

DATE: Friday 16 October 2015
MY REF: Independent Remuneration Panel
YOUR REF:
CONTACT: Democratic Services
TEL NO: 0116 272 7640
EMAIL: committees@blaby.gov.uk

To Members of the Independent Remuneration Panel

Dr B.W. Kiernan

Mr S. Knott

Mr B. North

Dear Member,

A meeting of the **INDEPENDENT REMUNERATION PANEL** will be held in the Gloucester Room - Council Offices, Narborough at these offices on **TUESDAY, 27 OCTOBER 2015** at **5.30 p.m.** for the transaction of the following business and your attendance is requested.

Yours faithfully



Colin Jones
Corporate Services Group Manager

AGENDA

1. Election of Chairman
2. Apologies for Absence
3. Disclosures of Interest

To receive disclosures of interests from Members (i.e. the existence and the nature of those interests in respect of items on this agenda).

4. Councillor Representations

To consider any verbal representations made by Councillors.

(Elected Members will be asked to leave once all representations have been heard to allow the Panel to determine it's recommendations)

5. Review of Members' Allowance Scheme (Pages 3 - 22)

To consider the report of the Democratic Services & Governance Manager (enclosed).

Blaby District Council Independent Remuneration Panel

Date of Meeting 27 October 2015
Title of Report **Review of Members' Allowances Scheme**
Report Author Democratic Services & Governance Manager

1. What is this report about?

- 1.1 To seek recommendations from the Independent Remuneration Panel in relation to any changes required to the Members' Allowances Scheme.

2. Recommendation(s)

- 2.1 That the Independent Remuneration Panel considers what changes (if any) should be made to the Members' Allowances Scheme.

3. Reason for Decision(s) Recommended

- 3.1 It is appropriate for the Panel to consider whether or not changes should be made to the Members Allowances Scheme and recommend changes (if any) to Council.

4. Matters to consider

4.1 Background

This process is part of the annual review of the Members' Allowances Scheme. The Local Authorities (Members' Allowances) (England) Regulations 2003 require a Local Authority to take into account any recommendations of an Independent Panel when considering setting the member Allowances Scheme.

The Panel is required to consider whether any changes are required to the scheme in relation to the following:

1. The payment of a basic allowance to all Councillors
2. The payment of any special responsibility allowances
3. The payment of travel and subsistence expenses
4. The payment of Dependent Carer allowances
5. A co-optees allowance

As part of this process, all current elected members of Blaby District Council have been asked to submit responses to a questionnaire. The results and comments are fully provided and anonymised at appendix A.

Out of 39 Members, 22 have responded to the questionnaire. 22 responded to the question concerning Basic Allowances, 21 in relation to Special Responsibility Allowances, 19 in relation to the Planning Committee Allowance, and 18 in relation to Dependent Carer Allowance, Travel Allowance and Subsistence Allowance.

In addition the Conservative Group have prepared a paper for consideration by the Panel and this is attached at Appendix B.

Officers will be available at the meeting for any further questions members of the Panel may have including some comparator information from other Council's to assist in the process.

4.2 Proposal(s)

That the Independent Remuneration Panel, make recommendations to Council in relation to any amendments to the Members' Allowances Scheme

4.3 Relevant Consultations

None

4.4 Significant Issues

None

5. **What will it cost and are there opportunities for savings?**

5.1 Additional costs or savings will arise from any changes in the Scheme, these will be considered at the meeting of Council when the decision is taken to amend (or not) the Members' Allowances Scheme.

6. **What are the risks and how can they be reduced?**

6.1 None

7. **Other options considered**

7.1 The other options are for the Member Allowances Scheme to go directly to Council or for the Council not to consider the Scheme, both of these options are in breach of the 2003 Regulations

8. **Other significant issues**

8.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

9. **Appendix**

9.1 Appendix A – Summary of responses to the Member Allowances Questionnaire

9.2 Appendix B – Paper from the Conservative Group

10. Background paper(s)

The Local Authorities (Members' Allowances)(England) Regulations 2003

The current Members' Allowances Scheme

11. Report author's contact details

Louisa Horton Democratic Services and Governance Manager
Louisa.horton@blaby.gov.uk 0116 272 7636

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Questionnaire – Members Allowances 2015

Q1 - Basic Allowance. Please give your view on the current basic allowance, including its linkage to the NJC Staff Pay award.

Answered: 22 Skipped: 0

1	I think the allowance is sufficient for the work that is involved being a district councillor
2	As members of the authority, I think that the allowance given is a fair amount, but maybe to encourage members of the public that are interested in politics and have no transport or maybe child care responsibilities this monthly allowance could do with being enhanced to attract different strata's of people. This allowance should be kept in line with the NJC scales and living wage.
3	Level should be in line with similar sized authorities. Linkage thereafter is logical and sensible.
4	I think the basic allowance is fair and link to the NJC Staff Pay Award
5	No answer
6	I think it's a little lower than other councils
7	In line with current duties and responsibilities the basic allowance falls at least 20% short of being realistic.
8	No answer
9	Each and every member works very differently weather on council duties or private. There are some members who are able to put many hours in to the role of a councillor do to the fact that they are retired or life style allows the time. However do to the time required and the very low allowances paid the vast majority of interested persons to the roll of councillor is vastly reduced. This was evident at the 2015 elections when all political parties struggled to find candidates. If allowances continue to stay at such a low rate then there will be less and less councillors forward in future elections for the roll.
10	No answer
11	In light of national pay constraint I feel the current level is correct including the link to the NJCS
12	Allowances should be directly relevant to size of operation, operational responsibility and specialist skills or qualifications. In examining the NJC pay scales, the there would appear a sound argument that Councillors should be rewarded against both responsibility and time demand. In the modern climate where society would benefit enormously from more involvement by Councillors

	<p>and the role be more attractive to members of the working public who will bring much needed skills to the role and council, a technically voluntary basis will rarely attract much needed business skills.</p> <p>It would appear that, depending on responsibilities and roles and time demand the role of a Councillor should be aligned between SO1 and PO5 and likely pro-rata'd to a committed attendance policy</p>
13	The basic allowances needs to reflect rise in cost of living and that more burden is being places on councils and continue to be linked to NJC pay award.
14	I believe the basic allowance is adequate and the NJC linkage is simple to understand, fair and workable.
15	no change
16	The allowance should be higher to reflect the levels of work members get involved with and the responsibilities that they have in the decisions they make and take
17	It is ok, won't be able to retire on it but it covers the hours that I put in
18	As a new Councillor and not familiar with having a basic allowance, but knowing about the NJC Staff Scales and awards, I feel that the Members Allowances should be on similar to the staff ones.
19	Seems a sensible arrangement
20	Current allowance is acceptable
21	Seems reasonable to undertake duties and time consumed with being a councillor

Questionnaire – Members Allowances 2015

Q2 - Special responsibility Allowances - Please give your views on Special Responsibility Allowances and the fact that members can receive up to two in addition to the basic allowance.

Answered: 21 Skipped: 1

1	I agree that councillors with more responsibility should receive more allowance or allowance for the extra work under taken
2	Given the responsibilities and extra workloads and preparation for meetings etc, I think that these allowances should be increased. I have no problem with the fact members can receive up to two on top of the allowance.
3	No member should be able to receive more than one responsibility allowance. Considering the time and commitment required by cabinet members the allowances are somewhat low
4	If you are on the Planning Committee. The Members £20 allowance should be greater. As far as the special responsibility allowances they should be in line with the Blaby's Staff's award, assuming the responsibility is equivalent
5	I agree with special responsibility allowances due to the volume of work expected.
6	No answer
7	Portfolio holders substantially under remunerated
8	No answer
9	I have a young family, mortgage and all the usual bills & costs that go with a normal day to day life in 2015. All of the above rolls not only carry great responsibility but equally great time constraints, some clearly are full time rolls. I am currently a cabinet member and the only way in which I can for fill this roll is the fact that my main income source comes from my weekend self employed work. If this were to change then my councillor roll would have to go. These rolls command a much higher pay award and should be considered as a matter of urgency. These low pay allowances exclude a number of possible councillors.
10	I feel the allowances are about correct although the leaders allowance may be a little low. The two allowances as far as I know only affects (Name withdrawn) myself. My two allowances are for very different roles and allocations of time and effort. The indipendant review has looked at this on many occasions and come to the same conclusion.

11	I have no view on the current arrangement as it is the cumulative allowances / remuneration that is most important (as per Q1) to encourage a broad set of skills into the Councillor role and for the Councillor to be able to invest more time into the role I am though satisfied that certain roles should attract additional allowances
12	Members should only claim 1 special allowances and that should be the higher one of the two.
13	Agreed in full.
14	no change
15	They are just and deserved. Cabinet members should receive a greater allowance.
16	I'm sure there is a lot more hours put in at these levels so allowance reflects this
17	I have only one thing to comment on and that is Special Responsibility allowances should reflect on the amount of additional workload each imposes - some are higher than others having regard to each importance.
18	Insufficient knowledge of all the roles to comment
19	I agree with this
20	As a new councillor my view is these are fair... Don't understand enough about the additional duties to comment currently
21	Too generous

Questionnaire – Members Allowances 2015

Q3 - Planning Committee Allowance – Please comment on the allowances payable in respect of Planning Committee.

Answered: 19 Skipped: 3

1	I agree that an extra payment is made to a planning committee member or substitute for the extra hours involved in being a committee member.
2	I think that this is a fair allowance. If you are taking your responsibilities seriously it takes many man hours to read up on planning applications via the baking documents before even attending the committee.
3	Current level is fine.
4	As I previously stated the allowance should be greater.
5	Agree for the extra time involved.
6	No answer.
7	No answer.
8	No change.
9	No comment.
10	£20 is far too smaller payment to compensate for both anything up to 7 or more hours work and being the very public face, often making contentious decisions, of the Planning Authority For many Councillors, the Opportunity Cost sacrificed is massively greater than £20 for 7 hours and that discounts entirely, the background reading and research time invested It would make more sense, under the rules of attendance, for members of the Planning Committee to be in receipt of a permanent special responsibility allowance, never more so than Planning Committees need to be highly professional and need to improve their professionalism and knowledge Substitute allowances should also reflect time invested and opportunity cost.
11	This should not change.
12	Agreed in full. This is a significant commitment by individuals.
13	The chair and vice chair should also get the attendance allowance as they attend as do members in attendance.
14	Due to the site visit the allowance seems fair.

15	Substitute Members need to be recompensed as appropriate, especially if at short notice which may inconvenience them in performing a necessary public duty.
16	As this usually involves all afternoon and the evening this seems modest.
17	This is too low.
18	Nothing to comment as seems fair.
19	Cancel it.

Questionnaire – Members Allowances 2015

Q4 Dependent Carers Allowance – Please give your views on the Dependent Carers Allowance payable in respect of expenses of arranging for the care of children or dependents?

Answered: 18 Skipped: 4

1	I disagree with the extra allowance given. If you are in full time employment an employer doesn't pay an extra allowance to help with child care.
2	This is vital if we are to attract and keep valued members.
3	Current scheme is fair.
4	N/A
5	No change
6	No answer
7	No answer
8	No change
9	No comment
10	I have no knowledge of the payments but would expect payments to be broadly in line with recognised local care costs.
11	This should not change
12	Agreed in full on a case by case basis for individual councillors.
13	Deserved
14	Wasn't aware of this, as meeting dates are available well in advance most should be able to make arrangements without the need for cost.
15	No member should be placed in a position which would result in them not undertaking public duties due to a possible financial hardship. An appropriate hourly rate would be acceptable to ensure attendance.
16	No comment

17	This encourages more people to be Members and as such should be maintained
18	N/A

Q5 - Travel Allowance - Please give your views on the Travel Allowance?

Answered: 18 Skipped: 4

1	I disagree with travel allowance to and from meetings, the allowance given to members should be taken into account.
2	Personally I wouldnt claim this, as I believe this is part of the allowance figure previously discussed, however as before this could have a major effect on a non car owner/single mum/ unemployed/retired member when travel expenses could eat up the normal allowance.
3	The current level of payment is fair for travel and subsistence to outside venues. However, HMRC now tax travel payments to BDC. This will require current expenses forms to differentiate between taxable and non taxable mileage claims. In turn this will require more work for our staff in the checking and finance departments. I propose that mileage payments to BDC should be scrapped and basic and responsibility allowances should be increased by 2%. Those living the furthest away will be slightly worse off but, going by last year's claims, not everyone claims anyway
4	I could not attend the committees if I relied on public transport hence I use a car the price per mile should be in line with the national average
5	Could allowances to members be increased to cover this allowance
6	No answer
7	No answer
8	No change
9	the rate seems about right
10	It should not be subject to taxation. Councillors have very mixed and varied duties with significant time invested at their homes in Council business, therefore as per the Private Sector and HMRC guidelines, travel from the primary point of work (home) on company business is free of taxation All travel undertaken by Members on behalf of their electorate or the Council should be reimbursed to encourage maximum Member activity
11	Travel allowances should be given as a lump sum dependent on area that you represent. Only claim for train fares.

12	Travel expenses rates agreed however it would only be for travel away from Narborough BDC offices. Work or home to BDC travel should not be reimbursed. The latter I believe is covered in the basic allowance. "Employers" do not normally pay for travel to a place of "work".
13	Payments should be made for home to bed business
14	I personally do not put in for this, I do not think you should claim for this, it should be just part of the basic allowance
15	The current travel arrangements as set out in the NJC regulations/rates and which are reviewed regularly appear very fair and acceptable
16	Seems reasonable
17	I agree with this
18	Appropriate

Q6 - Subsistence Allowance - Please give your views on the Subsistence Allowance?

Answered: 18 Skipped: 4

1	I agree that a subsistence allowance should be paid.
2	As a newer member would this happen very often. ? it would seem to be that the London rate would have to be enhanced as that does seem quite low.
3	No comment.
4	N/A
5	I personally feel that paying for my meals would be down to me rather than expecting the council to pay. Is the members allowance not meant to cover these sorts of things?
6	No answer.
7	No answer.
8	No change.
9	no comment
10	The existing subsistence allowances would seem to be broadly well balanced although the evening meal allowance would be better positioned at around £15.00.
11	This should not change.
12	Agreed in full.
13	Acceptable.
14	The allowance should allow anyone to have a decent meal without being out of pocket while on duty.
15	They appear to be acceptable amounts on present day tariffs.
16	Fair.
17	Meal allowances too low.
18	Appropriate.

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Questionnaire – Members Allowances 2015

Q7 - Additional Information - Please use this space to comment on any other aspect of Allowances that you would like the Independent Remuneration Panel to consider.

Answered: 15 Skipped: 7

1	None
2	None
3	Could the allowances be such that the majority of subsistence and travel be included
4	No answer
5	No answer
6	No change
7	no further comments
8	It would seem imperative to me that the role of Councillor is positioned to encourage more expertise and more skills and with those, more ability to commit time to the role, to ensure the best performance of Councils it will become more and more essential that the role of Councillor can be seen as a Career Choice and that will never happen whilst the role is effectively a voluntary role and the basic allowance is set out to cover basic administration costs, not time. How much more effective would councils be if Elected Members were largely or all highly trained, highly experienced business people or professionals
9	Councillors are doing more work and are under pressure to make prudent decisions. The basic allowance does not fully reflect the cost and work involved
10	None thank you.
11	N/A
12	If other committee membership is linked to compulsory training eg planning committee , the panel should look to award an allowance for attendance
13	No further comments
14	I do not understand why other committee attendances over and above full council should not incur some compensation if the regulatory committee does
15	None

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Submission to the Independent Remuneration Panel

To assist the deliberations of the remuneration panel we as the Conservative Group making up 29 of the 39 District Councillors should like to make the following submission.

This submission is based on;

- The move towards becoming a digital council which will greatly reduce the need for paper reports to be supplied to members but where members will be required to have access to the internet, computer hardware and printers. The 'Channel shift' saving associated with this policy has been estimated to save some £77,000 (£19250 per annum) over a four year period.
- Blaby District Council, unlike many others, does not supply computer hardware to its members.
- It is felt sensible to discontinue paying travelling expenses, to and from, the Council offices to avoid the need for members to claim and the associated costs of processing. Whilst we are fortunate that the majority of members choose not to claim these expenses this may not always be the case and having a basic allowance that reflects this will future proof any growth in such expenses. It is estimated that some 50% of all travel expenses totalling some £2000 would be saved. Travel, to and from, other locations whilst on approved council business will still be available to claim in the normal way.
- Councillors pensions are now no longer available and whilst not all councillors took advantage of the scheme there has been a reduction in councillors costs, due to this policy change, of £10,886.
- The greatly increased workload being placed on the majority of those receiving a Special Responsibility Allowance with the subsequent time commitment that is now required due to the challenges facing local government.
- As far as possible bringing allowances into line with the time and commitment required to fulfil the role.
- Whilst we all fully accept that Councillors should never be overly rewarded for engaging in public service there is nevertheless a case to be made in providing a slightly higher level of compensation which will hopefully assist in attracting more employed members going forward.

We are therefore proposing the following changes which would still provide for a net overall saving in costs to the council

Our suggestion is as follows;

Basic Allowance £4600 (current allowance £4093)

Special Responsibility Allowances;

Leader £12250 (current allowance £10977)

Deputy Leader £8000 (current allowance £7135)

Cabinet member £6150 (current allowance £5488)

Opposition Group Leader £3600 (current allowance £3293)

Chair of Scrutiny Commissioners £4500 (current allowance £4390)

Scrutiny Commissioners £3700 (current allowance £3293)

No change is recommended for Chair and Vice Chair of planning being £4390 and £1098 respectively.

Youth Champion £1098 - this is a role that previously had a special allowance.

Members were also concerned about the possibility of any one member being able to claim more than one special responsibility allowance and therefore in line with several councils but drawing on the wording from Charnwood Borough Council it is further proposed that where any Councillor is in receipt of more than one Special Responsibility Allowance they should receive 100% of the highest allowance and 50% of any subsequent allowance.

The overall increase in cost of the new allowances would be £22369 which is more than covered by total savings in each year of £32136 which is made up of 'Channel Shift' £18250, Pension contribution £10886 and travel expenses of circa £2,000.

This proposal would provide a year on year saving to the council of circa £10,000 and would future proof the council against rises in postage, printing costs and no of members claiming travel expenses.

We believe this is a fair and balanced proposal that recognises the needs to compensate councillors to a slightly higher level for the reasons covered above but fully recognises the financial strains currently facing the council and that this is, after all, council tax payers money.

David Clements

Conservative Chief Whip

(on behalf of all 29 Conservative Councillors)