

REPORT OF THE INDEPENDENT REMUNERATION PANEL HELD 5 FEBRUARY 2008

1. Introduction

The Independent Remuneration Panel was established in accordance with the provisions of the Local Government Act 2000 and the Local Authorities (Members Allowances) (England) Regulations 2001 and is required to produce reports as to the remuneration of Members.

2. Composition of the Panel

The Panel is made up of the following membership:-

Steve Allen (Chair)
Canon Keith Woodhouse
Helen Pattison
Professor Ray Hudson

Unfortunately Professor Hudson's diary commitments prevented his attendance at the meeting.

3. Background

On 5 February 2008 the Panel met to consider the levels of allowances payable to Members for 2008/9.

In the first report produced by the Panel following the introduction of the Members Allowances (Local Authorities) (England) Regulations 2003, dated 17 September 2003, the Panel recommended that as from 1 April 2004 certain allowances be increased by the RPI Index for October each year. However the 2003 Regulations only permit allowances to be index linked for a maximum period of four years, and therefore we are required to examine the levels of all those allowances where the RPI Index has been applied (ie basic allowance, special responsibility allowances (SRAs), the fixed annual subsistence and the subsistence rates for attendance at conferences, seminars etc).

In accordance with our original Report of 17 September 2003, we have continued to meet annually to consider any changes to the Council's political structures which would warrant either the basic allowance or SRAs to be re-evaluated. (We note that for 2007/8 the Council rejected the Panel's recommendation to increase allowances by the RPI Index of 3.6% and agreed to an increase in line with the National Joint Council's Pay Award for Local Authority Employees of 2.475%).

4. Findings and Conclusions

In carrying out our review of allowances the Panel considered the following:-

(i) **Implications of the Local Government Review**

In determining the levels of allowances to be payable the Panel was mindful of the forthcoming changes to local government in County Durham and that the recommendations arising from the review would be for a period of one year only.

The Panel was furnished with background information in relation to local government reorganisation and the transitional arrangements for 2008/9. We were also briefed on the proposals by the Head of Democratic Services and Administration.

From this information we understand that until the District of Easington ceases to exist on 1 April 2009, the Council will continue to focus on its key corporate priorities with no changes to political structures. We note that the Council has developed a Transitional Plan which sets out the priorities which the Council will focus on over the coming year.

We therefore consider that the current levels of basic and special responsibility allowances are appropriate and for 2008/9 they be increased in line with the RPI Index for October 2007(3.9%).

(ii) **Scrutiny Function**

At our last annual review in February 2007, the Panel was advised of a review of the Council's Scrutiny function in order to align the Scrutiny Committees with the Council's corporate priorities and objectives and revised Executive portfolios.

As part of this year's review we were provided with a report to Council dated 5 April 2007 detailing the new arrangements which came into effect on 1 May 2008, and were briefed by the Head of Democratic Services and Administration.

From the information provided we do not consider that the changes made to the scrutiny function require the levels of allowances payable to be revised. The Panel therefore concludes that the SRAs for the Chairs and Vice-Chairs of the Scrutiny Committees for the year 2007/8 are appropriate, and should remain at the current levels for 2008/9 (plus 3.9%).

(iii) **Implications of the Gambling Act 2005**

In our last Report dated 7 February 2007 the Panel were asked to consider the implications of the Gambling Act 2005 on the workload of the Licensing Committee. At that time the Panel determined that the existing levels payable to the Chair and Vice-Chair of the Licensing Committee were appropriate, but as there was some uncertainty around the potential number of hearings, we concluded that the levels should be reviewed again as part of this annual review of allowances.

Accordingly, in reviewing the levels payable we were advised that since the requirements of the Gambling Act 2005 were implemented on 1 September 2007 there have been no hearings

held to date nor has there been an additional workload placed upon the Members of the Licensing Committee.

We are therefore of the opinion that the levels set for 2007/8 accurately reflect the work undertaken, and conclude that the level of allowances payable to the Chair and Vice-Chair of the Licensing Committee should remain as at present (plus 3.9% increase for 2008/9).

(iv) **Subsistence Allowances**

The Panel considers that the levels in respect of both the fixed amount payable to all Members and the approved rates for attendance at conferences, seminars etc should remain as at present and be increased in line with the RPI Index for October 2007 (3.9%).

We would draw Members' attention to the recommendation in the Panel's Report dated 17 September 2003 that claims for subsistence allowance should be accompanied by an official receipt. This was rejected by the Council on the basis that the scheme was considered to be modest and the requirement to produce receipts would be unnecessarily onerous and counter productive in administration costs. (Receipts are only required in the event of Members claiming over and above the agreed rates for out of pocket expenses where unavoidable).

We wish to make it known that the Panel's views on this remain unchanged.

(v) **Other Allowances**

The Council's Members Allowances Scheme makes provision for the payment of certain other allowances to Members (eg travelling, co-optees and dependent carers allowances).

The Panel considers that there should be no changes to the current levels of other allowances payable. For those allowances where annual increases are applied, we conclude that for 2008/9 these increases should be made in accordance with the current Members Allowances Scheme.

5. **Recommendations**

The Panel recommends that:-

- (a) for 2008/9 the current levels in respect of the basic allowance, all special responsibility allowances and subsistence allowances be increased in line with the RPI Index for October 2007 (3.9%);
- (b) the levels of all other allowances payable remain as at present and increases for 2008/9 be made in accordance with the Council's Members Allowances Scheme.

Signed:-

S Allen
(Chair)

K Woodhouse

H Pattison

Dated:-