

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Member Remuneration Panel **Date:** Thursday, 31 January 2013

Place: Group Room, Room 1.19, First Floor, Civic Offices, High Street, Epping **Time:** 5.30 - 7.10 pm

Members Present: D Jackman, Ms R Kelly and S A Lye

Other Councillors:

Apologies:

Officers Present: I Willett (Assistant to the Chief Executive) and G Lunnun (Assistant Director (Democratic Services))

1. CHAIRMAN

RESOLVED:

That Mr S Lye be elected Chairman for the meeting.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made by Members of the Panel in any item on the agenda.

3. MINUTES OF THE LAST MEETING

RESOLVED:

That the minutes of the meeting held on 25 January 2012 be taken as read and signed by the Chairman as a correct record.

4. REPORT OF THE PANEL - 2012/13

The Panel considered a draft of its Annual Report for 2012/13. Matters which had been reviewed during the year included the Basic Allowance, Implementation of Allowances, Special Responsibility Allowances, the IT Connectivity Allowance, travel expenses and an approach from another authority for a Joint Remuneration Panel.

RESOLVED:

That the Annual Report 2012/13 be submitted to the next full Council meeting on 19 February 2013.

5. MEMBERS' ALLOWANCES SCHEME - REVIEW

The Panel reviewed the following aspects of the Members' Allowances Scheme with a view to making recommendations to the Council for changes to be implemented for the year 2013/14:

- (a) Basic Allowance;
- (b) Special Responsibility Allowances;
- (c) Standards Committee – Chairman;
- (d) Standards Committee – Independent Persons;
- (e) IT Connectivity Allowance;
- (f) Travel Outside of the District; and
- (g) Meetings regarding Joint Arrangements and Partnership Working.

(a) Basic Allowance

The Panel discussed the concern expressed last year by some Members of the Council about reliance being placed on the hourly National Minimum Wage multiplied by an average number of hours worked per week as a factor in recommending the amount of Basic Allowance.

The Panel noted that officers had established from a number of other authorities that the main factor which was taken into account by their Remuneration Panels in recommending the Basic Allowance was comparison data available from similar authorities.

The Panel considered the amounts of Basic Allowance achieved using comparison data from other authorities and the National Minimum Wage calculation.

The Panel concluded that whilst the difference between the two calculation methods appeared to be growing it was felt that both methods were worthwhile taking into account in the future with greater weight being given to the amounts paid by similar authorities in the region.

The Panel gave further consideration to the level of Basic Allowance taking account of the current level of implementation by the Council of £3,150 per annum. The Panel repeated comments made in the past that in its view by paying a Basic Allowance considerably less than similar authorities there was a danger of undervaluing the role of councillor which could make it more difficult to attract potential candidates to stand for election in future.

RECOMMENDED:

- (1) That no change be made to the amount of Basic Allowance of £4,300 per member per annum; and
- (2) That in formulating the budget for 2014/15 the Council considers increasing the level of implementation of the Basic Allowance currently set at £3,150 per member per annum.

(b) Special Responsibility Allowances

The Panel noted that apart from the Standards Committee Chairman there had been no change in responsibilities which necessitated a review of these allowances.

RECOMMENDED:

That except for the Chairman of the Standards Committee no change be made to the Special Responsibility Allowances.

(c) Special Responsibility Allowance – Chairman of the Standards Committee

The Panel distinguished between the previous standards arrangements under which the Chairman of the Standards Committee was an Independent Member who received an allowance of £1,000 per annum and the new standard regime introduced from July 2012 under the provisions of the Localism Act 2011 which required that only district councillors could be members of the District Council's Standards Committee.

The Panel took account of a Member Role Accountability Statement for the Chairman and discussed the responsibilities and the likely workload under the new arrangements.

The Panel noted that the Chairman would chair at least four meetings a year but found it difficult to identify the full extent of the other principal accountabilities of the post due to the short time in which the new arrangements had been in operation.

RECOMMENDED:

(1) That the Chairman of the Standards Committee be paid a Special Responsibility Allowance of £500 for the year 2013/14; and

(2) That the Panel gives further consideration to this Allowance as part of his next review of the Allowances Scheme.

(d) Independent Persons

The Panel noted that under the new Standards regime a new role had been created, that of Independent Person. The Panel was advised that the legislation required the District Council to appoint at least one Independent Person and that following advertisement and interview this Council had appointed four Independent Persons and one reserve who would take the place of one of the four when he ceased to be an Independent Person on 30 June 2013 in accordance with the legislation.

The Panel discussed the role of Independent Persons and received details of payments being proposed by a number of other authorities.

The Panel was advised as Independent Persons were not members of the Council or its Committees or Sub-Committees, any remuneration fell outside of the Council's Members' Allowances Scheme. However, in order to assist the Council in determining an appropriate payment the views of the Panel were being sought in the light of its experience in considering Members' Allowances.

RECOMMENDED:

- (1) That the Council be recommended that the Independent Persons appointed by the Council as part of its standards arrangements be paid an allowance of £250 per member per annum; and
- (2) That the Panel gives further consideration to this allowance as part of its next review of the Allowances Scheme.

(e) Independent Remuneration Panel

The Panel discussed the decision taken by the Council some years ago to pay each member of the Independent Remuneration Panel an amount of £500 per annum.

The Panel compared its role and payments to those in the Members' Allowances Scheme. Members of the Panel pointed out that when the amount had been agreed the Panel had been meeting several times a year to develop what had since become a stable Allowances Scheme no longer requiring fundamental changes, especially in the current climate of financial restraint. As a result the Panel was now meeting only once or twice a year and undertaking background reading.

In the light of its current role and workload the Panel agreed that the Council should be invited to reduce the payments made to Members of the Panel.

RECOMMENDED:

That the Assistant to the Chief Executive review the payments made to Members of the Independent Remuneration Panel and report to a future meeting of the Council on the suggestion of the Panel that the payments to Panel Members be reduced.

(f) Connectivity Scheme

The Panel discussed the views expressed last year by some members of the Overview and Scrutiny Committee that the Connectivity Allowance was no longer required as the vast majority of councillors had the required access to the Internet in their homes.

The Panel discussed the background to the introduction of the Connectivity Allowance and the progress being made by the Council in introducing electronic agenda despatch.

The Panel was informed that during the last year the Council had made an approach to the Department for Communities and Local Government requesting that consideration be given to a change in the law to allow councils to send agenda, minutes and committee reports to their members by electronic means. The Panel noted that whilst the Government had recognised this as an interesting idea no further progress had been made on taking the matter forward.

The Panel was reminded that an amount of £500 per annum was payable to members in their first year of office and a payment of £250 per annum in subsequent years. These different amounts had been introduced as it was felt that there was a need for a degree of "frontloading" during the first year to enable members' own workstations to be upgraded in order to access the Council's IT networks. The Panel concluded that there had been a considerable increase in the ownership of broadband and computers since the allowance had been introduced and on balance,

therefore, there was no longer any need for the “frontloading” element of this allowance.

The Panel discussed the need for the continuation of this allowance at a rate of £250 per annum and decided that this aspect should be reviewed if and when the Council was successful in achieving a change in law which could result in members accessing agenda, minutes, reports etc via an electronic tablet.

RECOMMENDED:

(1) That the amount of the Connectivity Allowance payable to members be reduced to a payment of £250 per member per annum, with payments being made subject to fulfilment of the requirements for payment; and

(2) That the payment of £250 per member per annum be reviewed if and when the law allows the Council to consider replacing paper agenda, reports etc with electronic tablets.

(g) Travel Outside of the District

The attention of the Panel was drawn to the provisions of the scheme which imposed a limit on the amount of travel expenses claimable for journeys to approved meetings outside of the district. For such journeys, claims irrespective of mode of travel could not exceed the lower of:

(a) rail fare plus Underground and other fares from station to destination at each end of the journey; or

(b) the appropriate car mileage.

The Panel was informed that recently some members of the Council had raised concerns about this restriction, in particular when it applied in relation to destinations which were difficult if not impossible to reach by way of public transport. The Panel was advised that in accordance with the approved scheme when members submitted car mileage claims for such journeys the amount claimed was often reduced in order to reflect the cost of public transport irrespective of the fact that the use of public transport might involve a long and tortuous route.

Members of the Panel stated that in their experience this was a common feature of Expense Payments Schemes in both the public and private sector. They emphasised that the scheme did not prevent members from travelling by car by choice but merely capped the cost to the public purse of any travel to what was considered reasonable bearing in mind that mileage allowances incorporated significant sums for standing charges.

RECOMMENDED:

That no change be made to the provisions of the Allowances Scheme regarding the limit placed on the amount of expenses claimable for travel outside of the district.

(h) Meetings regarding Joint Arrangements and Partnership Working

The Panel was informed that there was an increasing requirement for members to attend meetings to discuss joint working arrangements or partnership arrangements with other authorities. Often formal appointments had not been made to these associations and as a result attendance at such meetings was not covered by the list of approved duties.

The Panel acknowledged the need for meetings of this nature.

RECOMMENDED:

That the following paragraph be added to the list of approved duties in Schedule 2 of the Allowances Scheme:

“1(o) Attendance at a meeting concerning joint working or partnership arrangements to represent the Council’s interests.”

6. COUNCILLORS' PENSIONS

The attention of the Panel was drawn to a Government proposal to end access to the Local Government Pension Scheme for Councillors. The Panel was informed that more than 4,000 councillors had joined the Local Government Pension Scheme since it had been made available to them in 2003 and that two current Epping Forest District councillors were in the Scheme.

The Panel was advised that the Government’s intention was to deny councillors access to the Scheme from April 2014. Councillors already in the Scheme would have their pension provision accrued up to that date protected, but would not be able to acquire any more benefits after that date.

RESOLVED:

That the proposal of the Government to deny Councillors access to the Local Government Pension Scheme from April 2014 be noted and reported to the Council.

7. DATE OF NEXT MEETING

RESOLVED:

That the next meeting be held on a date to be agreed.

CHAIRMAN