

County Council

20 February 2013

Members Allowance Scheme 2013/14



Report of the Corporate Management Team

Colette Longbottom, Head of Legal and Democratic Services.

Councillor Alan Napier, Cabinet Portfolio Holder for Resources and Deputy Leader

Purpose of the Report

- 1 To request that Council agree a Members Allowance Scheme for 2013/14 having due regard to the recommendation of the Independent Remuneration Panel.

Background

2. Under the Local Authority's (Members' Allowances England), Regulations 2003 (the "Regulations") the County Council shall make a scheme in accordance with the Regulations which provide for the payment of an allowance in respect of each year to each member of the Council. This is referred to as the "basic allowance".
3. The scheme may also provide for special responsibility allowances to such members of the authority that carry out special responsibilities in relation to the authority as are specified in the scheme and fit within one or more of the categories set out in the Regulations.
4. The Regulations also provide that before the beginning of each year the authority shall review the scheme and before confirming or amending it, members shall have regard to the recommendations made in relation to it by the Independent Remuneration Panel.

Independent Remuneration Panel

5. The Independent Remuneration Panel for Durham met in January 2013 and considered a revision to the scheme. The report of the Panel is attached at Appendix 2.
6. Members should note that no changes are recommended for 2013/14 and the Panel, having considered specifically the question of allowances in relation to the Police and Crime Panel and the Health and Wellbeing Board concluded that no allowances should be payable. Council will note that the panel is

willing to consider the question of allowances for the Police and Crime Panel when more is known about its workload and has also given the view that any suggestions for an increase in the allowance scheme should be supported by evidence which could be considered if requested by the newly elected Council.

Recommendation

7. That the Council consider the Members Allowance Scheme for 2013/14, taking into account the recommendation of the Independent Remuneration Panel.

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Appendix 1: Implications

Finance – There is budgetary provision for the current scheme.

Staffing – None specific within the report.

Risk – None specific within the report.

Equality and Diversity / Public Sector Equality Duty – None specific within the report.

Accommodation - None specific within the report.

Crime and Disorder - None specific within the report.

Human Rights - None specific within the report.

Consultation – None specific within the report.

Procurement - None specific within the report.

Disability Issues – None specific within the report.

Legal Implications – Within the body of the report

Appendix 2: Report of the Independent Remuneration Panel

County Council

20 February 2013

**Report of the Independent Remuneration
Panel**



Report of Colette Longbottom, Head of Legal and Democratic Services

Purpose of the Report

1. To advise the Council of the outcome of the review of Members allowances carried out by the Independent Remuneration Panel for 2013/14.

Background

2. On the 23 January 2013, the following members of the panel met to review the allowance for 2013/14:-

Gill Stephenson
John Cuthbert
John Hitchman
Kate Welch
Professor Ray Hudson

3. The panel was made aware of a request by one Member for extra payment for members of the Fostering Panel for the amount of paperwork that has to be read in Members' spare time. They were also aware of a comment made by one Member in relation to the Police Crime Panel, which was that he was of the view that the question of allowances for this panel should be delayed for at least 12 months.

Police and Crime Panel

4. Members were made aware of significant developments in relation to the Council Constitution for the forthcoming year. In a report from the Head of Legal and Democratic Services, the panel was advised of how the Police

Authority had ceased to exist as a result of the Police and Crime Panel, and the election of the Police and Crime Commissioner in November 2012.

5. The panel understood that the immediate impact of this was that allowances for the Police Authority members are now no longer applicable and that in the place of the authority a panel of 10 members comprising 7 members from Durham County Council and 3 from Darlington Borough Council, together with 2 independent members, has been formed under the Police Reform Social Responsibility Act 2011. The panel understood that this is an entirely new body, with the functions of the Police Authority passing to the elected Police and Crime Commissioner.
6. The panel was advised of the functions of the panel as set out in its Terms of Reference and of the number of shadow meetings and full meetings held hitherto. The panel was also advised of the number of meetings planned until the end of March and of the Panel's role of scrutinising and calling to account the Police and Crime Commissioner, although the panel acknowledged that this was a role that had still to be developed.
7. The panel was aware that the current Chair of the panel is the Cabinet Portfolio Holder, but as the panel is entitled to vote its Chair each year, it is possible that the panel could be chaired by a non-executive member, in which circumstance, consideration of an allowance for the Chair or Vice Chair was of relevance.
8. The members considered using the current allowance for Chairs and Vice Chairs of Scrutiny as a guide for considering whether there should be allowances.
9. The panel was of the view that there should be no allowances payable for members of the panel. It also considered whether payment should be made for Chairs or Vice Chairs. Whilst it noted the allowances for Chairs and Vice Chairs of Scrutiny Committees, the panel was of the view that it was too early to set separate allowances for the Chairmanship and Vice Chairmanship of this panel.
10. The work of the Police Authority had passed to the Police and Crime Commissioner. Whilst the panel has a scrutiny function, it is not the sole body exercising a scrutiny role in relation to crime and disorder. Whilst the initial workload of the panel may have been high because of its new establishment and the need to be prepared for the election of the Commissioner, it remains to be seen what the workload of this panel is likely to be and no allowances are proposed for the forthcoming year.
11. Should members wish to have this matter re-examined for next year, the panel would wish to see evidence of the workloads and, if necessary hear from any members in support.

Health and Wellbeing Board

12. The panel also noted that the Health and Wellbeing Board was about to be formed for the Council. It was noted that there were as yet no regulations establishing the exact nature of this Committee. It was aware the legislation already required the Leader or a nominee at least to be a member and that it would comprise officers.
13. The panel considered whether any allowances should be payable for this role. It was of the view that no additional allowances should be paid be it for members of the executive or any other member. Members of the executive receive special responsibility allowances, but if any non-executive member were to sit on the Committee, the members were of the view that this would form part of the general responsibility of democratic representation.

Allowances Scheme Generally

14. Members also considered the Members Allowance Scheme in 2 stages:-

(i) Whether mileage rates should be reconsidered

15. The view of panel members is that the mileage rates for both Members and Officers is adequate and would not propose to change them. The panel considered whether there should be parity between Members and Officers in that it was noted that the current Officers' mileage rate does not have an adjustment for cylinder capacity, and 48p per mile is paid for the first 10,000 miles with 25p being paid for mileage above 10,000.
16. The panel was advised of practical difficulties in changing the Officers' scheme, given how recently the negotiations on this point had completed. Whilst the panel was minded initially to consider recommending changes to the Members Allowance Scheme to ensure complete parity, the panel was of the view allowances being paid according to vehicles and their cylinder capacity had ecological benefits and should therefore remain.
17. The panel therefore concluded that the mileage rates should remain as they are.

(ii) The Allowance Scheme

18. The panel considered the Members Allowance Scheme in general and whether it should recommend changes.
19. In considering this, the panel was aware that other Councils who replied to requests for information were not proposing to make any changes in their allowance schemes for the forthcoming year.
20. The panel was also aware of a number of circumstances prevailing in relation to Members' Allowances. It was aware that issues of Members Allowances had been raised in a recent document produced by the Department of

Communities of Local Government (DCLG) which lists 50 suggested ways to save money. One of these states “freeze Councillor allowances” alongside the stated belief of DCLG that Councillors should be volunteers and not “bank rolled staff of the municipal state”.

21. The panel was also aware of the consultation carried out by the Council in relation to the budget and how this had provided a range of opportunities for people to get involved and have their views heard including Area Action Partnership Forums and the Citizens Panel. The panel was aware that 40% of all relevant comments in responses fell into the category of Council Structures and Service Delivery when the most common response (9.8%) suggested that the Council should review Members allowances and the number of Members.
22. The panel was also aware of the report of a recent enquiry in Parliament that looked at the role of a modern Councillor which identified 3 key practical barriers to people becoming and remaining Councillors. One of these was the levels of allowances paid to Councillors to cover their expenses. The panel noted this report with interest and is aware of the debate to incentivise new Members to stand for election. The panel was, however, aware of the current climate of austerity and was of the view that there was a conflict of principles of whether Members should be paid Officials or ‘servants of democracy’. The panel did not feel that it was appropriate for it to increase the Members’ Allowances on the basis of such a report without legislation or national policy as guidance. It was of the view that incentives could be provided for new candidates by changing the times of meetings.
23. The panel is also aware that there has been no increase in allowances since the Members Allowance Scheme was set following Local Government Review in 2009, and that the allowances were recommended by the panel against the backdrop of austerity, with the panel declining to recommend the level and allowances referred to in the bid for Local Government Review.
24. The panel was therefore of the view that there should be no change in the Members Allowance Scheme. It is, however, aware of the fact that this scheme has not changed since Local Government Review and if, on formation of a new council, Members wish to have a further exploration of the level of allowances, then the panel would wish to carry out such a review based upon evidence of working hours lost, times required for meetings, numbers of members of the community served. This evidence could be provided both in written and verbal form.

Recommendation

25. For Members of the Council to note the following decisions of the Members Remuneration Panel, that:-
 - (i) No allowances be paid to the Chair and Vice Chair or members of the Police and Crime panel;

- (ii) No allowances be paid to members of the Health and Wellbeing Board;
- (iii) Mileage rates remain unchanged;
- (iv) There should be no changes in the Members Allowances Scheme.

Appendix 1: Implications

Finance – None specific within the report.

Staffing – None specific within the report.

Risk – None specific within the report.

Equality and Diversity / Public Sector Equality Duty – None specific within the report.

Accommodation - None specific within the report.

Crime and Disorder - None specific within the report.

Human Rights - None specific within the report.

Consultation – None specific within the report.

Procurement - None specific within the report.

Disability Issues – None specific within the report.

Legal Implications – None specific within the report