



Epping Forest District Council

MEMBER REMUNERATION PANEL **Monday, 11th February, 2008**

Place: Group Room, Civic Offices, High Street, Epping

Time: 5.00 pm

Committee Secretary: Graham Lunnun, Research and Democratic Services
Tel 01992 564244 Email: glunnun@eppingforestdc.gov.uk

Members:

D Jackman and S A Lye

1. CHAIRMAN

To elect a Chairman for the meeting.

2. APOLOGIES FOR ABSENCE

3. TERMS OF REFERENCE

At its meeting on 12 November 2007, the Cabinet requested the Panel to undertake a comprehensive review of the current Members' Remuneration Scheme and make recommendations for changes to be implemented at the commencement of the 2008 - 09 municipal year.

4. INFORMAL MEETINGS (Pages 3 - 10)

Notes of the following informal meetings of Panel members, councillors and officers held on 19 December 2007 are attached:

- (a) Panel members and officers with Councillor P House, Leader of the LRA Group;
- (b) Panel members and officers with Councillor Mrs D Collins, Leader of the Conservative Group;
- (c) Panel members and officers with Councillor J M Whitehouse, Leader of the Liberal Democrats Group;
- (d) Panel members and officers.

The Panel requested that the Chief Executive be asked if he wishes to discuss the Members' Allowances Scheme with the Panel. The Chief Executive has advised that he has no particular issue to raise with the Panel but is happy to attend a meeting if the Panel would find it helpful.

5. MEMBER REMUNERATION SCHEME - REVIEW (Pages 11 - 22)

To consider the attached report.

6. INDEPENDENT REMUNERATION PANEL - ALLOWANCES

The Assistant to the Chief Executive to report.

7. TIMETABLE

In order for the Council to implement revisions to the current scheme for implementation at the commencement of the 2008 – 09 municipal year, it will be necessary for the Panel to report to the council meeting on 22 April 2008.

The agenda dispatch date for that meeting is 10 April 2008.

It is suggested that the Panel completes its considerations by 28 March 2008 leaving the period from that date until 10 April 2008 to finalise its report.

8. VACANCY

To consider what action should be taken to fill the vacancy on the Panel.

9. DATE OF NEXT MEETING

Agenda Item 4

Notes of Informal Meeting held on 19 December 2007

Present: S Lye, D Jackman (Independent Remuneration Panel Members)
Councillor P House (Leader of LRA Group)
I Willett, G Lunnun

- Councillor P House outlined his background in business. When first nominated to stand for election he had been unaware of any remuneration for Councillors.
- He now considered EFDC members vastly underpaid.
- He expressed concerns about the age balance on the Council/the male/ female balance/the lack of a wide socio-economic spread. He said revising the allowances was the key to addressing these issues. He said some Councillors refused to take allowances as they saw their duty as a charitable function. He had not seen much change in this approach during the last six years.
- He favoured a basic allowance of approximately £5,000 per annum.
- He pointed out the Leader's position was virtually full-time and the current allowance was derisory.
- He was Chairman of the Staff Appeals Panel and, although there had been a period of three years without a meeting, in recent months three meetings had been held. As Chairman, there was a need to be impartial and fair and to read all the documents carefully beforehand in order to issue guidance to others as necessary. He likened it to an Employment Tribunal. He confirmed members had HR and Legal Officers to assist them. He confirmed that training was necessary. There was a need to have knowledge of the relevant protocols/procedures. He felt members of the Panel needed to take more care and be more disciplined than members of other committees since the Panel was concerned with issues such as ethnicity and gender whilst generally other committees needed to apply a degree of common sense only to their decision-making.
- He drew attention to other duties falling on Chairmen - liaising with Directors, Portfolio Holders, Vice-Chairman and others prior to meetings. He suggested the ideal profile for a Councillor candidate was, young/own boss/working from home or young women/parent with part-time job looking to do something more satisfying.
- He was not aware of his Group having 'lost' any potential candidates due to the current levels of remuneration. LRA candidates tended to come from more of a community base than other groups. He said it was possible the Group had retained some Councillors because of remuneration.
- He felt Cabinet members should receive different levels of remuneration. The Finance, Performance Management and Corporate Support Services Portfolio Holder was responsible for approximately half of the Council's budget and a third of staff. He was not familiar with the work of all of the Portfolio Holders. Budgets and employees were quantitative measures which could judge the differences with some evaluation of workload, e.g. Cabinet reports, Portfolio Holder decisions.
- He felt there should be a base payment for Group Leaders as some of their duties did not vary accord to the number of members in a Group. The LRA did not have internal disciplinary structures like other Groups. There were monthly executive meetings at which issues were discussed. The views expressed were not binding on Council members. He did not consider the role of Group Leaders had changed since

the Conservative Group had taken overall control of the Council. It was up to a Leader to decide how much communication there was with members of the Group.

- In summary, he felt his Group considered the amounts of the current allowances derisory and that by increasing them the electorate would be given a wider choice of candidate. He felt that attendance at meetings should have some impact on the level of the basic allowance and accepted there would always be a degree of inequality between members.

G/C/LUNNUN/J 2008/NOTES OF INFORMAL MEETING - 19 DEC. 2007

Notes of Informal Meeting held on 19 December 2007

Present: S Lye, D Jackman (Independent Remuneration Panel Members)
Councillor Mrs D Collins (Leader of Conservative Group and Leader of Council)
I Willett, G Lunnun

- Councillor Mrs Collins apologised for the Council not yet fully adopting the Panel's original recommendations. She advised that members had decided to be prudent but were now finding the role of Portfolio Holder quite onerous. 80/90% of decisions were taken by the Cabinet. The Cabinet had been reduced from 10 members to 8 and in May 2008 would be reduced further to 7 members. At present, there were 4 males and 4 females on the Cabinet and a split of 3/5 between those in full-time and retired part-time employment. The full-time ones were losing a lot in salary and unless allowances were increased, they would not be able to afford to continue as Councillors. She did not want to reach a position where all posts were held by retired people. An additional £30,000 had been put in the draft budget for 2008/09.
- She did not believe there was a need for a Deputy Leader's allowance and felt that the Staff Appeals and Complaints Panels could be amalgamated. She also felt that the Chairman of the JCC role undertaken by the Finance, Performance Management and Corporate Support Services Portfolio did not justify a separate allowance.
- Her Group's aim was to get the level of allowances right and then increase them yearly in line with inflation.
- She acknowledged the case for different levels of remuneration for Cabinet members. The Finance, Performance Management and Corporate Support Services Portfolio had the largest Portfolio. The Civil Engineering and Maintenance Portfolio would disappear in May 2008 and the duties would be spread among the others. The Community Wellbeing Portfolio Holder worked very hard and had a high profile although had a relatively small budget. The Housing Portfolio was relatively large. However, she would prefer not to undertake detailed evaluations of the roles at this stage in view of the changes proposed for next May. She also pointed out that all of the recently appointed Directors were paid the same amount based on external assessment and there was a desire to align the work of Portfolio Holders more closely with Directors. Further work would be required in allocating duties, e.g. some of the Deputy Leader's responsibilities would go to the Leisure Portfolio Holder in order to align them more closely with the Deputy Chief Executive. The ultimate aim was to achieve one to one.
- She pointed out that since the Panel had last looked at the scheme, there had been major changes in the delivery of the Highways and Leisure Services. Also, when there had been a balanced Council the officers had more responsibility but now members dictated what happened. Cabinet Members were acting more strategically than before.
- In relation to the basic allowance, she pointed out that a number of members were not active. She accepted the Council was not prescriptive enough about making sure members undertook training and believed an element of the basic allowance should be withheld if a % attendance was not achieved in relation to meetings/training.
- She did not consider the role of Chairman of the Overview and Scrutiny Committee justified the current allowance which was equal to that of a Portfolio Holder. The role was not too pro-active, was not arduous. She was not suggesting a reduction but questioned the need for any increase.

- In relation to the Leader's role, she did not believe this could be undertaken by someone in full-time employment. She estimated undertaking 30 hours per week taking decisions on a daily basis. She pointed out the increased liaison between the Leader and the Council's senior management.
- Although the Deputy Leader occasionally took the chair at Cabinet meetings in her absence the role did not justify a separate allowance. The current Deputy Leader was in agreement with this approach. She pointed out that the Deputy Leader did not need to be the Finance, Performance Management and Corporate Support Services Portfolio Holder.
- She requested that the Panel look at an allowance for members chairing the Licensing Sub-Committees.
- In relation to Area Plans Sub-Committee Chairmen she pointed out their limited role outside of meetings.
- She felt the Group Leaders allowances were obsolete. There used to be regular meetings to facilitate business but were now rare with an administration in place.

G/C/LUNNUN/J 2008/NOTES OF INFORMAL MEETING - 19 DECEMBER 2007

NOTES OF INFORMAL MEETING HELD ON 19 DECEMBER 2007

Present: S Lye, D Jackman (Independent Remuneration Panel Members),
Councillor J M Whitehouse (Leader of Liberal Democrats Group), I Willett,
G Lunnun

1. Councillor Whitehouse circulated a list of bullet points for discussion.
2. In relation to Basic Allowance he did not consider it an attraction to becoming a Councillor but did not regard it as a barrier. Most candidates did not regard the allowance as income for a form of employment. There was no particular agitation to change the level - a level should be agreed and then up rated yearly with inflation.
3. The public service element should be recognised. Time was more of a barrier than the amount of the allowance. Some authorities were paying too much - a substantial increase would be unlikely to result in a noticeable improvement in the Council. Contributions made were more important than attendance but linking part of the allowance to attendance at meetings/training was worth exploring.
4. The Leader's role was demanding but was difficult to reconcile with a full time job.
5. SLA's recognised need for some daytime meetings/engagements - the roles could be justified as full time in county/unitary authorities but not districts. The allowances justified a greater differential with the basic allowance.
6. The Deputy Leader role was mainly one of status and did not justify a separate allowance.
7. It was logical to assume there were differentials in value in the Portfolio Holder roles but we should caution about getting too involved in evaluations. The Portfolios involved in waste management had been onerous in the build up to a new contract but were now less onerous. The Planning and Economic Development Portfolio would be very onerous when the East of England Plan came into being but less so at other times. Allowances for Portfolio Holders could not be adjusted year by year but there was a case for two or three tiers of payment taking account of budget/manpower responsibilities. There was a need to take account of what was planned for next May in relation to Portfolios. Possibly one tier for the Leader and two other tiers.
8. The Council was still exploring how Overview and Scrutiny could work best. The importance of Overview and Scrutiny should be recognised through the scheme. The workload on the Scrutiny chairs was less onerous than on Cabinet members. Overview and Scrutiny should not receive the same amounts as Portfolio Holders.
9. The allowance to the Chairman of the JCC should be abolished.
10. No first hand knowledge of Housing Appeals, Complaints, Licensing. Roles can be demanding if done properly. Not clear of role of Chairman above that of other

members of Panels - simply chairing meeting or need to be proactive? Housing Appeals and Licensing should possibly be paid the same as Area Plans Subs.

11. Tend to be against allowances for all members of Panel.
12. Travelling should be paid for informal site visits.
13. No member should receive more than one SRA - should be paid for the primary role only.
14. Group Leaders - should be base payment with further element based on number in Group. Help to secure smooth running of Council, consultation such as this exercise - can be demanding role depending on size of Group.
15. Not to wish to see explosion in SRA's.
16. Agree basic allowance limitations but not a complex system and no more than 1/3 to be dependant on attendance etc.
17. Tiering/ranking of Portfolios required more in depth work to be done - may not be right time in view of changes planned for next May.

NOTES OF INFORMAL MEETING HELD ON 19 DECEMBER 2007

Present: S Lye, D Jackman (Independent Remuneration Panel Members),
I Willett, G Lunnun

Following meetings with Councillors P House, Mrs D Collins and J M Whitehouse agreed:

- (a) seek views of other members via Members' Bulletin.
- (b) approach Chief Executive to establish if he wishes to talk to Panel.
- (c) time line to be drawn up including formal meetings of the Panel to achieve report of Panel being submitted to Council meeting in April 2008.

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Report to the Independent Remuneration Panel



**Epping Forest
District Council**

Date of meeting: 11 February 2008

Subject: Members' Allowances Scheme - Review

Officer contact for further information: Graham Lunnun (01992 – 564244)

Recommendation:

To undertake a comprehensive review of the Members' Allowances Scheme and make recommendations for changes to be implemented at the commencement of the 2008/09 municipal year.

Report:

Introduction

1. The Local Government Act 2000 and the Local Authorities (Members' Allowances)(England) Regulations 2003, require local authorities to review their allowances schemes and to appoint independent remuneration panels to consider and make recommendations on new schemes. The Government's "Guidance on Consolidated Regulations on Local Authority Allowances" outlines the main statutory provisions and gives non-statutory guidance. A summary is given below:
 - (a) **Basic Allowance:** each local authority must make provision for a basic, flat rate allowance payable to all members; the allowance must be the same for each councillor and can be paid as a lump sum or in instalments.
 - (b) **Special Responsibility Allowances (SRAs):** each authority may make provision for the payment of special responsibility allowances for those councillors who have significant responsibilities; the Panel recommends the responsibilities and levels of allowances.
 - (c) **Co-optees' allowance:** each authority may make provision for the payment of an allowance to co-optees for attending meetings, conferences and seminars.
 - (d) **Childcare and dependent carers allowances:** local authorities may make provision for the payment of an allowance to those councillors who incur expenditure for the care of children or dependent relatives whilst undertaking particular duties.
 - (e) **Travel and subsistence:** each authority may determine the levels of travel and subsistence allowances and the duties to which they should apply.
 - (f) **Pensions:** each local authority may specify which councillors, if any, should be eligible for inclusion in the Local Government Pension Scheme and which allowances (basic and/or special responsibility) should be pensionable.
 - (g) **Indexation:** each local authority may determine that allowances should be increased in accordance with a specified index and can identify the index and set the number of years (not exceeding four) for which it should apply.

(h) **Backdating:** each local authority may determine that, where amendments are made to an allowances scheme, the allowances as amended may be backdated.

2. The Council's Members' Allowances Scheme was initially approved by Council in December 2002 following consideration of a report of the Independent Remuneration Panel. The Panel last reviewed the scheme in 2005 following which the Council amended the scheme for the year 2006/07.
3. Since 2002 the Council for budget reasons has not paid the full amounts of allowances recommended by the Panel. At its meeting in February 2007 the Council decided to continue with the payment of 90% of the amount of Basic Allowance set out in the scheme (i.e. a sum of £2,835 per annum per councillor). In addition as recommended by the Panel, members who have entered into an agreement under the Council's Connectivity Scheme receive an allowance of £500 per annum in their first year of office and £250 per annum in each subsequent year of their term of office. Special Responsibility Allowances are currently being paid at 50% of the amounts set out in the scheme.
4. In winter 2006, Local Government Analysis and Research on behalf of the Local Government Association conducted a survey of all 388 local authorities in England. A total of 257 authorities, including this Council, responded (66.2%). The survey collected information on basic allowance, special responsibility allowances and other allowances paid to members.
5. The Council's Cabinet at its meeting on 12 November 2007 whilst recognising that allowances could be increased up to the 100% figures in the current scheme decided that the current Allowances Scheme requires amendment having regard to the results of the national survey.
6. The following sections set out the elements of the current scheme and comparisons with others.

Current Scheme

7. The Council's current scheme is attached as appendix 1.
8. The key elements of the current scheme include all those categories the current regulations allow, including admission of councillors to the Local Government Pension scheme, child and carers allowances, travel and subsistence.

Benchmarking

9. A summary of the survey undertaken by Local Government Analysis and Research on behalf of the Local Government Association is attached as Appendix 2. Comparisons with other authorities' schemes taken from that survey are attached as Appendix 3.

NB. It should be noted that the EFDC figures used in the survey are the amounts actually being paid at the time and not the full amounts recommended by the Remuneration Panel.

Basic Allowance

10. Basic allowance is payable to all members to reflect the time and effort required to attend meetings, site visits and to deal with constituent problems and queries. It should also cover any incidental costs e.g. telephone calls, paper, envelopes. It should also be borne in mind that the allowance recognises that there is a voluntary element to the work undertaken by members and that it does not set out to fully recompense all work undertaken.

11. The Government's advice to panels is that they should consider the following variables:
 - (a) what is the time requirement to fulfil the role of an ordinary councillor?
 - (b) how much of that time should be seen as public service and not remunerated?
 - (c) what is the remunerated time of a councillor worth?
12. Local Government Analysis and Research produced the Councillor Census for the Improvement and Development Agency (IDeA) and the Local Government Association in 2006. Replies were received from 357 (92%) of the 388 local authorities in England and from 8,748 (44.4%) councillors in office. This research showed that councillors spent, on average, 21.9 hours per week on council/political business, with the largest proportion (20.7%) spending between 16 and 20 hours and the smallest (1.4%) spending between 41 and 45 hours. There were variations between types of authority, with the average number of hours per week spent on council and political business in shire districts amounting to 17.8 hours. Councillors holding a position of leading responsibility spent on average 25.1 hours per week, compared to 18.1 hours for those not holding a senior position.
13. It is generally considered that the time should be 'discounted' by between 25-50% in recognition of the public service element. Anything beyond 50% and councillors are giving most of their time as public service, i.e. unremunerated, while anything less than 25% gives the impression that councillors are reluctant to recognise the public service element. District councils tend to discount closer to the higher end of the spectrum, 40-50%. To then arrive at an hourly rate, some panels look to the Local Government Association's guide that suggests that a councillor's time is worth at least the equivalent of the average male non-manual daily salary but there are local variations.
14. The attached appendices show that the averages for basic allowance (2006) figures were:
 - (a) Average - £5,648 per annum (ranging from £3,991 in shire districts to £9,512 in metropolitan districts and with regional variations (from £4,729 in East Midlands to £9,227 in London) (appendix 2);
 - (b) Average for the 31 shire district/borough councils in the same region as Epping Forest District Council - £4,363 per annum (appendix 3);
 - (c) Epping Forest District Council – Adopted scheme - £3,150 per annum (payment of 90% currently being paid = £2,835) – in addition members signing an agreement under the Member Connectivity Scheme receive £500 per annum in their first year of office and £250 in subsequent years.
15. In recommending a basic allowance of £3,150 per annum in 2001, the Panel took account of the sums being paid by other similar authorities at that time and applied the then minimum adult weekly wage of £4.10 per hour to a 15 hour week.
16. **If the Panel consider there should be a change to basic allowance and that there should be an increase, options include:**
 - (a) **an increase to the average of shire district/borough authorities (as per the survey results);**
 - (b) **an increase to the average for shire districts in the East of England (as per the survey results);**

(c) an increase reflecting the current minimum adult wage of £5.52 per hour – applying this figure to a 15 hour week results in an allowance of approximately £4,300;

(d) a % increase (related to staff APT&C increase or some other figure); it is worth noting that, if the Panel wish to explore use of salary cost as an element, the Local Government Association's last advice in March 2006 was to use either mean increase in full-time weekly earnings (giving a daily rate of £134.98) or median increase (giving a daily rate of £133.80); the Panel could look at regional salaries as a benchmark; further work would be necessary on this option to arrive at a figure.

17. At some of the informal meetings held by the Panel with Group Leaders on 19 December 2007, there was a discussion about accountability and the possibility of withholding an element of the basic allowance if a member failed to achieve a set % attendance in relation to meetings/training sessions.
18. Officers have been unable to find any such provision in any other authority's scheme. However, it is an issue which has been considered by other Panels. An example is included as Appendix 4 (Dacorum District Council Remuneration Panel) although this is somewhat dated (2001).
19. **If the Panel wish to pursue this idea, they may find the attached Appendix 5 helpful as it provides details of this Council's attendance records for 2006/07 and 2007 to date.**

Special Responsibility Allowances

20. The Council's scheme identifies SRAs in common with other authorities e.g. for Leaders, Cabinet portfolio holders, chairmen of committees, panels. These are listed in the scheme at appendix 1). The amounts recommended by the Panel in 2001 resulted from multipliers being applied to the recommended amount of the basic allowance.

(a) Leader of the Council

21. The 2006 comparisons from those who completed the survey give the following for a Leader of the Council:
 - (a) average - £16,356 (ranging from £11,065 in shire districts to £31,784 in London boroughs) (appendix 2);
 - (b) average for 28 of the 31 shire district/borough councils in the same region as Epping Forest District Council - £11,552 (appendix 3);
 - (c) Epping Forest District Council – Adopted scheme - £6,300 per annum (basic allowance x 2) (payment of 50% currently being paid = £3,150).

22. At the informal meetings with Group Leaders, the Panel was advised that this has become a position requiring 30 hours plus per week.

(b) Deputy Leader of the Council

23. The 2006 comparisons from those who completed the survey give the following for a Deputy Leader of the Council:
 - (a) average - £10,536 ranging from £6,319 in shire districts to £20,147 in London boroughs;

(b) average for 20 of the 31 shire district/borough authorities in the same region as Epping Forest District Council paying a Deputy's Allowance - £6,986;

(c) Epping Forest District Council – Adopted scheme - £787.50 per annum (basic allowance x 0.25) (payment of 50% currently being paid = £394).

24. At the informal meetings with Group Leaders, the Panel was advised that this role did not justify a separate allowance.

(c) Cabinet Members

25. The 2006 comparisons from those who completed the survey give the following for Cabinet members/Portfolio Holders:

(a) average - £9,243 ranging from £5,994 in shire districts to £17,634 in London boroughs;

(b) average for 25 of the 31 shire district/borough authorities in the same region as Epping Forest District Council paying a Cabinet members allowance - £7,428;

(c) Epping Forest District Council – Adopted scheme - £6,300 per annum (basic allowance x 2) (payment of 50% currently being paid = £3,150).

26. The Panel may also wish to consider the reduction in Cabinet members from 10 to 8 since they last reviewed these allowances and changes in responsibility which have taken place.

27. During the informal discussion with Group Leaders, there was some acknowledgement of the case for different levels of remuneration for Cabinet members. If the Panel wish to pursue this suggestion, the papers attached as Appendix 6 may be helpful - Proposed Paired Comparison Role Evaluation/Members' SRA Role Description/Budget Summary Sheets/Manpower Summary.

(d) Overview and Scrutiny Committee Chairman

28. The 2006 comparisons from those who completed the survey give the following for Overview and Scrutiny Committee Chairmen:

(a) average - £5,686 ranging from £3,721 in shire districts to £10,738 in London boroughs;

(b) average for the 31 shire district/borough authorities in the same region as Epping Forest District Council - £4,623;

(c) Epping Forest District Council – Adopted scheme - £6,300 per annum (basic allowance x 2) (payment of 50% currently being paid = £3,150).

In addition, the Council's scheme provides for the payment of allowances to the Chairmen of the four Overview and Scrutiny Standing Panels – adopted scheme - £3,150 per annum each (payment of 50% currently being paid = £1,575 each).

29. The Panel may also wish to take account of the revised structure for Overview and Scrutiny since they last considered this allowance. There is now only one Overview and Scrutiny Committee compared with three in 2001.

(e) Chairmen of Area Plans Sub-Committees

30. There are no direct comparisons in the survey. The survey did include allowances paid to chairmen of area committees and forums but these are not necessarily responsible for planning issues alone. Comparing this Council's Area Plans Sub-Committees with those allowances results in the following:

(a) average - £2,841 ranging from £1,180 in shire districts to £6,686 in unitary authorities;

(b) average for the 9 shire district/borough authorities in the same region as Epping Forest District Council paying area committee/forum allowances - £3,851;

(c) Epping Forest District Council – Adopted scheme - £2,362.50 per annum (basic allowance x 0.75) (payment of 50% currently being paid = £1,181).

31. The Panel should bear in mind that since they last reviewed these allowances the number of Area Plans Sub-Committees has been reduced from four to three.

32. Also there is currently a proposal to schedule meetings on a three weekly cycle instead of the current four week cycle. If adopted there will be an increase of approximately five meetings per annum for each Sub-Committee.

(f) Chairman of District Development Control Committee

33. The survey includes comparisons for a Chairman of a Planning Committee. The survey does not define the responsibilities of committees and it is likely that some of the figures under this heading are more closely aligned to this Council's Area Plans Sub-Committees which consider the majority of planning applications. The District Development Committee does consider some routine applications but is also responsible for proposals of major importance to the Council or whole District.

34. Comparing the District Development Control Committee with the survey figures for Planning Committees results in the following:

(a) average - £5,172 ranging from £3,824 in shire districts to £9,978 in London boroughs;

(b) average for the shire district/borough authorities in the same region as Epping Forest District Council - £4,556;

(c) Epping Forest District Council – Adopted scheme - £3,150 per annum (same as basic allowance) (payment of 50% currently being paid = £1,575).

(g) Chairman of Licensing Committee

35. The 2006 comparisons from those who completed the survey give the following for Licensing Committee Chairmen:

(a) average - £4,064 ranging from £3,034 in shire districts to £8,066 in London boroughs;

(b) average for the 29 of the 31 shire district/borough authorities in the same region as Epping Forest District Council - £4,261;

(c) Epping Forest District Council – Adopted scheme - £1,575 per annum (basic allowance x 0.50) (payment of 50% currently being paid = £788).

36. At one of the informal meetings with Group Leaders, the Panel was asked to consider allowances for chairmen of the Licensing Sub-Committees. The Licensing Committee comprising 15 members meets twice a year and receives reports on applications received and determined. The Committee also reviews the Council's licensing function and licensing policy and highlights training necessary for members. Licensing Sub-Committees meet monthly and consider licence applications. Each Sub-Committee comprises four members from the main Committee. Each Sub-Committee elects its chairman as its first item of business. It is difficult therefore to identify which members should receive an allowance as chairmen are not known in advance of meetings.

(h) Group Leaders

37. The Council's current scheme provides for allowances to be paid to political Group Leaders. The adopted scheme provides for a special responsibility of £315 for each five members of the Group. Payments are currently being made at a rate of 50% of that figure.
38. There is no comparison in the survey with other authorities as this is not an element of other schemes. Some authorities do pay an allowance to one Opposition Leader. The average payment for those shire districts in the East of England making such a payment is £3,469.

Other Committees/Panels

39. The Council's current allowances for the Complaints Panel, Staff Appeals Panel and Housing Appeals and Review Panel are the same as that for the Licensing Committee. There are no direct comparisons for these bodies in the survey.
40. At one of the informal meetings with Group Leaders, the role of the Staff Appeals Panel chairman was highlighted and it was suggested this should receive increased recognition. It was also suggested to the Panel that the role of Chairman of the Joint Consultative Committee did not justify a separate allowance and should be recognised as a duty coming within responsibilities of the relevant Portfolio Holder.
41. Since the Panel last reviewed the scheme, the Council has established an Audit and Governance Committee and the Panel are asked to consider an SRA payment for the Chairman.

Options for Change

42. **If the Panel consider there should be a change to Special Responsibility Allowances and that there should be increases, options include:**
- (a) an increase to the average of shire district/borough authorities (as per the survey results);**
 - (b) an increase to the average for shire districts in the East of England (as per the survey results);**
 - (c) a multiplier of the basic allowance;**
 - (d) a simple percentage increase.**

Co-optee Allowances

43. The allowances for co-optees are currently £700 for the Chairman of the Standards Committee and £350 for Independent Members of the Overview and Scrutiny Committee, Standards Committee and Audit and Governance Committee.

44. The survey provides comparisons for the Chairman of the Standards Committee.
- (a) average - £2,077 ranging from £1,578 in shire districts to £3,938 in metropolitan districts;
 - (b) average for the 25 of the 31 shire district/borough authorities in the same region as Epping Forest District Council - £1,726;
 - (c) Epping Forest District Council – as set out above.

45. **The Panel may wish to consider whether there is any need to review the co-optee allowances.**

46. Not all co-optees have not been claiming their allowance and with the review of the allowances there should be an assurance that all co-optees are aware of the rates, particularly following any changes in memberships.

Travelling Allowance

47. The Council has chosen to apply the same rates as those paid to officers, in common with other authorities. These are reviewed nationally on an annual basis. At present the rates are 40.5p per mile for use of a vehicle not exceeding 999cc; 44.2p per mile for use of a vehicle not exceeding 1199cc; and 55.8p per mile for use of a vehicle exceeding 1199cc. The Council also has provision for a bicycle allowance of 48.5p per mile. The 2006 survey showed that 92.6% of authorities offered travel allowance and 54.1% offered a bicycle allowance. Thirty of the 31 shire districts/boroughs in the same region as this Council pay travel allowance and 25 pay bicycle allowance. Some authorities keep to a rate of 40p per mile – as this is the level above which members are liable to tax.

48. **The Panel may wish to consider whether there is any need to amend the scheme – for all or for a category of members (e.g. Cabinet).**

49. Other factors commonly considered by review panels are whether to use allowances to encourage less carbon burning methods of travel. Options include increasing the cycle allowance, having one rate across all engine size, or even giving a higher rate of allowance for those with lower cc engines. The Council's scheme already provides for the payment of some extra pence per mile for carrying passengers.

50. Attached as Appendix 7 are the notes which appear on the back of the members' claim form.

51. Travelling and subsistence is payable in respect of 'approved' duties which are defined in the scheme.

The definition includes payment for attendance at the following:

"(a) a meeting of the authority, or as a member of the Cabinet, a Cabinet Committee, or of any committee or sub-committee, working group, special committee or Board of the authority, together with the Standards Committee and the Independent Remuneration Panel."

52. Representations have been made by some members for a revision of this definition to allow for payment of travelling and subsistence to all members attending a meeting of the Cabinet. The case being made is that there ought to be recognition of the need, from time to time, for non-Cabinet members to attend to contribute and/or listen to debates even though they do not have a role in the decision-making. The same representations have been made in respect of Cabinet Committees.

53. Similar representations have also been made in respect of the Overview and Scrutiny Committee and its Panels where the attendance of Portfolio Holders is often required and matters of interest to all members are discussed.
54. **It is suggested that the definition be amended as follows:**
- "(a) a meeting of the authority, the Cabinet, a Cabinet Committee, the Overview and Scrutiny Committee and its Panels, the Standards Committee and its Sub-Committee, or as a member of any other committee or sub-committee, panel, working group, special committee or Board of the authority".**
55. **There is also a need to revise the definition of approved duties to (a) reflect the up to date list of conferences attended by members; (b) acknowledge attendance at seminars and training sessions arranged by the Council; (c) consultation meetings arranged by the Council where the member's attendance is required or where the business directly affects the member's ward; (d) site visits arranged by Area Plans Sub-Committees or the District Development Control Committee. If the Panel agrees with these suggestions, the officers will revise Schedule 2 of the Scheme and the Guidance Note on Allowances and submit the revised documents to a future meeting.**
56. **A further suggestion has been made by one political group for the payment of travelling and subsistence allowances for attendance at informal ('lone') site visits by members of Area Plans Sub-Committees. It has been suggested that knowledge of a site and its surroundings is likely to lead to better decision-making. Whilst there is merit in the suggestion, the Panel will need to consider how such claims can be audited - there will be no opportunity for an independent check on such claims. The Council's Chief Internal Auditor has been approached for his views and he is not overly concerned if the Panel recommend payment for informal 'lone' visits. Acknowledging that claims cannot be independently checked he has advised that claims will be able to be checked for 'reasonableness'.**

Subsistence Allowance

57. The current rates are set out in Appendix 7. The survey showed that 87.9% of authorities offer subsistence allowance. Twenty-five of the shire districts/boroughs in the same region as this Council offer subsistence.
58. The Council's current rates have fallen behind the equivalent rates paid to officers which are currently – not exceeding £6.07 for breakfast; not exceeding £8.39 for lunch; not exceeding £3.31 for tea; not exceeding £10.38 for evening meal. These rates are reviewed annually by the National Employers. The Panel may feel that members' rates should be increased to those paid to officers.

Carer's Allowance

59. The scheme also provides a childcare/dependent carer's allowance payable at a rate equivalent to the current adult National Minimum Wage (currently £5.52) with a maximum of four hours imposed on any one claim. Allowances are not payable in respect of carers who are members of the councillor's immediate and close family, i.e. parents, children, spouses, co-habitees or members of the same household as the councillor. To date no member has received this allowance.

60. The survey of all councils showed that:

Dependent carer's allowance averaged £6.84 per hour (£7.63 per hour in shire district /borough authorities in the same region as Epping Forest District Council)(27 of the 31 authorities making provision)

Childcare allowance averaged £5.96 per hour (£6.12 per hour in shire district /borough authorities in the same region as Epping Forest District Council)(22 of the 31 authorities making provision)

61. **The Panel may wish to review the amounts in the light of payments made by others.**

Pensions

62. The current scheme also enables members to join the Local Government Pension Scheme (as do 10 other shire district/borough councils in the same region as Epping Forest District in the survey) and this is currently taken up by very few members. The Council agreed to this following a previous recommendation of the Panel. This is not a decision that the Panel is able to review.

Other factors to consider in this review.

Member Roles, Member Development and Performance Management

63. The current member role accountability statements, agreed in 2001, are attached as Appendix 8. These are in need of review to reflect the community leadership role.
64. The changing role of members, the increased expectations of public and of bodies such as the Audit Commission, mean that member development is more generally accepted as critical to ensuring members are equipped to serve their communities and drive improvement in local government. There is growing acceptance of the value of training and development.

'Representing the Future' – The Councillors Commission

65. The Councillors Commission, chaired by Dame Jane Roberts was tasked with making recommendations regarding the incentives and barriers to:
- (a) encouraging suitably able, qualified and representative people to be candidates to serve as councillors of principal authorities;
 - (b) their retention and development once elected, or appointed under the Local Government Act 2000; and
 - (c) their being able to secure public interest and recognition for the work they carry out for their communities.
66. As part of the review, the Commission examined whether the allowance and remuneration regime for councillors (a) delivers value for money; (b) takes account of comparable increases in public sector pay; (c) takes account of constraints on local government resources; and (d) maintained public confidence.
67. Relevant sections of the Commission's recommendations are attached as Appendix 9.

Conclusions

68. The Panel are invited to review each aspect of the Member Allowances Scheme as set out above and to agree if and how any increases should be made and also whether to link allowances to Member Development in the manner described.
69. In particular, the following aspects need to be reviewed:
- (a) Basic Allowance - Amount (paragraphs 10-16)
 - (b) Basic Allowance - Clawback/withholding (paragraphs 17-19)
 - (c) Special Responsibility Allowances
 - Amount for Leader (paragraphs 21-22)
 - Amount for Deputy Leader (paragraphs 23-24)
 - Amount for Cabinet Members (paragraphs 25-27)
 - Amount for Overview and Scrutiny Chairman ((paragraphs 28-29)
 - Amount for Chairman of Area Plans Sub-Committees (paragraphs 30-32)
 - Amount for Chairman of District Development Control Committee (paragraphs 33-34)
 - Amount for Chairman of Licensing Committee (paragraphs 35-36)
 - Amounts for Group Leaders (paragraphs 37-38)
 - Amounts for Chairmen of Other Committees/Panels (paragraphs 39-41)
 - (d) Co-optee Allowance - Amount (paragraphs 43-46)
 - (e) Travelling Allowance
 - Amounts (paragraphs 47-50)
 - Approved Duties (paragraphs 51-56)

- (f) Subsistence Allowance - Rates
(paragraphs 57-58)
- (g) Carer's Allowance - Amounts
(paragraphs 59-61)

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