election. Members who have provided evidence have consistently stated that the level of the Basic Allowance played no part in their respective decisions to stand.
 10. As in previous years the Panel has taken account of comparative data on the levels of basic allowance and types of SRA paid by other statutory authorities in South East England. the Panel once again took account of the levels of allowances in the region. The Panel did not consider that the Basic Allowance is out of kilter with those paid by other Councils.
 11. The Panel therefore recommends that there be an increase in the Basic Allowance of 2% to £4,386 per annum for 2015/16.

IT Allowance

12. Officers advised that approximately thirteen Councillors have a broadband line paid for by the Council. These Members have been on the Council since 2007 when it was the Council's policy to provide Members with broadband access at the Council's expense. The Panel was advised that the Portfolio Holder considers this to be an inefficient use of resources: a business line has to be utilised which is costly and has strict data download limits. the Panel was advised that it is intended that the Council will cease to fund broadband to those Members who currently receive payments at the end of the current municipal year. The Panel were asked if the Panel wished to make any advisory recommendation for an IT allowance to be paid to all Members which would cover broadband costs for Council use and any peripheral IT expenses or an increase to the Basic Allowance to reflect this change.
13. Panel Members are of opinion that it is not permissible under the current Regulations to pay a separate IT allowance. The Panel's members recollected that when this was previously considered the Panel recommended to the Council that, the then £750 IT allowance should be incorporated into the Basic Allowance, as that was recommended to be increased accordingly. The Panel is surprised to understand that the payment of broadband costs have continued to be made.
14. Subsequent to its meeting the Panel was informed that due to a change in the Government's requirements on data security all Councillors would become data controllers in their own right. They can access Council emails and documents on their own equipment. The Panel was advised that, in order to support Members in their community leadership role, the right IT equipment would be required and that the most effective way of ensuring this was being investigated by the Council.

Special Responsibility Allowances (SRAs)

15. The Panel has noted the current schedule of SRAs and discussed the level of allowances for 2015/16.
16. The Panel notes that neither Members or Officers have not highlighted any particular responsibility allowances which need to change for 2015/16.
17. The Panel is pleased to note from the survey that none of the SRAs are particularly out of kilter with other similar authorities in the South East of England.
18. The Panel considers that it is appropriate that SRAs are increased by 2%.
19. The Panel therefore **recommends** that the Special Responsibility Allowances for 2015/16 be as set out in the summary above.

Co-optees

20. The Panel understands that co-option is not a current feature of the Council's Committees, with the exception of Parish Council representatives on the Standards Committee, although provision is available within the Constitution, if required.
21. The Panel therefore **recommends** that co-optees continue to receive payment of out of pocket travel, subsistence expenses and the payment of carers' costs, should any be appointed, but that no additional allowance is paid.

Carers' Allowances

22. The Panel considers that it is important to continue to have provision for carers' allowances to enable individuals with caring responsibilities to be able to become Councillors and to support members whose circumstances change and become carers.
23. The Panel is advised that the Authority's current practice is to have an agreed level of payments for day to day care, but, with the Portfolio Holder's endorsement, to meet the actual cost of care if this is higher than the approved amount. The Panel supports this approach.
24. The Panel therefore **recommends** no change to the current Child Carers' Allowance of up to £8 per hour, and endorses the practice of the Authority of meeting actual costs incurred above this level, where necessary.
25. Similarly, in respect to Elderly Dependants/Dependants with Disabilities Carers' Allowance, the Panel **recommends** that there be no change to the nominal allowance, but that actual costs be reimbursed.
26. The Panel therefore **recommends** no change to the current allowance of up to £12 per hour, and continues to endorse the practice of the Authority of meeting actual costs incurred above this level, where necessary.

Travelling Allowance

27. The Panel made recommendations to the Council in respect of a change in travel allowance rates in June 2014, to take into account the taxation of 'home to office' mileage for Councillors who do not 'routinely see constituents in their homes'.
28. The Panel notes that its recommended increase in mileage payments made in June 2014 to enable all payments to be taxed and simplify the system, had not been implemented. This is because on the day that the recommendation was

due to be adopted, the Government had announced its intention to change the tax position from 1 April 2015 so that Councillors would no longer be taxed on 'Home to Council' office mileage.

29. The Panel notes that this guidance is still awaited, but, on the assumption that Councillors would no longer be taxed on 'Home to Council' office mileage, recommends that travelling allowances continue to be paid in line with the HM Revenue & Customs 'Approved Mileage Allowances Payments' (AMAP), and that the Council adjusts its administrative arrangements on taxation of these allowances to meet the new Government guidance, when received.

Approved Duty Status

30. The Panel is advised that the criteria applied by the Council in respect of approved duties includes Councillors attending parish and town council meetings within their wards, and this continues to be supported.

Subsistence Allowance

31. The Panel considers that there had not been a significant increase in the cost of food, and in some areas this has decreased and so there is no justification to amend subsistence payments for 2015/16.
32. The Panel recommends that there be no change to the current level of subsistence rates for 2015/16, making the payments as follows, but within the timeslots adopted by the Council from 1 April 2014:

Breakfast	£5.50	When away from home on approved Council business before 8 am.
Lunch	£7.50	When away from home on approved Council business between 12 noon and 2 pm.
Tea	£3.50	When away from home on approved Council business between 5 pm and 7 pm.
Evening Meal	£9.50	When away from home on approved Council after 7 pm.

33. As with current practice, payment should continue to be subject Councillors certifying that they had actually and necessarily incurred the amount being claimed.

Other Business

34. The Panel does not consider that it is appropriate to make any recommendations beyond 2015/16, as it anticipates that there could be changes in the requirements on the Council arising from the elections both local and national in May 2015, which would need to be reflected in the Council's Allowance Scheme in future years.
35. The Panel would like to express its thanks to the Members and Officers who had assisted it in its work and the preparation of this report.

Mr Martin Varley
Chairman
14/01/2015