

EPPING FOREST DISTRICT COUNCIL

Committee: Independent Remuneration Panel **Date:** 31 January 2013

Subject: Members' Allowances Scheme – Review

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Recommendation:

To review the Members' Allowances Scheme and recommend to Council any changes to be implemented at the commencement of the 2013/14 municipal year.

Report:

Current Scheme

1. The Panel is asked to review the following aspects with a view to making recommendations to the Council for changes to be implemented for the Municipal 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 of associations or partnerships of authorities of which the Council is a member.

(a) Basic Allowance

2. Last year the Panel was advised that its basis for calculating the Basic Allowance had been queried by some members of the Council. In particular, members had expressed concern about reliance being placed on the hourly National Minimum Wage multiplied by an average number of hours worked per week (15 per councillor).

3. The Panel requested that officers establish from other authorities the matters taken into account by their Remuneration Panels in recommending the level of basis allowance.

4. It is apparent from the contacts with other authorities that the main factor which is now taken into account is comparison data available from other Councils.

5. The latest available comparison figures show that the average amount paid by similar Councils in the region is £4,500 per annum per member compared with this Council's basic allowance of £4,300 per annum with implementation currently at £3,150 per annum.

6. Whilst this Panel has taken account of the National Minimum Wage as one of the indicators for recommending the level of Basic Allowance, particularly in the early days of allowances when there was little comparison data available, it has also regularly taken account of the levels paid at similar authorities.

7. In 2010 a National Census of Local Authority Members showed that the average number of hours spent by Councillors on Council business was 16.3 hours per week. A figure of £5,246 per annum is achieved by applying the National Minimum Wage to a 16.3 hours week.

8. Whilst the difference between the two calculation methods appears to be growing, the Panel may still feel that both methods are worthwhile taking into account in the future.

9. The Panel is asked to give further consideration to the level of Basic Allowance and the methods for calculating it bearing in mind that the Council is still only implementing a figure below the Panel's recommended level.

(b) Special Responsibility Allowances

10. Apart from the Standards Committee Chairman which is referred to in the next section there has been no change in responsibilities which necessitates a review of these allowances.

(c) Chairman of the Standards Committee

11. Under the previous standards regime the Chairman of the Standards Committee was an Independent Member who received an allowance of £1,000 per annum. The new standards regime introduced from July 2012 under the provisions of the Localism Act 2011 requires that only District Councillors can be members of the Standards Committee. As a result the Chairman of the Standards Committee is now a District Councillor. A Member Role Accountability Statement for the Chairman is attached.

12. The only change in the role resulting from the new regime is that the Chairman is unlikely to Chair as many Panels/Sub-Committees dealing with allegations of breaches of the Council's Code of Conduct. Under the previous regime all such allegations about District and Parish/Town councillors were considered by the District Council but under the new regime Parish/Town Councils are able to establish their own Standards Committee. As a result only 6 of the 24 Town/Parish Councils in the District have affiliated to the District Council's Standards Committee and it likely therefore that there will be a reduction in the workload for this Committee/Sub-Committee.

13. The Panel is asked to consider whether a Special Responsibility Allowance for the role now undertaken by a District Councillor should be introduced. No comparisons with other authorities are currently available since the new arrangements were only introduced across the country in July 2012.

(d) Independent Persons

14. Under the previous standards regime, the Standards Committee comprised three District Councillors, three Town/Parish Councillors, and three Independent Members appointed following advertisement, interview etc. All of the members of the Committee had voting rights and an Independent Member chaired the Committee. Also, Independent Members chaired all of the Sub-Committees dealing with allegations of breaches of the Members Code of Conduct. As advised above, the Chairman of the Committee received an allowance of £1,000 per annum and the other two Independent Members received an allowance of £500 per annum.

15. Under the new regime a new role is created, that of Independent Person. The legislation requires that the District Council appoints at least one Independent Person. Following advertisement and interview, this Council has appointed four Independent Persons and, one reserve who will take the place of one of the four (a former Independent Member) who will cease to be an Independent Person on 30 June 2013 in accordance with the legislation.

16. The views of an Independent Person must be sought and taken into account by the Council before it makes a decision on an alleged code breach which it decides to investigate.

17. The views of an Independent Person may also be sought on any other aspect of a complaint, by a District or Town/Parish Councillor who may be the subject of a complaint, or by a complainant.

18. Areas for possible consultation with Independent persons include:

- (a) dispensations;
- (b) sensitive Interests;
- (c) deciding on whether to investigate a complaint or take "other action";
- (d) determining whether breaches of the Code have occurred; and
- (e) sanctions which should be applied for breaches of the Code.

19. In order to avoid potential conflicts of interests, the Monitoring Officer is proposing to consult two Independent Persons on matters relating to an alleged breach of the Code so that, if required, one can express views to the complainant and the other to the subject member.

20. The role of Independent Persons is therefore to express views on a number of issues. Although they will attend meetings of the Standards Committee and the Sub-Committees dealing with allegations of breaches of the Code, they will not be members of the Committee or Sub-Committee and they will not have voting rights. The main roles are expected to be expressing views on allegations to the Council (Standards Committee and/or Monitoring Officer), to subject members and possibly to complainants. All approaches to Independent Persons for views will be made by the Monitoring Officer and her support officers. The role remains somewhat under-defined nationally but it is clear that it is a very different role to that previously undertaken by the Independent Members of the former Standards Committee.

21. There has been some exchange of views between authorities about the payment of an allowance to Independent Persons. Proposals received from other authorities include:

- (a) £300-£500 annual payment plus £30-£50 per matter dealt with;
- (b) travel and subsistence expenses only;
- (c) 25% of the Basic Allowance which for that particular authority equates to £1,072 per annum;
- (d) £1,000 per annum, with a reserve person receiving £250 per annum.

22. A copy of a draft protocol on Independent Persons is attached. This has not yet been approved by the Standards Committee but gives further information on the role of Independent Persons.

23. The Panel is asked to consider whether an allowance should be paid to the Independent Persons and, if so, at what level.

(e) Connectivity Allowance

24. Last year the Panel was advised that some Overview and Scrutiny Committee Members had queried why the Council should continue to pay this sum at a time when the vast majority of councillors have the required access to the Internet in their homes.

25. An amount of £500 per annum is payable to members in their first year of office and this was introduced to assist them with the cost of upgrading or providing personal computers (if necessary), Internet connection and any consumables. The payment of £250 per annum in subsequent years was designed to assist with the cost of consumable items for the computer. There was a degree of "front loading" of this allowance as, at the time of its introduction, councillors' home work stations often needed broadband and other upgrades to be able to access the Council's own IT networks, particularly the Committee Management System.

26. The Panel decided last year that further consideration about the relevance of these allowances should be deferred pending the outcome of the introduction of possible electronic agenda despatch.

27. During last year the Council made an approach to the Department for Communities and the 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. A reply was received from Brandon Lewis M.P., Parliamentary Under Secretary of State in which he agreed it is an interesting idea and he would ask his officials to explore how to take this forward.

28. Pending a change in the law the Panel may feel that no change should be made to the current Connectivity Allowances.

(f) Travel Outside of the District

29. The Panel will be aware that Members may reclaim reasonable travel expenses (including rates for car travel, public transport tickets, taxi fares, parking costs where appropriate subject to submission of evidence of expenditure) in respect of approved duties.

30. In relation to travel outside of the District the scheme imposes a limit on the amount claimable. For journeys to approved meetings outside the District or by members resident outside the District, claims irrespective of mode of travel may 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.

31. Recently some members have raised concerns about this restriction, in particular when it is applied in relation to destinations which are difficult if not impossible to reach by way of public transport. In accordance with the scheme when members submit car mileage claims for such journeys the amount claimed is often reduced in order to reflect the cost of public transport irrespective of the fact that the use of public transport may involve a long and tortuous route.

32. An example of the above is a member living near Ongar needing to attend a meeting in Cambridge. The claim was for 95 miles at 65p per mile = £61.75. The cost of the anytime return fare from Harlow to Cambridge at that time was £18.40 and the claim was reduced to that amount with the member advised that he could also claim mileage from his home to Harlow Station and a parking fee at the station. In the event he did not claim these additional amounts.

33. In view of the concerns expressed, the Panel is asked to consider whether this aspect of the scheme should be revised.

(g) Meetings of associations or partnerships of authorities of which the Council is a member

34. There is an increasing requirement for members to attend meetings of associations or partnerships of authorities of which the Council is a member, eg South East Local Enterprise Partnership. Often it is the Leader of the Council who attends but on occasions he asks another member to attend on his behalf. Formal appointments are not made to these associations and as a result attendance at such meetings is not covered by the list of "approved duties".

35. The Panel is asked to consider recommending an addition to the list of "approved duties" to allow for the payment of travelling and subsistence expenses to meetings of this nature.