

Agenda Item No:

**Report To: EXECUTIVE
COUNCIL**



**Date: 11TH DECEMBER 2008
18TH DECEMBER 2008**

**Report Title: Members Allowances – Recommendations from the
Members' Allowances Independent Remuneration Panel**

**Report Author: Senior Member Services & Scrutiny Support Officer – on
behalf of the Chairman of the Members' Allowances
Independent Remuneration Panel**

Summary: The Members Allowances Independent Remuneration Panel met on the 20th November to review the Council's Basic Allowances and Special Responsibility Allowances (SRAs). The Panel's full report is attached. To summarise, the Panel recommended an increase to the SRA for the Chairman of the Licensing and Health & Safety Committee, that one off sums of £50 per Task Group be paid to Chairmen of Overview & Scrutiny and Policy Advisory Group Task Groups and confirmed that the SRA payable to the Chairman and Vice-Chairman of the Community Partnership Group should be at the same level as the Policy Advisory Group. The Panel's recommendations should be implemented from the 1st April 2009.

Key Decision: NO

Affected Wards: N/A

Recommendations: **The Executive is asked to consider the Members' Allowances Independent Remuneration Panel's report and recommend to the Council that the Panel's recommendations are implemented from the 1st April 2009. The Council's Scheme of Members' Allowances will need to be updated to reflect the Panel's recommendations.**

Policy Overview: When making changes to the Scheme of Allowances, the Council should take the views of the Independent Remuneration Panel into consideration. Notice that the Council had received a report from the Independent Panel, and the outcomes, will be advertised in the local paper in accordance with the regulations.

Financial Implications: Should the Council agree the Panel's recommendations, there would be an estimated increase to the budget of £866.81 per annum. (as outlined in paragraph 11)

Risk Assessment	N/A
Other Material Implications:	None at this stage
Background Papers:	Paperwork submitted to Members Allowances Independent Remuneration Panel meeting on the 20 th November 2008
Contacts:	<u>danny.sheppard@ashford.gov.uk</u> – Tel: 01233 330349

Members Allowances – Recommendations from the Members' Allowances Independent Remuneration Panel

Introduction

1. The Members Allowances Independent Remuneration Panel met on the 20th November 2008 to review the Council's Basic Allowances and all Special Responsibility Allowances (SRAs). The Panel is chaired by Mr Christopher Page, and the other members are Mrs Judy Blount and Mr Mike Eede. At the Panel's previous meeting in November 2006 it was agreed that another meeting should be convened during 2008 to review all of the Council's allowances. For avoidance of doubt, the Panel was not asked to examine Childcare and Dependent Carers Allowance or Travel and Subsistence Allowances at this time.
2. The Panel considered a number of background documents by way of information including: - the Terms of Reference of the Panel; a summary of the current scheme; an overview of previous reviews; a copy of the report to the meeting of the Council's Selection & Constitutional Review Committee which recommended the change to one Overview & Scrutiny Committee and one Policy Advisory Group; the number of Committee meetings for the last 3 years; the South East Employers Members Allowances Survey 2007; and a copy of the current Members Allowances Scheme. The Panel also received a budget statement from the Council's Head of Financial Services and interviewed four of the five Group Leaders.
3. The Panel's recommendations are set out within this report. Part 6 of the Constitution (Members Allowances Scheme) will have to be updated to reflect any amendments agreed by the full Council.

Basic Allowance

4. The Panel considered the level of Basic Allowance currently paid (a current annual figure of £4,228.64) in the context of allowances paid by other Local Authorities. It was agreed that there should be no change at this stage. Serious consideration was given to increasing the Basic Allowance to reflect the increased cost of, and need for, IT consumables for Members, however in recognition of the current financial climate the Panel recommended that the Council's own IT service should first be asked to consider what could be done to help Members (bulk buying etc).

Special Responsibility Allowances (SRAs)

5. The Panel agreed that in order to ensure that the SRAs continued to be based on a logical construct that was transparent, simple and could be easily understood by both Members and the public they should continue to be linked to the Leader's Allowance as a benchmark. Therefore if the Leader's SRA was seen as 100% then the other SRAs should be a percentage of that. The Panel recommended that the positions that currently attracted a SRA should

be maintained, subject to the minor amendments outlined in paragraphs 8 and 9. The recommended percentages are outlined in the table in paragraph 13.

Method of Annual Adjustment

6. The Panel agreed that the method of annual adjustment for both Basic Allowances and the SRAs should continue to be linked to the annual cost of living rise for staff.

Community Partnership Group

7. Following the reduction of two Overview & Scrutiny Committees (OSCs) and two Policy Advisory Groups (PAGs) to one of each it was agreed that there should be provision of an SRA to the Chairman and Vice-Chairman of the Community Partnership Group (CPG). The CPG had hitherto been chaired by a Member of the Executive (therefore not attracting an SRA) however, following the change of Committee structure in May 2008, it had been chaired by one of the former PAG Chairmen. The Group had yet to be formally assessed by the Panel, but in the short-term since May it had been agreed to allocate an SRA equivalent to that of the current PAG until this review. After considering the background documents and interviewing the Group Leaders the Panel agreed that this was an appropriate level and that the Chairman and Vice-Chairman of the CPG should continue to be paid an SRA equivalent to the PAG. This would be 20% of the Leader's SRA for the Chairman (a current annual figure of £2,765.94 which would mean the Vice-Chairman being paid £912.94).

Licensing Health & Safety Committee

8. The Panel said it wished to review the SRA payable to the Chairman of the Licensing and Health & Safety Committee. The existing SRA was recognised as being extremely low and "out of kilter" at £269.92 per annum. This was because it had been set at a time before the current Licensing Act and Gambling Act came into effect and did not now reflect the role and responsibilities of the Chairman. After discussing all of the evidence the Panel agreed to raise the SRA to the same level as the Chairmen of the Standards Committee and the Joint Transportation Board at 10% of the Leader's SRA (a current annual figure of £1,383.50).

Overview & Scrutiny and Policy Advisory Group Task Groups

9. The Panel considered the new Task Group arrangement whereby task and finish groups were set up by OSCs and PAGs to consider particular reviews, before reporting findings back to the full Committee/Group. There was some discussion about the best way to recognise the effort needed to drive the Task Groups, the importance of Task Groups and to create an incentive to volunteer as Chairman. The Panel agreed that it would be appropriate to pay a one-off sum of £50 per Task Group (as opposed to per meeting of the Task Group) as an SRA.

Future Reviews

10. Following the comments made by all Group Leaders, the Panel highlighted the need for a future review of the Travel & Subsistence Allowances payable to Members. This would be with particular reference to reviewing the list of approved duties for claiming such allowances. It was considered that Members in larger rural Wards should perhaps be able to claim travelling costs for certain additional duties such as attendance at Parish Council meetings. There was discussion about the disparity between costs incurred by such a Member and one based in the urban area and whether the current Basic Allowance truly reflected the level of commitment required by a Member in a larger rural Ward. It was, however, recognised that The Local Authorities (Members' Allowances) (England) Regulations 2003 did not allow for a differing level of Basic Allowance to be paid on such terms. A future review of the scope of approved duties under the Travel & Subsistence Scheme was seen as a more logical way of addressing this issue.

Budget Implications

11. Following the reduction to one Overview & Scrutiny Committee and the increase to seven Executive Members in May 2008, there has been a £720.19 underspend in the Members Allowances Budget. The proposals recommended by the Panel would result in a £1087 increase in the SRA for the Chairman of the Licensing and Health & Safety Committee and an unknown increase to cover the payments to the Chairmen of the various Task Groups. It is estimated that there will be somewhere in the region of 10 OSC/PAG Task Groups in a year so the approximate figure of increase for this element is £500. This would generate an overall estimated growth to the budget of £866.81.

Summary of Recommendations

12.
 - (a) **No change to Basic Allowance and the method of annual adjustment for both Basic Allowance and SRAs continue to be linked to annual cost of living rise for staff.**
 - (b) **The SRA for Chairman and Vice-Chairman of the Community Partnership Group be paid at the same level as the Policy Advisory Group.**
 - (c) **The Chairman of the Licensing and Health & Safety Committee's SRA should be raised to the same level as the Chairmen of the Standards Committee and the Joint Transportation Board.**
 - (d) **Chairmen of Overview & Scrutiny and Policy Advisory Group Task Groups should be paid a one-off sum of £50 per Task Group (as opposed to per meeting of the Task Group) as a SRA.**
 - (e) **Any changes to the Scheme of Allowances be implemented from the 1st April 2009.**

- (f) The Council's IT Service be asked to consider what could be done to help Members with the increased cost of and need for IT consumables (bulk buying etc).
- (g) A review of the Travel and Subsistence allowance payable to Members (in particular a review of the list of approved duties for claiming such allowances) take place in the future.

Recommended Levels of Allowances Payable from the 1st April 2009 (Annual Adjustment Pending)

13.

Allowance	Amount Payable £	% of Leaders Allowance
Basic	4,228.64	N/A
Leader	13,832.35	100%
Deputy Leader	9,129.43	66%
Other Executive Members	6,638.64	50%
Chairman of Overview and Scrutiny	5,532.95	40%
Chairman of Planning	5,532.95	40%
Chairman of Audit Committee	4,610.79	33%
Chairman of Policy Advisory Group	2,765.94	20%
Chairman of Community Partnership Group	2,765.94	20%
Chairman of Licensing and Health and Safety	1,383.50	10%
Chairman of Standards	1,383.50	10%
Chairman/Vice-Chairman of Joint Transportation Board (whichever is held by the Ashford Borough Council Member)	1,383.50	10%
Chairmen of Overview & Scrutiny and Policy Advisory Group Task Groups	£50 per Task Group	N/A
Group Leaders	216.85 per Member	N/A

NB 1: Please note that some of the figures payable may have altered slightly from the percentages set. This is generally to do with the way the method of annual adjustment has previously been calculated, although there is a slight anomaly with the amount for “Other Executive Members”. This will be rectified for the 1st April 2009.

NB 2: Eligible Vice Chairmen are paid 33% of the respective Chairman’s SRA

NB 3: It should be noted that no one Member is entitled to claim more than one SRA other than that allocated to a Group Leader. Therefore, if a Member fills two Chairmanships/Vice-Chairmanships simultaneously, they will receive the higher of the two amounts unless they inform the Member Services Section otherwise.

Portfolio Holder’s Views

14. The Leader of the Council was interviewed at the Panel meeting and his views on the report will be given at the Executive meeting.

Contact:	Danny Sheppard
Email:	danny.sheppard@ashford.gov.uk - Tel 01233 330349