

**EPPING FOREST DISTRICT  
REMUNERATION PANEL**

**FOURTH ANNUAL REPORT  
2006/7 AND 2007/8**

## **Introduction**

This is the fourth annual report of the District Remuneration Panel for the Epping Forest District. The report summarises the Panel's work during the years 2006/7 and 2007/08 and indicates further matters for review in the future.

## **Legal Background**

We were established under the Local Government Act 2000, which requires the Council to establish a Remuneration Panel to advise on payment of allowances and expenses to District Councillors.

Remuneration Schemes agreed under these arrangements are subject to public notification and copies of remuneration schemes once agreed must be available to the public for scrutiny as must the payments actually made at the end of each financial year.

## **Membership**

For 2006/7, the Panel comprised three independent members, namely:

Mike Donn  
David Jackman  
Stephen Lye

During 2006/7, Mike Donn resigned from the Panel and, despite one recruitment exercise to fill the vacancy, the Council has not been successful in recruiting a replacement. For 2007/8 the two remaining members have constituted the Panel. We understand that the Council will carry out another recruitment exercise in 2008/9 so we are hopeful that by the time of our next review, we will be back to full strength.

We would like to record our appreciation of the contribution of Mike Donn as a founder member of the Panel and the work he undertook to assist the Panel in devising the remuneration schemes operating in the District.

## **2006/07 Review**

No matters were brought forward for review by the Panel in 2006/7.

## **2007/08 Review**

Details of our review undertaken in 2007/08 and our recommendations for implementation in 2008/09 follow.

**Recommending:**

**Basic Allowance**

- (1) That the Basic Allowance be increased to £4,300 per member per annum;**
- (2) That the supplement to the Basic Allowance of £500 per annum in respect of Member Connectivity be amended to accord with the decision made by the Council to reduce that amount to £500 for the first year in office and £250 for all subsequent years;**
- (3) That when the Remuneration Scheme is next reviewed by the Panel, consideration be given to proposals for withholding or clawing back part of the Basic Allowance from councillors who fail to perform their role adequately;**
- (4) That the Panel's current suggestions for achieving the withholding of part of the Basic Allowance in the future, ie. quarterly payments to be made at a rate of 20% for the first, second and third quarters and 40% for the last quarter with the final payment being withheld if a member has not achieved at least a 60% attendance record at appropriate meetings/training sessions as at the end of February each year, be noted;**

**Performance**

- (5) That in order to maintain public confidence in the performance of councillors, the Council publish once a year the attendance records for all members at meetings and training sessions;**

**Leader of the Council**

- (6) That the Special Responsibility Allowance for the Leader of the Council be £10,750 per annum;**

**Deputy Leader of the Council**

- (7) That no provision be made for a Special Responsibility Allowance for the Deputy Leader of the Council;**

**Cabinet Members**

- (8) That the Special Responsibility Allowance for Cabinet Members be £6,450 per annum per Portfolio Holder;**
- (9) That when the Remuneration Scheme is next reviewed by the Panel, consideration be given to recommending different tiers of Portfolio Holder Special Responsibility Allowances having regard to workload and responsibilities;**

**Overview and Scrutiny Committee and Panels - Chairmen**

- (10) That the Special Responsibility Allowance for the Chairman of the Overview and Scrutiny Committee be £4,300 per annum;**

**(11) That the Special Responsibility Allowance for each Chairman of the Overview and Scrutiny Standing Panels be £2,150 per annum;**

**(12) That no provision be made for Special Responsibility Allowances for the Chairmen of the Overview and Scrutiny Task and Finish Panels;**

#### **Chairmen of Area Plans Sub-Committees**

**(13) That the Special Responsibility Allowance for each Chairman of an Area Plans Sub-Committee be £3,225 per annum;**

#### **Chairman of the District Development Control Committee**

**(14) That the Special Responsibility Allowance for the Chairman of the District Development Control Committee be £3,225 per annum;**

#### **Licensing Committee and Sub-Committees - Chairmen**

**(15) That no provision be made for a Special Responsibility Allowance for the Chairman of the Licensing Committee, as it is not considered a Committee meeting only twice a year justifies an allowance;**

**(16) That no provision be made for Special Responsibility Allowances for the Chairmen of Licensing Sub-Committees as it is not possible to identify which members should receive this allowance as Chairmen are not known in advance of meetings;**

**(17) That the payment of Special Responsibility Allowances for Chairmen of Licensing Sub-Committees be reviewed when the Panel next considers the Remuneration Scheme if the Council changes the arrangements for the election of Chairmen by electing an appropriate number of named Councillors at its Annual Meeting;**

#### **Group Leaders**

**(18) That no provision be made for Special Responsibility Allowances for Group Leaders but that payment of these allowances be reviewed in the future if and when the Council becomes balanced again;**

#### **Other Committees/Panels**

**(19) That the Special Responsibility Allowance for the Chairman of the Audit and Governance Committee be £2,150 per annum;**

**(20) That the Special Responsibility Allowance for each Chairman of the Complaints Panel, the Staff Appeals Panel and the Housing Appeals and Review Panel be £1,075 per annum;**

**(21) That no provision be made for a Special Responsibility Allowance for the Chairman of the Joint Consultative Committee;**

#### **Co-optee Allowances**

**(22) That provision be made for co-optee's allowance of £500 per annum for the independent members of the Council's Standards Committee, co-opted**

independent members of an Overview and Scrutiny Committee, and co-opted members of the Audit and Governance Committee; except that provision be made for an allowance of £1,000 per annum for the independent Chairman of the Standards Committee;

#### **Travelling Allowance**

(23) That the rates of Travel Allowance continue to be the same as the higher rates paid to officers classed as casual users and that these rates continue to be adjusted annually in accordance with the national review undertaken by the National Joint Council for Local Government Services;

(24) That the Bicycle Allowance be set at the highest of the higher casual rates paid to officers classed as casual users and that this rate be adjusted annually in accordance with the review undertaken by the National Joint Council for Local Government Services;

(25) That the definition of 'approved duties' in the scheme be amended to include payment for attendance at the following:

"(a) meeting of the Authority, the Cabinet, a Cabinet Committee, the Overview and Scrutiny Committee and its Panels, the Standards Committee and its Sub-Committees, or as a member of any other Committee or Sub-Committee, Panel, Working Group, Special Committee or Board of the Authority";

(26) That the definition of approved duties be further amended 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) acknowledge attendance at consultation meetings arranged by the Council where the member's attendance is required or where business directly affects the members ward;

(d) acknowledge attendance at site visits arranged by Area Plans Sub-Committees or the District Development Control Committee;

(e) acknowledge attendance at informal ('lone') site visits by members of Area Plans Sub-Committees;

#### **Subsistence Allowance**

(27) That Subsistence Allowances be paid at the same rates as those paid to officers and be revised annually in accordance with the review undertaken by the National Joint Council for Local Government Services;

## **Carer's Allowance**

**(28) That a Child Care/Dependent Carer's Allowance be paid at a rate equivalent to the current Adult National Minimum Wage with all the existing conditions in relation to payments being continued;**

## **Commencement**

**(29) That the revised allowances be payable from the commencement of the municipal year 2008/09;**

## **Member Roles, Member Development and Performance Management**

**(30) That the Member Role Accountability Statements be reviewed in due course to reflect the changing role of members, the increased expectations of the public and of bodies such as the Audit Commission;**

## **'Representing the Future' - The Councillors Commission**

**(31) That any recommendations of the Commission adopted by the Government be considered when the scheme is next reviewed.**

## **Background**

1. The present legislative framework for Members' Allowances Schemes is contained in the Local Authorities (Members' Allowances) (England) (Regulations) 2003. Councils are required to establish and have regard to the recommendations of local Remuneration Panels in setting and reviewing their Allowances Scheme. There are no national limits set.
2. The Government's "Guidance on Consolidated Regulations on Local Authority Allowances" outlines the main statutory provisions and gives non-statutory advice. 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) **Child Care 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.
3. The Epping Forest District Council's Members' Allowances Scheme was initially approved by Council in December 2002 following consideration of a report from this Panel. The Panel last reviewed the Scheme in 2005 following which the Council amended its scheme for the year 2006/07.
  4. Since 2002 the Council, for budget reasons, has not paid the full amounts of allowances recommended by the Panel and set out in the Council's Scheme. At its meeting in February 2007, the Council decided to continue with the payment in 2007/08 of 90% of the amount of Basic Allowance set out in the Scheme (i.e. a sum of £2,835 per annum per councillor).
  5. In addition, as recommended by the Panel, members who have entered into an agreement under the Council's Connectivity Scheme receive a supplement of £500 to the Basic Allowance for their first year in office. However, again for budget reasons, the Council reduced the amount of this supplement payable in subsequent years from the figure of £500 recommended by the Panel and initially adopted by the Council to a figure of £250 per annum.
  6. Our recommendations for the amounts of Special Responsibility Allowances which were adopted by the Council are currently, again for budget reasons, only being paid at 50% of the recommended rates.
  7. At its meeting on 12 November 2007, the Council's Cabinet requested us to undertake a comprehensive review of the current Scheme and to make recommendations for changes for consideration and implementation at the commencement of the 2008/09 municipal year.

## **Benchmarking**

8. When the Remuneration Panel formulated its original recommendations in 2002 there was not a lot of comparable data available. However, 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 the Epping Forest District, responded (66.2%). The survey collected information on Basic Allowance, Special Responsibility Allowances and other allowances paid to members.
9. This survey has confirmed that there are substantial disparities of remuneration for councillors in similar authorities undertaking similar responsibilities. The survey shows that the decision of this Council not to pay the full amounts of allowances recommended by this Panel has resulted in it having very low allowances compared with other similar authorities.
10. In formulating our recommendations in this report we have taken account of the

comparative data from this survey.

### **Consultation**

11. Prior to commencing a formal review of the Remuneration Scheme we invited Group Leaders to meet us to express their views on the existing scheme. Three Group Leaders responded and we met Councillors Mrs D Collins, P House and J M Whitehouse on separate occasions. After those meetings we extended the invitation to all members of the Council and as a result met Councillor Mrs A Cooper. We would like to thank those members for taking the time to meet us and for expressing their views on the current scheme.
12. We have taken account of all of the views expressed in formulating our recommendations in this report.

### **Basic Allowance**

13. 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 is expected to cover incidental costs e.g. telephone calls, paper, envelopes. The amount of the allowance should recognise that there is a voluntary element to the work undertaken by members and should not aim to recompense fully for all the work undertaken by members.
14. 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?
15. In recommending a Basic Allowance of £3,150 per annum in 2002, we took account of the sums paid to other similar authorities at that time although as we have indicated earlier in this report there was not a lot of comparative data readily available. In coming to our figure we applied the then Adult National Minimum Wage of £4.10 per hour to a 15-hour week.
16. Local Government Analysis and Research undertook a national census of councillors 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. There were variations between the different 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.
17. It was generally considered that the time spent by councillors should be "discounted" by between 25-50% in recognition of the public service element. Anything beyond 50% and councillors are given most of their time as public service, i.e.



unremunerated, while anything less than 25% tends to give the impression the councillors are reluctant to recognise the public service element.

18. The outcome of this survey tends to support the basis of our original calculation in 2001, i.e. a 15-hour week.
19. The survey conducted in 2006 by Local Government Analysis and Research into allowances showed that the average amount of the Basic Allowance for the 165 (69%) of shire districts/boroughs across the country which took part in the survey was £3,991 per annum. The Epping Forest District was included in the East of England region for more detailed comparison purposes and the average amount for the 31 shire district/borough councils in that region was £4,363 per annum. Bearing in mind that the Epping Forest District is closer to Greater London than the majority of other district/borough councils in the East of England region we believe that the Council's Basic Allowance should be towards the top end of the range.
20. If we were to update the option we adopted in 2002 we would be applying the current Minimum Adult Wage of £5.52 per hour to a 15-hour week which would result in an allowance of approximately £4,300. Payment at this level is supported by the comparative data from the 2006 survey and we are recommending that the Basic Allowance be increased to that figure. It may be thought that an increase from £3,150 to £4,300 is large. However, it should be borne in mind that it is five years since we recommended the amount of the Basic Allowance.
21. At some of the informal meetings held by the Panel with Group Leaders, there was a discussion about accountability and the possibility of finding a way of addressing the situation where a member fails to achieve a set percentage attendance in relation to meetings and/or training sessions. It was suggested to us that one way of dealing with this might be to withhold a proportion of the member's basic allowance if an agreed level of attendance were not achieved or if mandatory training were not undertaken.
22. In our research, we have established that some authorities have introduced voluntary claw back schemes under which councillors may be liable to forfeit parts of allowances if they fail adequately to perform their role. Some comparison can be made with Police Authorities which have the right to withhold allowances if members do not attend meetings.
23. We have also looked at the "Representing the Future" report of the Councillors' Commission established in the light of the 2006 Local Government White Paper, Strong and Prosperous Communities. The Commission, chaired by Dame Jane Roberts, was tasked with finding ways of encouraging able, qualified and representative people to come forward for election as councillors and to secure public interest in recognition for the work councillors carry out. The report was issued in December 2007 and is currently being considered by Government. One of the recommendations is to authorise Local Authority Standards Committees to suspend and claw back part of the Basic Allowance where members are failing to fulfil their role. It remains to be seen whether the Commission's recommendation will be adopted by the Government and incorporated into future regulations regarding allowances.
24. We have looked at attendance statistics for the Council, Cabinet, Committees etc for the past two years and have not detected a major problem in relation to attendance. Details are set out in Annex 1 attached. However, in order to maintain public confidence in councillors we accept the principle that such a provision in the

Council's Remuneration Scheme would be desirable for withholding part of the Basic Allowance if a member fails to achieve a set percentage attendance at meetings/training.

25. We have considered re-scheduling the quarterly payments of Basic Allowance currently paid at a rate of 25% per quarter to payment instead at the rate of 20% for the first, second and third quarters and 40% for the last quarter with the final payment being withheld if a member has not achieved at least a 60% attendance record at appropriate meetings/training sessions. We accept of course that there may be exceptional circumstances preventing a member attending which would need to be taken into account when necessary.
26. However, the comments made in the Councillors' Commission report have made us doubt whether the Council has a legal authority to operate such an arrangement. Our doubts concern:
  - (a) the fact that the former attendance allowance paid prior to 2000 was abolished;
  - (b) that withholding an element of the Basic Allowance on the basis of non-attendance contradicts the requirement that the allowance must be paid to all members in an equal amount.
27. A number of practical issues also occur to us:
  - (a) the application of an attendance standard (or one relating to training) implies a process of agreeing with members a series of personal performance standards with individual councillors;
  - (b) this raises the issue of who sets the target and who should trigger the request for the withholding (or clawing back) of payments;
  - (c) such a process implies development plans for each councillor, covering personal objectives and targets.
28. In view of these issues we are not currently recommending the introduction of provisions for withholding or clawing back part of the basic allowance. However, we believe that in the interim in order to maintain public confidence in the performance of councillors the Council should publish once a year the attendance records for all members at meetings and training sessions.

### **Basic Allowance – Member Connectivity Allowance**

29. The current scheme was amended in 2005 when the Council adopted the Panel's recommendation for a grant in respect of the Member Connectivity Scheme to be regarded as a supplement to the Basic Allowance. Members after signing an agreement to provide IT equipment at home to enable them to view Council agenda and minute documents and to cease receiving paper copies of such documents for committees etc of which they are not a member receive a payment of £500 per annum for the first year following their election to office.
30. Our adopted recommendation at that time also provided for the payment of £500 per annum for each subsequent year of office. However, when approving its budget for 2006/07 the Council reduced the amount of these payments after the first year in office to £250 per annum per member.
31. When we originally recommended these payments we discussed the possibility of lower payments being made after the first year as we envisaged that the level of expenditure on IT expected of members would reduce after the first year. However,

on balance we decided to recommend payment at a rate of £500 per annum. Having reviewed the position we are now recommending that the Council's scheme be amended to accord with the decision taken by the Council to reduce that amount to £500 for the first year in office and £250 for all subsequent years.

### **Special Responsibility Allowances**

32. In 2002, having determined the level of the Basic Allowance we took the view that the amounts of Special Responsibility Allowances should be calculated by applying multipliers to the Basic Allowance. At that time we considered the various roles of councillors beyond their core responsibilities taking into account Member Role Accountability Statements. Many Remuneration Panels use multipliers to the Basic Allowance and we have decided again to adopt that approach.

#### **(a) Leader of the Council**

33. It is apparent from our informal meetings with Group Leaders, including the current Leader of the Council, that this role has evolved since 2002 and is now very demanding requiring a considerable time commitment of at least 30 hours per week.

34. In 2002 we applied a multiplier of 2 to the Basic Allowance providing a figure of £6,300 per annum (currently being paid at 50% = £3,150 per annum).

35. The 2006 survey of authorities provided the following figures for a Leader of the Council:

(a) average for all shire districts/boroughs across the country - £11,065.

(b) average for the 28 of the 31 shire districts/boroughs in the East of England region paying this allowance - £11,552.

36. Within the East of England region there are two authorities paying far in excess of the average, one paying £26,370 per annum and another £22,580 per annum. In our view the amounts being paid by these authorities distort the overall position and if they are excluded from the calculation the average figure for the East of England region is £10,558.

37. Having regard to members' views and the results of the survey we are proposing that the Leader's SRA should be the Basic Allowance x 2.5 = £10,750 per annum.

#### **(b) Deputy Leader of the Council**

38. We have been advised by Group Leaders who met us that the Deputy Leader's position at the Council is mainly one of status rather than responsibility which does not justify a separate allowance.

39. The 2006 survey of authorities provided the following figures:

(a) average for shire districts/boroughs across the country = £6,319;

(b) average for the 20 of the 31 shire districts/boroughs in the East of England region paying a Deputy's Allowance = £6,986.

40. The Council's current scheme provides for an allowance of £787.50 per annum (Basic Allowance times 0.25), currently being paid at 50% = £394 per annum.

41. We have taken account of the amounts paid at other authorities but it is apparent that the role at this Council is different to other authorities. As suggested by Group Leaders we are recommending that no provision be made for a SRA for the Deputy Leader of the Council.

**(c) Cabinet Members**

42. In considering the SRA for Cabinet members we have noted that there are now 8 members compared with 10 when we initially recommended allowances in 2002. We also understand that there is likely to be a further change in the number of members on the Cabinet in May 2008.
43. We have previously considered whether these allowances should be measured by size of budgets, Portfolio Holder decisions, Cabinet reports etc but concluded at that time that there was insufficient information available to determine different amounts. We have considered again whether there is a case for different levels of remuneration for Cabinet members based on responsibility. During the informal discussions with Group Leaders there was some acknowledgement of the case for different levels of remuneration and we have considered using valuation techniques taking account of knowledge, experience, skills, unique contribution, team leadership etc. We believe there is a case for tiering the allowances for Cabinet members based on current Portfolios with three of the Portfolios appearing to justify a higher amount than the others. However, in view of the further change planned for May 2008 we see little merit in evaluating the existing Portfolios. We are recommending therefore that when the Remuneration Scheme is next reviewed by the Panel, consideration should be given to recommending different tiers of Portfolio Holder SRAs having regard to workload and responsibilities.
44. We envisage consulting and involving members and officers in determining these tiers using a "paired comparison" evaluation technique, based on the factors above, in order to determine a "felt fair" ranking.
45. Paired comparison is a "statistical" technique (comparing each role with each other role) used to produce a role ranking. Paired comparison is not a "scientific" points based system but rather is based on "felt fair" judgement. This judgement is made, after discussion about the roles with the benefit of "role descriptions", by allocating points to the role pairs:
- . two points if it is considered to be of higher value
  - . one point if it is regarded as equal worth
  - . no points if it is less important.
- The scores are aggregated and then an overall ranking can be produced. Thereafter the overall consensus rank order may be examined to see where a natural gap is considered to occur between the worth of roles in the rank order (creating different tiers of value). The Panel may then, on advice from officers, apply benchmarks from other authorities in order to determine the relative "worth" of these tiers.
46. The Council's current scheme provides for each Portfolio Holder to receive the Basic Allowance x 2 = £6,300 per annum, currently being paid at 50% = £3,150. The 2006 survey of authorities provides the following:
- (a) average for all the shire district/borough councils in the country = £5,994 per annum;
  - (b) average for the 25 of the 31 shire district/borough councils in the East of

England paying a Cabinet Member Allowance = £7,428.

47. We are recommending an allowance of Basic Allowance x 1.5 = £6,450 per member per annum. This is a figure between the two averages in the survey and reflects our view that in the event of tiering the Portfolio Holders in the future we will be minded to increase the Basic Allowance multiplier for the top tier of Portfolios which will result in those amounts being closer to the average for shire district/borough authorities in the East of England region.

**(d) Overview and Scrutiny Committee Chairman**

48. In considering a SRA for the Chairman of the Overview and Scrutiny Committee we have taken account of the revised structure for Overview and Scrutiny since we last considered this allowance. There is only one Overview and Scrutiny Committee compared with three in 2002. We have also had regard to the role of that Committee.
49. The current scheme provides for an allowance of £6,300 per annum (Basic Allowance x 2) with payment currently being made at a rate of 50%. This is equivalent of a Cabinet member.
50. Two of the Group Leaders whom we met advised us that in their view the workload for the Overview and Scrutiny Committee Chairman is less onerous than that for a Cabinet member and this should be reflected in the SRA.
51. This view is borne out by the 2006 survey authorities which shows the following:
- (a) average for shire districts/boroughs throughout the country = £3,721; and
  - (b) average for the 31 shire districts/borough authorities in the East of England region = £4,623.
52. In reviewing this SRA we have also had regard to the Council's Standing Overview and Scrutiny Panels and Task and Finish Scrutiny Panels. Not all authorities have such a comprehensive structure and some appear to rely solely on their Overview and Scrutiny Committees.
53. The Council's current scheme provides for the payment of £3,150 per annum (payment of 50% being made = £1,575) for each Chairman of the four Standing Panels in recognition of them being ongoing bodies. No provision is currently made for the payment of SRAs to the Chairmen of the Task and Finish Panels as these are wound up after completing their task and in the main are not intended to extend beyond a municipal year.
54. Having regard to the above we are recommending a SRA of £4,300 per annum for the Chairman of the Overview and Scrutiny Committee (equivalent of the Basic Allowance) and £2,150 per annum for each Chairman of an Overview and Scrutiny Standing Panel (0.5 of the Basic Allowance). As we have not received any representations about allowances being paid to the Chairmen of the Task and Finish Panels we are recommending no change to the scheme i.e. no SRA to those Chairmen.

**(e) Chairmen of Area Plans Sub-Committees**

55. There are no direct comparisons in the survey of authorities for such

Sub-Committees. 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 for shire district/borough authorities in the country = £1,180;
- (b) average for the 9 shire district/borough authorities in the East of England region paying Area Committee/Forum Allowances = £3,851.

56. The Council's current scheme provides for the payment of an allowance of £2,362.50 per annum (Basic Allowance x 0.75) with an amount of 50% currently being paid = £1,181.
57. We have been advised that since we last reviewed these allowances the number of Area Plans Sub-Committees has been reduced from four to three and these Sub-Committees will be held on a three week cycle rather than four. This led us to review the number of planning applications determined by Area Plans Sub-Committees. We have noted the following trend:
- 2002/03 – 486
  - 2003/04 - 377
  - 2004/05 - 311
  - 2005/06 - 347
  - 2006/07 - 260
  - 2007/08 - 296
58. This leads us to conclude that the reduction to three Area Plans Sub-Committees and the three week cycle is not linked to an increased workload but more to a desire to improve the throughput of applications against targets set by the Government and in relation to other councils' performance.
59. We are of the view that in the absence of an increasing overall workload, the SRA for Chairmen of these Sub-Committees should remain at Basic Allowance x 0.75 which provides for a new Annual Allowance of £3,225.

**(f) Chairman of District Development Control Committee**

60. The 2006 survey of authorities includes comparisons for a Chairman of a Planning Committee. The survey does not define the responsibilities of such 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 we understand consider the majority of planning applications. We further understand that the District Development Control Committee does consider some routine applications but is also responsible for proposals of major importance to the Council or the whole District.
61. Comparing the District Development Control Committee with the survey figures for Planning Committees results in the following:
- (a) average for shire districts/boroughs in the country = £3,824;
  - (b) average for the shire district/borough authorities in the East of England region - £4,556.
62. The Council's current scheme provides for SRA of £3,150 per annum (same as Basic Allowance) with payment currently being made at 50% = £1,575.

63. We have had regard to the fact that meetings of the District Development Control Committee are less frequent than meetings of the Area Plans Sub-Committees. We have also had regard to the business on recent agenda for the Committee. As a result we are of the opinion that the SRA for the Chairman of this Committee should be equivalent to that of the Chairmen of the Area Plans Sub-Committees i.e. Basic Allowance x 0.75 = £3,225 per annum.

**(g) Chairmen of Licensing Committee and Sub-Committees**

64. The 2006 survey of authorities provides the following for Licensing Committee Chairmen:
- (a) average for shire districts/boroughs throughout the country = £3,034;
  - (b) average for the 29 of the 31 shire district/borough authorities in the East of England region = £4,261.
65. The Council's current scheme provides for a SRA of £1,575 per annum (Basic Allowance x 0.50) with payment currently being made at 50% = £788.
66. We have been advised that the Licensing Committee only meets twice a year and we do not believe that this justifies a SRA. Accordingly, we are recommending that no provision be made for a SRA for the Chairman of the Licensing Committee.
67. At one of the meetings with Group Leaders, we were asked to consider allowances for the Chairmen of the Licensing Sub-Committees in view of the frequency of those meetings and the increased responsibilities of the Sub-Committees. We understand that each Sub-Committee comprises four members from the main committee and that each Sub-Committee elects its Chairman as its first item of business. It is not possible therefore to identify which members should receive a SRA as Chairmen are not known in advance of meetings. We have received details of councillors who chaired Sub-Committees between January 2007 and January 2008. During that time there were 12 meetings, one Councillor was elected Chairman on five occasions, two other Councillors on two occasions each and three other Councillors on one occasion each.
68. Whilst we appreciate the desire to introduce Special Responsibility Allowances for Chairmen of the Sub-Committees we are of the opinion that the current process for their election prevents this from taking place. We are suggesting that the position be reviewed if the Council changes the arrangements for the election of Chairmen by electing an appropriate number of named Councillors at its Annual meeting.

**(h) Group Leaders**

69. The Council's current scheme provides for allowances to be paid to political Group Leaders. The adopted scheme provides for a Special Responsibility Allowance of £315 for each five members of the Group. Payments are currently being made at a rate of 50% of that figure.
70. There is no comparison in the 2006 survey of authorities as this is not an element of other schemes. Some authorities do pay an allowance to one Opposition Leader and the average payment for those shire districts/boroughs in the East of England making such a payment is £3,469. What is apparent is that authorities making such a payment are in the main comprised of only two different political groups i.e. the

controlling party and an opposition party. Accordingly, we do not believe that the figure of £3,469 can be used as an indication for the amount of allowances to Group Leaders at this Council.

71. At our meetings with Group Leaders, differing views were expressed on the need for continuation of SRAs for Group Leaders. We are of the opinion that the role of Group Leaders is more important when none of the political groups on the Council has an overall majority. We understand that now the Council is no longer balanced there is a restricted role for Group Leaders in relation to the governance of the Council. We do not believe that the current role of Group Leaders is significant from a governance of the Council point of view as opposed to organisation of the Group. Accordingly, we are recommending that no provision be made for Special Responsibility Allowances for Group Leaders. However, we are suggesting that payment of these allowances be reviewed in the future if and when the Council becomes balanced again.

**(i) Other Committees/Panels**

72. Since we last reviewed the scheme, the Council has established an Audit and Governance Committee and we have considered a SRA payment for the Chairman of that Committee. Having been advised of the responsibilities of that Committee we are of the view that an appropriate SRA would be Basic Allowance x 0.50 = £2,150 per annum.
73. The Council's current scheme provides for the payment of allowances to the Chairmen of the Complaints Panel, Staff Appeals Panel and Housing Appeals and Review Panel. There are no direct comparisons for these bodies in the 2006 survey of authorities.
74. At one of the meetings with Group Leaders, the role of the Staff Appeals Panel Chairman was highlighted and it was suggested that this should receive increased recognition. At present, the Chairmen of all of these Panels receive an allowance of Basic Allowance x 0.5 = £1,575 per annum, currently being paid at 50% of that figure = £787 per annum. We have reviewed the responsibilities of these Panels and the role of the Chairmen of these meetings. Having regard to that role and to the frequency of these meetings we are recommending an allowance of Basic Allowance x 0.25 = £1,075 per annum.
75. Group Leaders have suggested to us that the role of Chairman of the Joint Consultative Committee does not justify a separate allowance and should be recognised as a duty coming within the responsibilities of the relevant Portfolio Holder. We have reviewed this allowance which is at present Basic Allowance x 0.75 = £2,362.50 per annum currently being paid at 50% = £1,181.25 per annum.
76. We have considered the role of the Chairman of this Committee and have taken account of the fact that the Council Side only elects a Chairman every other year. Accordingly, we are recommending that no provision be made in the scheme for a SRA for the Chairman of the Joint Consultative Committee.

**Co-optee Allowance**

77. In 2003 we considered a new discretion for councils to include within their Remuneration Schemes an allowance for co-opted members. This was designed to reflect the time and commitment by members of Council committees who were not elected councillors. At that time our attention was drawn to co-optees' allowance



provisions adopted by the Bristol City Council which provided for a flat rate allowance of £325 for all co-optees including independent Standards Committee representatives but with the independent Chairman of the Standards Committee being eligible for £1,000.

78. We also took account of information obtained at a seminar attended by a member of the Remuneration Panel regarding Members' Allowances where the consensus of delegates had been that co-optee's allowance should be nominal sum of say £250. At the seminar no mention had been made of an independent Chairman of the Standards Committee receiving a different rate.
79. In the light of the above we recommended in 2003 that the Council's Scheme should include provision for co-optee's allowance at a rate of £350 per annum with the independent Chairman of the Standards Committee being eligible for an allowance of £700 per annum.
80. The 2006 survey of authorities provides the following in relation to an independent Chairman of a Standards Committee:
  - (a) average for shire districts/boroughs throughout the country = £1,578; and
  - (b) average for the 25 of the 31 shire district/borough authorities in the East of England region = £1,726.
81. As mentioned earlier in this report, since 2003 the Council has appointed an Audit and Governance Committee which includes co-opted members who are also eligible for this allowance.
82. We are aware that not all co-optees have been claiming their allowance and we assume this situation will continue. We are suggesting that the existing allowances be inflated by the increase in the Basic Allowance (slightly rounded) to sums of £500 for the independent members of the Standards Committee, any co-opted independent members of an Overview and Scrutiny Committee and co-opted members of the Audit and Governance Committee and that the allowance for the independent Chairman of the Standards Committee be similarly inflated to a figure of £1,000 per annum.

### **Travelling Allowance**

83. The scheme currently provides for rates of Travel Allowance to be the same as the higher rates paid to officers classed as casual users. These are reviewed nationally by the National Joint Council for Local Government Services on an annual basis. The rates from 1 April 2008 are 42.9p per mile for use of a vehicle not exceeding 999cc; 46.9p for use of a vehicle not exceeding 1199cc; and 58.7p per mile for use of a vehicle exceeding 1199cc. The Council's current scheme also has provision for a Bicycle Allowance of 48.5p per mile.
84. The 2006 survey of authorities showed that 92.6% of authorities offered Travel Allowance and that 54.1% offered a Bicycle Allowance. 30 of the 31 shire districts/boroughs in the East of England region paid Travel Allowance and 25 paid Bicycle Allowance. Some authorities keep the maximum rate at 40p per mile as this is a level above which members are liable to tax.

85. We are aware that some Remuneration Panels have set Travelling Allowances at rates 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.
86. We see no reason to depart from the national rates paid to officers but consider that the Cycle Allowance should be increased to the highest rate i.e. currently 58.7p per mile. The Council's Scheme already provides for the payment of some extra pence per mile for carrying passengers and we are suggesting that this element should be continued.
87. Travelling and subsistence is currently 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".
88. Representations have been made to us 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. 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.
89. In response to these representations we are proposing 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-Committees, or as a member of any other Committee or Sub-Committee, Panel, Working Group, Special Committee or Board of the Authority".
90. We are also proposing that the definition of approved duties be revised 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) acknowledge attendance at consultation meetings arranged by the Council where the member's attendance is required or where the business directly affects the member's ward; and
- (d) acknowledge attendance at site visits arranged by Area Plans Sub-Committees or the District Development Control Committee.
91. A further suggestion was made to us 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. That Group suggested that knowledge

of a site and its surroundings is likely to lead to better decision-making. We are proposing that the definition of approved duties be extended to include these site visits in the knowledge that whilst these claims cannot be independently checked by officers it will be possible to undertake a check for "reasonableness".

### **Subsistence Allowance**

92. The 2006 survey of authorities showed that 87.9% of authorities paid a Subsistence Allowance. 25 of the 31 shire district/borough authorities in the East of England region offer subsistence.
93. We have noted that the Council's current rates have fallen behind the equivalent rates paid to officers which are - 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 Joint Council for Local Government Services.
94. We are recommending that the rates payable should be the same as those paid to officers and that the rates should be revised annually in accordance with the review undertaken by the National Joint Council for Local Government Services.

### **Carer's Allowance**

95. The Council's scheme provides a Child Care/Dependent Carer's Allowance payable at a rate equivalent to the current Adult National Minimum Wage (currently £5.52 per hour) with a maximum of 4 hours imposed on any one claim. The scheme also provides that 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. We note that to date no member has received this allowance.
96. The 2006 survey of authorities showed that:
  - (a) Dependent Carer's Allowance averaged £6.84 per hour (£7.63 per hour in the 27 of the 31 district/borough authorities in the East of England region making provision); and
  - (b) Child Care Allowance averaged £5.96 per hour (£6.12 per hour in the 22 of the 31 shire district/borough authorities in the East of England region making such provision).
97. We have also received representations from one Group Leader that the conditions relating to the payment of Carer's Allowance should be relaxed and should be available to the councillor's immediate and close family with no need for the production of receipts for payments made. We have decided that we cannot support the suggestion.
98. Having regard to the payments made by other authorities, we are proposing that no change be made to the current arrangements for dependent carer's/child care allowance.

### **Pensions**

99. The Council's current scheme enables members to join the Local Government Pension Scheme (as do ten other shire district/borough councils in the East of

England region). This is a matter which having been introduced is not subject to further review.

### **Member Roles, Member Development and Performance Management**

100. Current Member Role Accountability Statements were agreed in 2001. We envisage that these statements may be useful in undertaking future reviews but they need to be revised to take account of the changing role of members and the increased expectations of the public and of bodies such as the Audit Commission.

### **'Representing the Future' - The Councillors Commission**

101. We have referred to some of the recommendations of the Commission elsewhere in this report. As part of their 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) maintains public confidence.
102. One of the councillors we met felt strongly that councils should be required to adopt, without modification, all of the recommendations of Independent Remuneration Panels.
103. The Commission is recommending the adoption of a national framework of guiding principles for Members' Allowances Schemes specifying a National Minimum Basic Allowance for each type and size of authority. The recommendation continues that Councils should have regard to the national framework in formulating their own schemes but should be able to opt to appoint their own local or regional Independent Remuneration Panel. The Commission considered that its recommendation would reduce the substantial disparities of remuneration for councillors in similar authorities undertaking similar responsibilities. We await, with interest, the response of the Government to this and other related recommendations of the Commission.

### **Budget**

104. We have been advised that the Council has increased the 2008/09 budget for members' allowances by £30,000 per annum to cover recommendations of the Panel for changes to the scheme.
105. Our role is to recommend levels of remuneration that we consider appropriate. It is for the Council to decide how to utilise its available budget having regard to our recommendations. Accordingly, in making our recommendations we have had no regard to the Council's budget. However, to assist the Council in considering all aspects we attach as annexes to this report:

(a) Annex 2 showing totals of the current scheme, current payments (90% of Basic Allowance and 50% of SRAs), our recommendations and the Council's budget provision for 2007/08 and 2008/09; and

(b) Annex 3 showing comparisons between the current scheme, the amounts being paid, payments made by other authorities and our recommendations.

**S A Lye**

**D Jackman**

