

## **BABERGH DISTRICT COUNCIL**

**From : Independent Remuneration Panel**

**Report Number : Appendix B**

**To: Council**

**Date of Meeting : 19 June 2018**

### **REPORT TO BABERGH DISTRICT COUNCIL FROM THE INDEPENDENT REMUNERATION PANEL (IRP) - MAY 2018**

#### **1. Introduction and Terms of Reference (attached at appendix A)**

1.1 The Independent Remuneration Panel (IRP) was appointed to review and make recommendations to Babergh District Council regarding Members allowances following the introduction of a leader/cabinet governance model in May 2017. The Panel has undertaken a review of the following elements of the members allowance scheme:

- Basic Allowance (Ward Representation)
- Special Responsibility Allowance
- Child/Dependant Care Allowance
- Travel and Subsistence Allowance

#### **2. Members of the Panel**

2.1 The Independent Remuneration Panel consists of three members:

- Sandra Cox – Chair
- Karen Forster
- Ivor Holden

#### **3. Approach and Methodology**

3.1 The IRP was given the task of carrying out a review of the Member Allowance Scheme after the introduction of a Leader/Cabinet governance model in May 2017.

3.2 The Panel considered how best to gain the information it needed to make such recommendations. After discussion it decided the best way was through research and consultation.

3.3 The research element of the review consisted of analysis of both historical and contextual information sources including:

- Demographic information for both Babergh and Mid-Suffolk District Councils;
- Any demographic changes that may occur in the near future for both councils;
- Budgets, income and expenditure, for both councils;
- Comparisons with other East Anglian Councils spend on allowances;
- Nationwide statistic of comparable councils;
- Analysis of Councillor training provision and needs;
- Comparison of planning demands;
- Cost to Councillors and time demands of the move to Endeavour House;
- IT consumables;

- Investigation of care costs;
  - the current and past schemes of allowances.
- 3.4 The Panel devised two questionnaires, the second of which was necessary as there were no current role descriptors available.
- The first was given to all Councillors to seek their views on the current scheme, their role and how it had changed since the introduction of the Leader/Cabinet model.
  - The second was given to various Officers and Councillors asking them to numerically evaluate the duties and skills needed for the various Councillor roles that had a Special Responsibility Allowance (SRA).
- 3.5 The Panel also consulted by personal interview with the Chief Executive, Strategic Directors, Leader of Babergh District Council and a BDC non-Cabinet member at the time to gain their perspective on Councillor role requirements and time commitments under the leader/cabinet decision making model.
- 3.6 As there are no current role descriptors for the posts with SRAs the Panel used the information gathered from the interviews above and other statistical evidence to evaluate what the SRAs should be. The Panel would like to suggest that both councils consider if it was appropriate for role descriptors to be put in place.
- 3.7 The Panel felt it needed a cross check to verify the decisions it had made. To this end it devised a spreadsheet which required Councillors and Officers to score each role for skills, knowledge and training needed to fulfil each role. From these individual sheets the Panel then compiled an average chart which could be used to cross check decisions made from information gathered – (Appendix E).
- 3.8 The averages sheet, when put against the decisions the Panel had made, produced a very similar picture of how the SRA roles fit within the leader/cabinet decision making model.

#### **4. Recommendations**

- 4.1 The Panel in making their recommendations also noted the similarity between the two councils and discussed the joint working relationship that Mid Suffolk District Council has with Babergh District Council, including sharing one headquarters, sharing the same Chief Executive and staffing structure, joint committees, joint briefings and member training and agreed that based on this relationship there was merit in aligning the two Member Allowance Schemes. This is also in line with other councils that share officers, such as Suffolk Coastal and Waveney District councils. The Panel have therefore recommended the same Members Allowances Scheme across both councils. The Panel understood that a new, wider and more detailed training programme was being put in place and would like to commend both Councils for recognising and responding to this need.
- 4.2 Taking this into account, and the information gained from the sources mentioned above, the Panel therefore recommend the following changes are made to the Members Allowance Scheme:-

## **Basic Allowance**

- 4.3 The Panel recommends that the Basic Allowance be raised from £4,000 to £5,000 per annum. The Panel based this recommendation on analysis of:
- the responses to their questionnaire,
  - consideration of the current living wage,
  - the amount of time councillors spend on their constituency work and council meetings,
  - the additional and on-going member training needed following the implementation of the new governance arrangements and increasing demand on their skills there will be in the future;
  - the demanding nature and complexity of their work,
  - and the travelling time to attend meetings whether at Endeavour House or within the districts.
  - Analysis was also undertaken of similar authorities according to the CIPfA groupings of councils and both councils' basic allowance was found to be at the lower end compared to other councils (Attached at appendix d)
- 4.4 The Panel also recommended that the Scheme be index linked to officer pay increases from May 2018 for the next four years or until the Scheme was reviewed if earlier.

## **Special Responsibility Allowances**

- 4.5 The Panel recommended that the SRA's be calculated as a multiplier of the new basic allowance to give a formula for the future. This is in line with other councils. This will mean that all allowances will be raised when the Basic Allowance is raised.
- 4.6 The Panel were made aware that there were no up-to-date role descriptors for SRA positions and so had to base its decisions upon information gained through interviews, statistical research and comparisons. It was aware too that this was not secure evidence and the Panel felt it needed a methodology for cross checking the value of SRAs.
- 4.7 To do this it devised a scoring sheet giving values between 0-5 for various amounts of knowledge, skills and training needed to perform each role successfully. These were issued to some Councillors and Officers. These spreadsheets gave a total score for each of the Special Responsibility Allowances which could be set against the decisions it had already made. The Panel considered this to be an appropriate way to cross check SRA decisions made from information collected elsewhere. It was pleased to see that the scoring was in line with its recommendations and has given it confidence in its decisions. (appendix e)
- 4.8 The Panel also recommended that the Regulatory Committees Chair's allowance should be aligned with all other Chairs e.g. that the Chairs will now be paid 50% of the basic allowance and the vice chairs 25% of the basic allowance.
- 4.8 The Panel also agreed that whilst the legislation did not explicitly prevent councillors from being able to claim more than one SRA, most other local authorities restricted their members to one SRA. To the Panel's knowledge no other district council in the East Anglian area allows multiple SRA's to be claimed. Restricting SRA payments to only

one per person would also help to save costs and offset the rise in other payments. It is therefore recommended that, as at present, only one SRA should be paid to any one Member. Where two SRAs are applicable the higher rate SRA shall be applied.

- 4.9 The Panel felt that, given its recognition of the close working and structures of both Councils, there was a need to bring some SRAs for both Councils into alignment. These were as follows:

4.9.1 The Panel recommended that the Regulatory Committee Chair's allowance should be aligned with all other Chairs e.g. that the Chairs will now be paid a multiplier of 0.5 times the basic allowance, giving an SRA of £2,500, and the vice chairs 0.25 times the basic allowance, giving an SRA of £1,250.

4.9.2 The Panel debated whether the Vice Chair of the Joint Audit and Standards Committee should be paid an allowance as there were already two chairs (one from each Council) who alternated the Chair between them which meant that the vice chairs rarely had to chair meetings. The Panel therefore recommended that the vice chairs should not receive an allowance.

4.9.3 The Panel discussed the payment for the Chairs' of Planning and looked at the number of planning applications dealt with and also compared these with the number dealt with by Babergh's Planning Committee. They felt that the work load was significant for both committees. They recommended a multiplier of 1 times the basic allowance giving an SRA of £5,000.

4.9.4 The Panel discussed whether Planning Committee members should be paid and agreed that after analysis of their information of the hours and time spent on the committees that Planning Committee members should not be paid an additional SRA.

4.9.5 The Panel carefully analysed the information relating to the work carried out by Portfolio Holders (using information provided by the Questionnaires, evaluation sheets, interviews and comparisons with other councils) and recommended that Portfolio Holders receive a multiplier of 1.25 times the basic allowance giving an SRA of £6,250.

4.9.6 The Panel recognise the additional work carried out by Group Leaders in relation to the changing governance arrangements and recommends that they receive a multiplier of 0.20 times the basic allowance.

- 4.10 The final recommendations for the SRA's are listed below:-

<b>SPECIAL RESPONSIBILITY ALLOWANCES</b>	<b>Current Amount</b>	<b>Proposed Amount</b>	<b>Basic Allowance Multiplier</b>	<b>Number of Councillors</b>
Chairman of the Council	£4,000	£5,000	1.00	1
Deputy Chairman of the Council	£2,000	£2,500	0.50	1
Leader of Council	£8,000	£12,500	2.50	1
Deputy Leader of the Council	£4,000	£7,500	1.50	1

Chair of Planning Committee	£4,000	£5,000	1.00	1
Vice-Chair of Planning Committee	£1,000	£1,250	0.25	1
Chair of the Scrutiny/Joint Scrutiny Committee	£2,000	£2,500	0.50	1
Vice Chair of the Scrutiny Committee	£0	£1,250	0.25	1
Chair of Joint Audit and Standards Committee	£2,000	£2,500	0.50	1
Planning Committee Members	£400	£0	0	14
Political Group Leader	£750	£1,000	0.20	4
Chair of Regulatory Committee	£4,000	£2,500	0.50	1
Vice-Chair of Regulatory Committee	£1,000	£1,250	0.25	1
Cabinet Member with Portfolio	£2,000	£6,250	1.25	7

### **Child/Dependent Care Allowances**

- 4.11 The Panel felt that it was important to support Councillors who had the responsibility of children or of someone else who was dependant on them and needed care in their absence, which could range from mild illness to the need for very demanding and responsible care. They were particularly minded to support those who had these responsibilities and who wished to serve their communities but could not consider standing because of the obstacle of the cost of caring for their dependents in their absence on Council business.
- 4.12 The Panel considered the different caring roles and the level of training needed to provide such services. They agreed that the level of training required should be reflected in the payments made. For example, the rate for ordinary child care should be lower than that of specialist or trained nursing care.
- 4.13 The Panel decided that their recommendation should be based on locally researched professional charges.
- 4.14 The Panel agreed that these payments should not be paid to a family member, friend or neighbour but should be used to pay for professional care. They also reiterated that reimbursement would only be paid on the production of a receipt.
- 4.15 The IRP recommends that the Child Care Allowance be increased to £13 per hour subject to a receipt and the Dependant Relative Care/Specialist Nursing Care allowance be increased to £30 per hour subject to a receipt. This is to make the allowances more realistic and to align them with most other East Anglian Councils.

### **Travel Allowances**

- 4.16 The current mileage rate of 45p per mile to remain the same.

- 4.17 The current cycle mileage rate of 27.7p per mile to remain the same.
- 4.18 The current passenger allowance be raised from 3p per mile to 5p per mile to align with most other East Anglian Councils.
- 4.19 The Panel wished to clarify that travel expenses would be paid for District Councillors attending Parish Council meetings, as the district ward representative for that area, with the exception of when the District Councillor was also a Parish Councillor for that Parish Council.
- 4.20 The Panel also wished to clarify that travel expenses would not be paid for attendance at single party group meetings.

#### **Subsistence Allowances**

- 4.21 After discussion the Panel decided to recommend that Breakfast, Lunch and Tea allowances to be removed as they are normally provided at conferences or meetings and to align with most other East Anglian district councils.
- 4.22 The Panel also recommended that the Evening Meal Allowance be increased to £20 as a more realistic price to be able to obtain an evening meal and to also align with most other East Anglian district councils, with a caveat that if a meal had to be bought for a higher price, for instance in London, a claim can be made with appropriate approval from the Democratic Services Corporate Manager.
- 4.23 The Panel recommended that the Overnight Subsistence Allowance be removed as the Panel agreed that this type of subsistence would usually be booked through the Council to take advantage of group rate. A caveat should be made that on an individual basis by a councillor in an emergency the actual cost of an hotel and meals could be claimed with the agreement of the Democratic Services Corporate Manager with receipts to be produced when claiming.