

BABERGH DISTRICT COUNCIL

From: Head of Corporate Organisation	Report Number: N122
To: Council	Date of meeting: 25 March 2014

MEMBERS' ALLOWANCES SCHEME – REPORT OF THE INDEPENDENT REMUNERATION PANEL (IRP) TO BABERGH DISTRICT COUNCIL

1. Purpose of Report

- 1.1 To enable Members to consider the report and recommendations of the IRP (attached as Appendix 1 to this covering report).
- 1.2 To enable Members to adopt a Members' Allowances Scheme and determine the date of its commencement.

A new Scheme, based on the recommendations as adopted by Council, will be prepared and will incorporate consequential and other minor changes / updates. A list of allowances as recommended by the IRP is attached as Appendix 2 to this report.

- 1.3 To authorise the Monitoring Officer to prepare a new Scheme to reflect the Council's decision under Recommendation 2.1 below and to make any typographical and other minor / consequential amendments prior to publication of the final document.
- 1.4 To consider whether to remove the roles of Vice Chairmen of the Joint Committees, for which the IRP does not recommend the payment of a Special Responsibility Allowance.

2. Recommendations

- 2.1 That Council considers whether it wishes to adopt the recommendations of the Independent Remuneration Panel (IRP) as set out below:-
 - (a) That the Basic Allowance be set at £4,000 in recognition of the role for all Members of the Council in informal policy development work (e.g. task and finish groups) and the changing locality role (e.g. community engagement programme).
 - (b) That the Special Responsibility Allowance (SRA) for the Joint Chairman role for the committees discharging the overview and scrutiny functions for the Council (Joint Audit and Standards, and Joint Scrutiny) is set at 0.5 of the basic allowance (£2,000).
 - (c) That no SRA be set for the Vice Chairman roles for the Joint or council-specific Audit and Scrutiny Committees.

- (d) That no SRA be set for the Chairman role of the other joint committees (Joint Appointment, Joint Health and Safety and Joint Staff Consultation).
- (e) That in the event of the Council establishing formal Task Groups / Panels, no SRA is proposed.
- (f) That the new Babergh Lead Member role SRA be set at 0.5 of the basic allowance (£2,000).
- (g) That the multiple of the Basic Allowance for the SRAs for the Chairman / Vice Chairman of Strategy Committee, Vice Chairman of the Council, Chairman of Planning, Chairman of Regulatory remains unchanged.
- (h) That the SRA for the Vice Chairmen of Planning and Regulatory Committees be set at 0.25 of the Basic Allowance (£1,000).
- (i) That the proposed Deputy Leader role receives an SRA of 1.5 of the Basic Allowance (£6,000).

Note:

Council on 27 September 2013 agreed that this role would not proceed at this time.

- (j) That the Chairman of the Council SRA be set at 1.00 (£4,000).
- (k) That the SRA for individual members of the Babergh Planning Committee be discontinued.
- (l) That a new approach to the SRA for political group leaders be adopted whereby a sliding scale of allowance is paid based on the number of Councillors in the group (Number of members of the group x £40).
- (m) That the core principle is retained, that all SRAs are determined as multiples of the basic allowance.
Further, that the practice of paying only one SRA per Councillor (the larger/largest if two or more appointments are made) be adopted.
- (n) That, putting aside the arrangements for Travel and Subsistence allowances below, no provision be made for annual or periodic indexation of inflation-linked reviews of allowances.
- (o) That Travel and Subsistence Allowances (with the exception of overnight absences) continue to be paid to accord with the rates payable to Council employees from time to time.
- (p) That the Childcare / Dependants' Carers' allowances are set at £11.00 per hour and £13.00 per hour respectively.
- (q) That Council determines the date from which the new Scheme shall commence.

- 2.2 That a Members Allowances Scheme incorporating the recommendations of the IRP as adopted by the Council under recommendation 2.1 above be prepared by the Monitoring Officer. Further, that the Monitoring Officer be authorised to make any typographical and other minor / consequential amendments prior to publication of the final document.
- 2.3 That Council decides whether it wishes to remove the roles of Vice Chairmen of Joint Committees, for which no SRA has been recommended by the IRP, subject to Mid Suffolk District Council concurring with this course of action.

3. Financial Implications

- 3.1 There is provision in the budget for a Scheme based on Council accepting all the recommendations of the IRP.
- 3.2 A one-off cost of approximately £200 has been incurred for expenses associated with the IRP process, for which there is budgetary provision.

4. Risk Management

- 4.1 This report is not linked to any of the corporate significant business risks however the following risk should be considered:

Risk Description	Likelihood	Impact	Mitigation Measures
That the Scheme of Allowances does not provide for, or accurately represent, the scale and nature of the Councillor roles and appointments.	Low	Low	Review of the Scheme of Allowances.

5. Consultations

- 5.1 Lead Members and Political Group Leaders were aware of the rationale for the process undertaken for this review. Formal consultations are not appropriate for a review of this nature by an Independent Panel set up under the Local Authorities (Members Allowances) England Regulations 2003 (as amended).

6. Equality Analysis

- 6.1 There are no equality implications as a result of the recommendations from the IRP.

7. Shared Service / Partnership Implications

- 7.1 The Panel considered the Members' Allowances Schemes for Babergh and Mid Suffolk District Councils separately, recognising the sovereign nature of the two authorities, however did review the allowances for Joint Committees between the two authorities and other joint working arrangements (e.g. approach to policy development).

8. Key Information

- 8.1 A full review of the Members' Allowances Scheme has not been undertaken since 2007/8, pending decisions on the review of Local Government, and more recently, on ways in which Babergh and Mid Suffolk District Councils might work more closely together.
- 8.2 The completion of the Governance Review for both Councils together with the establishment of the new working arrangements in the shared services environment meant that a review of the Members' Allowances Scheme could be undertaken to reflect and accommodate the structural and other changes.
- 8.3 An Independent Remuneration Panel of three members from a County-wide pool was set up to undertake the Review and the Panel's report is attached as Appendix 1. The Council must have regard to the recommendations of the IRP when approving a new Scheme of Allowances. The Council is not obliged to accept the report in its entirety, but is required to place a public notice outlining the Panel's recommendations and indicating which elements, if any, it has resolved not to accept.
- 8.4 As with previous Reviews, the Panel took the opportunity to look at comparisons with similar councils both within, and outside, Suffolk.
- 8.5 The Panel was asked to consider its recommendations having regard to the current budget constraints on both Councils. The list of proposed allowances can be found at Appendix 2. It is recommended that the Monitoring Officer be authorised to make typographical and other minor / consequential amendments to the Scheme following the Council's review of the recommendations.

9. Appendices

Title	Location
1 Report of the IRP February 2014	Attached
2. List of proposed allowances	Attached

10. Background Documents

None.

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BABERGH DISTRICT COUNCIL

From: Independent Remuneration Panel Report Number: Appendix 1 to N122

To: Council

Date of Meeting: 25 March 2014

REPORT TO BABERGH DISTRICT COUNCIL FROM THE INDEPENDENT REMUNERATION PANEL (IRP) – FEBRUARY 2014

Chairman of the Panel:- Dr Alan Lower

Members:- Dr John Hill; Professor Dave Muller

1. Background to the Joint Review of the Members' Allowances Scheme

Panel

- 1.1 Dr Lower and Professor Muller were members of the Panel that reviewed the Council's Allowances Scheme in 2007/2008. All three Panel members have considerable expertise and experience of Allowances Schemes in Suffolk, having completed a range of reviews for other districts and the county council.

Role of the Panel

- 1.2 In accordance with the Local Authorities (Members' Allowances) England Regulations 2003 (as amended) the Panel was tasked with making recommendations to the Council on whether there should be any change to the current Scheme. This review was carried out in the context of the integration and transformation programme which Babergh and Mid Suffolk District Councils are currently undertaking. The review made particular reference to the completion of the substantive elements of the joint governance review and the embedding of many new ways of working in the shared services environment.

Considerations

- 1.3 In reviewing the current Scheme the Panel noted the changes to the Council's committee structure following the joint governance review. The Panel was provided with the following information:
- Babergh Members' Allowances Scheme approved by the Council on 26 February 2007 as revised to show the level of Allowances payable from 1 May 2013.
 - Recommendations on Constitutional change reported to Council meeting 9 April 2013 and subsequent minute of the meeting.
 - The Terms of Reference for all committees of the council.
 - Information regarding the scale, range and nature of the operation of the new joint committees.
 - Explanation of the impact of the new approach to policy development and the new informal role for all Members in task and finish groups.
 - Information relating to the new Lead Member and Deputy Leader roles introduced as part of the governance review.
 - Further explanation of the Leader and Deputy Leader roles and the role of the Vice Chairman of the Strategy Committee.

- Additional information on the operation of the political groups at Babergh and the role of group leader
- Analysis of Members allowances schemes for comparator Suffolk councils and a range of 4th option district councils.
- The Members' allowances budget for 2013/14 and 2014/15.

2. Findings of the Panel

- 2.1 The Panel recognises that Babergh and Mid Suffolk remain as two separate sovereign District Councils both operating a revised committee structure (4th option arrangements). The recommendations do however take account of the impact of the single integrated staffing establishment and the introduction of a number of Joint Committees and the joint approach to the Councillor role in policy development.
- 2.2 As this is a joint review we have examined the opportunities for alignment where appropriate, however we do recognise the separate identities, different ways of working and political models when reviewing individual Council's Special Responsibility Allowances (SRAs).
- 2.3 The Panel reviewed the new Joint Committees, and has recommended a scheme of SRAs based on the shared nature, and the range and scale of the Committees' scheduled meetings and briefings.
- 2.4 We have also reviewed all other SRAs to ensure that the principles applied are consistent and consider the potential for alignment with the other District Council where appropriate.
- 2.5 The core principle that SRAs are determined as multiples of the Basic Allowance has been adopted. An exception to this is the SRA for political group leaders, where a sum per group member is proposed.
- 2.6 The Panel also proposes the practice common across a number of comparable councils of only paying one SRA per councillor (the larger/largest if two or more appointments are made).
- 2.7 The Panel made no provision for an annual or periodic indexation of inflation-linked reviews of the scheme of allowances.
- 2.8 No recommendation on a review period for the scheme is included as this will need to be determined by the Councils as the working of the two Councils progresses.

3. Specific recommendations

The Independent Remuneration Panel recommendations are set out below, together – where deemed necessary – with a summary of the Panel's specific findings (in italics):-

Basic Allowance

- 3.1 That the Basic Allowance is set at £4,000 in recognition of the role for all Members of the Council in informal policy development work (e.g. task and finish groups) and the changing locality role (e.g. community engagement programme).

The Panel considers that this level of basic allowance for all Councillors provides a reasonable level when compared with other Suffolk district councils and a sample of 4th option district councils.

Joint Committees

- 3.2 That the allowance for the Joint Chairman role for the committees discharging the overview and scrutiny functions for the Councils (Joint Audit and Standards, and Joint Scrutiny) is set at 0.5 of the basic allowance (£2,000 for each chairman).

This recognises the joint and shared nature of the role in co-ordinating the functions across two Councils and the range, scale, and format of formal meetings and briefings required. The Panel members comment that they would have expected the Chairman role to be a single appointment for both Councils.

- 3.3 That there is no allowance for the Vice Chairman roles for the Joint or council-specific Audit and Scrutiny Committees.

There is no need for this allowance due to the cover that is provided by the two joint chairmen, and the ad hoc nature of the potential council-specific meetings and briefing schedule.

- 3.4 That there is no allowance for the Chairman of the other Joint Committees (Joint Appointment, Joint Health and Safety, and Joint Staff Consultation).

The Panel took into account the infrequency of meetings and nature of the proposed committees reflecting the terms of reference.

Other SRAs

- 3.5 The Council currently has no formal task groups or panels: but if one was to be set up, then no SRA is proposed.

- 3.6 That the Lead Member role SRA be set at 0.5 of the basic allowance (£2,000).

Recognising the nature of the role as described in the terms of reference and the developmental nature of the position at this time.

- 3.7 That no change in the multiple of the basic allowance be made for the Chairman and Vice Chairman of Strategy Committee, Vice Chairman of the Council, Chairman of Planning Committee and Chairman of Regulatory Committee.

- 3.8 That the allowance for the Vice Chairmen of Planning and Regulatory Committees be set at 0.25 of the basic allowance (£1,000).

- 3.9 That the Deputy Leader role is set at 1.5 of the Basic Allowance (£6,000).

The Panel recognised the importance of the role in deputising for the Leader of the Council. However, the Panel noted that the Council had agreed that this role would not proceed at this time.

- 3.10 That the Chairman of the Council SRA be set at 1.0 (£4,000).

The Panel noted that this provides alignment with Mid Suffolk and other district councils.

- 3.11 That the SRA for individual members of the Babergh Planning Committee be discontinued.

This aligns with practice in Mid Suffolk and other comparable councils.

- 3.12 That a new approach to the SRA for political group leaders is adopted whereby an allowance is paid based on the number of Councillors in the group (Number of members of the group x £40).

This aligns the scheme of allowances with practice across a number of comparable councils.

General

- 3.13 That the core principle is retained, that all SRAs are determined as multiples of the Basic Allowance.

Further, that the practice of paying only one SRA per Councillor (the large/largest if two or more appointments are made) be adopted.

- 3.14 That, putting aside the arrangements for the Travel and Subsistence allowances below, no provision be made for an annual or periodic indexation of inflation-linked reviews of allowances.

In the light of the revised level of Basic Allowance and the common practice in a number of comparable councils.

- 3.15 That Travel and Subsistence Allowances (with the exception of overnight absences) continue to be paid in accordance with the rates payable to Council employees.

- 3.16 That the Childcare/Dependants' Carers' allowances are set at £11.00 per hour and £13.00 per hour respectively.

The Panel recommends that Babergh and Mid Suffolk rates are harmonised and that the existing Mid Suffolk rates apply to both Councils.

- 3.17 That no review period for the Scheme is included.

To be determined in due course by the two Councils, depending on the progress of their new working arrangements.

BABERGH DISTRICT COUNCIL

Basic Allowance with effect from 2014 **£4,000 per annum**

Special Responsibility Allowances with effect from 2014

Responsibility	proposed £
Chairman of the Council	4,000
Vice-Chairman of the Council	2,000
Chairman of Strategy Committee	8,000
Leader of the Council	10,000
[Deputy Leader of the Council	6,000]
Vice-Chairman of Strategy Committee	2,000
Chairman of Planning Committee	4,000
Vice-Chairman of Planning Committee	1,000
Chairman of Joint Scrutiny Committee	2,000
Vice-Chairman of Joint Scrutiny Committee	No allowance proposed
Chairman of Joint Audit and Standards Committee	2,000
Vice-Chairman of Joint Audit and Standards Committee	No allowance proposed
Planning Committee Members (14)	No allowance proposed
Group Leaders	No of members in group x 40
Task Group Chairmen	No allowance proposed
Panel Chairmen	No allowance proposed
Chairman of Regulatory Committee	4,000
Vice-Chairman of Regulatory Committee	1,000
Lead Members	2,000