

CRAWLEY BOROUGH COUNCIL

REPORT OF THE INDEPENDENT REVIEW PANEL ON MEMBERS' ALLOWANCES 2008/09

1. INTRODUCTION

- 1.1. The Members' Allowances Independent Review Panel has now completed its deliberations and this report sets out the Panel's recommendations regarding the scheme of members' allowances for the year 2008/09.

2. BACKGROUND

- 2.1. At its meeting on 31 October, 2007, the Council, in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2001, appointed two new representatives (Liz Lamport and Jan Lensen) to serve on the Members' Allowances Independent Review Panel.
- 2.2. The Constitution of the Panel for 2007/08 was therefore as follows:-

| Name | Nominating organisation | Remaining period of appointment |
|----------------|---|---------------------------------|
| Alison Skinner | West Sussex Primary Care Trust | 3 years |
| Liz Lamport | Crawley Council for Voluntary Service | 4 years |
| Jan Lensen | Crawley and Gatwick Chamber of Commerce | 4 years |
| Roy Rose | CADIA | 3 years |
| Nick Whitley | Central Sussex College | 3 years |

- 2.3. Under the Members' Allowances Regulations, the Independent Panel is required to produce a report making recommendations:-

- (a) as to the responsibilities or duties in respect of which the following should be available -
- (i) special responsibility allowance;
 - (ii) travelling and subsistence allowance;
 - (iii) co-optees' allowance;

- (b) as to the amount of such allowances and as to the amount of basic allowance;
- (c) as to whether dependant carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;
- (d) as to whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated;
- (e) as to whether adjustments to the level of allowances may be determined according to an index and, if so, which index and how long that index should apply; subject to a maximum of four years, before its application is reviewed;
- (f) as to which members of an authority are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972; and
- (g) as to treating basic allowance or special responsibility allowance, or both, as amounts in respect of which such pensions are payable in accordance with a scheme made under section 7 of the Superannuation Act 1972.

2.4. In carrying out these functions, the General Purposes Committee has requested that the local Panel should take into account the following:-

- (a) The various roles of elected members and the time commitment involved;
- (b) The differences between the level of responsibility and the time commitment of members holding special responsibilities and other members;
- (c) Schemes operating elsewhere in authorities similar to Crawley;
- (d) The levels of remuneration paid for other types of public duties;
- (e) The need to attract and retain elected members of high calibre who are representative of the population of Crawley in terms of age, gender and ethnic origin.

3. MEETINGS OF THE PANEL – SUMMARY OF MATTERS DISCUSSED

3.1. The Panel has met on three occasions since 14 November, 2007. Roy Rose had been unable to attend the meeting on 14 November 2007 or the interviews of members on 4 December 2007.

3.2. On 14 November 2007, the Panel began considering the level of allowances for 2008/09. The Panel received information about:-

- The political decision making structure of the Council
- Executive Members' portfolio responsibilities

- The role and functions of the Overview and Scrutiny Commission including the Chair's responsibilities and the work undertaken by Scrutiny Panels;
- The various roles of elected members
- The results of the survey of the time councillors spend on various activities (carried out during the two month period September – October 2007); and
- Information about other local authorities' schemes and remuneration paid for other types of public duties.

3.3. The Panel felt that, as in previous years, it would be useful to interview a selection of members about their respective roles. Therefore, on 4 December 2007, the Panel interviewed the following:-

The Leader
 Opposition Leaders
 Executive Member for Continuous Improvement and Development
 The Chair (and former Vice Chair) of the Licensing Committee
 Chair of the Call-In Scrutiny Panel
 Three non-Executive Members (two of whom were new to the Council)
 Independent Chair of the Standards Committee.

3.4. The Panel met again on 23 January 2008 when they discussed impressions gained at the interviews and formulated their conclusions and recommendations.

4. DETAILED MATTERS DISCUSSED

4.1. The various roles of elected members and the time commitment involved The differences between the level of responsibility and the time commitment of members holding special responsibilities and other members

The Panel was provided with information on the roles of all councillors and the specific roles of committee chairs, the Overview and Scrutiny Commission Chair, the Leader of the Council, Executive Members and Opposition Group Leaders.

The Panel also had before it the results of a survey which had been conducted to ascertain the amount of time that councillors spent on various aspects of their work. 18 Members out of the 37 had returned their questionnaires before the analysis was carried out. The returns helped to demonstrate the differences in time commitment between members holding special responsibilities and other members.

During the interview process, the Panel had taken the opportunity to seek further information about the roles and workloads of the members interviewed.

On the question of the level of allowances, there was general resistance from members to the idea of professional full-time

councillors. With minor exception, members who had been interviewed by the Panel were satisfied with the current scheme.

However, the Panel were of the view that the Leader and Portfolio Holders undertook a great deal of work in relation to the special responsibility allowance which they received. Nonetheless, it was noted that the Leader had not made any representations for an increase in the special responsibility allowance for this office and, with one exception, there had been no expression of support for a higher allowance for Portfolio Holders.

On the scrutiny front, it was noted that the Chair of the Overview and Scrutiny Commission received a higher allowance than other committee chairs but that the Commission's Vice Chair received a considerably lower allowance than other Vice Chairs which appeared to be an anomaly. The Panel also noted that the workload of the Licensing Committee (and consequently its Chair and Vice Chair) had diminished in comparison to the time when the Council first took over responsibility for liquor licensing. The Panel, therefore, asked for further information to be gathered relating to the workloads of the Chairs and Vice Chairs of the Overview and Scrutiny Commission, Licensing and Development Control Committees during 2007/08 for consideration by the Panel at next year's review.

The Panel also discussed whether the level of allowance for Scrutiny Panel Chairs should be on a sliding scale based on the number of meetings held and the complexity of the review. However, the Panel felt that this would be very complicated to administer and decided to leave the arrangements as they were in the current scheme.

The Panel noted that it would be necessary to revisit the possibility of introducing an allowance for co-optees at the next review due to the fact that revised arrangements for dealing locally with complaints currently dealt with by the Standards Board was likely to lead to increased activity for the Standards Committee, including its five independent members.

4.2. Schemes operating elsewhere in authorities similar to Crawley

The Panel compared the level of allowances currently paid in Crawley with allowances paid by other local authorities on the outer fringe of London, in the Council's 'family group' and in West Sussex.

The Panel also had information which showed the level of allowances at these authorities in relation to the total revenue budget, the amount of allowance per head in relation to the revenue cost per head and the member elector ratio. This information had been requested by the Panel the previous year but it was recognised that it could only inform at a very basic level.

4.3. The levels of remuneration paid for other types of public duties

The Panel also noted the remuneration paid for other types of public duties. The Sussex Police Authority had had the level of allowances independently reviewed at a national level by the Association of Police

Authorities. For the year 2007/08, each member received an allowance of £8,170 per year, with the Chairman and Vice Chairman receiving £22,455 and £16,334 respectively. Chairs of committees and working parties received £9,335.

4.4. The need to attract and retain elected members of high calibre who are representative of the population of Crawley in terms of age, gender and ethnic origin.

Since the election, the demographic profile of the members had once again changed. There were now 11 female councillors and 26 men, including three members who had disabilities and two black or ethnic minority councillors.

During the interview process, the Panel had been interested to learn that some new Members had not known that allowances were payable to councillors at the time they were elected, so in these cases this had had no impact on their decision to stand for election.

When discussing the need to attract and retain members representative of the population of Crawley in terms of age and gender, the Panel gave particular consideration to the Dependant Care Allowance. The Panel was mindful of the fact that babysitting services often charged for a minimum of four hours, despite the fact that the service would often be required for a much shorter period. The terms of the current scheme precluded claiming for longer than the duration of the approved duty plus travelling time which was often considerably less than four hours.

4.5. Travel and subsistence

The Panel gave consideration to the level of travelling and subsistence currently paid in Crawley and compared this to travel and subsistence paid by other local authorities on the outer fringe of London, in the Council's 'family group' and in West Sussex.

It was noted that a total of only £2,300.42 had been claimed by members and co-optees for travel, subsistence and dependant care during the previous year, (amounting to an average of £62.17 per member)

Panel members thought councillors should be encouraged to claim their travelling and subsistence allowances as many at present did not. It was felt that councillors might feel more comfortable about submitting a claim if the mileage rates, in particular, were more modest. However, after much consideration the Panel concluded that these allowances should continue to be paid at the same rate as for officers, which were recommended by the national employers' association.

5. CONCLUSIONS

- 5.1. Having considered the matters set out above, the Panel has completed its deliberations and is now in a position to make its final recommendations to the Council.

5.2. General

The Panel concluded that, in general, the level of allowances was about right. They noted that the Council would be budgeting for an officers' salary increase of 2.5% for 2008/09, although the pay award for 2007/08 had been 2.475%. The Panel, therefore, decided to recommend that the basic and special responsibility allowances should be up-rated with effect from 1 April 2008 by 2.25%, which was closely in line with the projected officers' salary increase. The Panel disregarded an earlier suggestion that the allowances should be up-rated in line with the increase in the revenue support grant settlement (1%).

5.3 Co-optees Allowance

The Panel confirmed its position that co-optees should not receive an allowance as such but should continue to receive travelling and subsistence payments and any special responsibility allowance which might apply.

5.4. Dependant Care Allowance

The Panel agreed that the Dependant Care Allowance should be up-rated by 2.25%. However, the Panel, being mindful of the fact that babysitting services often charged for a minimum of four hours, took the view that, where professional babysitting or care services were used and a minimum period for the service was imposed by the provider, then the period in respect of which the allowance was payable should include the whole period for which a member was charged.

5.5. Amendment of Scheme

The Panel confirmed that, in the event that the scheme was amended at any time as to affect an allowance payable for the year in which the amendment was made, a decision should be taken at that time as to whether payment of allowances should be backdated, based on the circumstances of the case.

5.6. Adjustments to the level of allowances being determined according to an index

The Panel discussed whether adjustments to the level of allowances might be determined in accordance with an index and, if so, which index and how long that index might apply, subject to a maximum of four years before its application was reviewed. The Panel concluded that, in the current climate, where changes were continually being introduced by the Government, it was useful for the Panel to meet on an annual basis.

5.7. Member entitlement to pensions

The Council had previously agreed, on the recommendation of the Panel, that all eligible Members (i.e. those under 75 years of age) should be entitled to join the pension scheme and that both the basic and special responsibility allowances should be pensionable. The Panel concluded that this should continue to be the position.

5.8. Travel and Subsistence

The Panel was not minded to propose any change to the current approach whereby Members' travelling and subsistence allowances were paid at the same rate as for officers, which are recommended by the national employers' organisation. At the time of writing this final report, the figures for 2008/09 have not yet been confirmed. The rates for 2007/08 are set out below. It is expected that the national employers' association will up-rate these figures for inflation with effect from 1 April 2008:-

| | Allowances for 2007/08 |
|---|------------------------|
| Breakfast (more than four hours absence before 11.00 a.m.) | £6.23 |
| Lunch (more than four hours absence including the period 12 noon to 2.00 p.m.) | £8.60 |
| Tea (more than four hours absence including the period from 3.00 p.m. to 6.00 p.m.) | £3.40 |
| Evening Meal (more than four hours absence ending after 7.00 p.m.) | £10.65 |
| Out of Pocket Expenses (residential training courses): | |
| Per night | £4.81 |
| Per week | £19.23 |
| Cycling Allowance | 20p per mile |
| <u>Motor Cycle</u> | |
| Up to 50cc | 13.74p |
| 50cc to 125cc | 20.83p |
| 126cc to 250cc | 29.92p |
| 251cc to 500cc | 39.34p |
| Exceeding 500cc | 43.44p |

| | |
|-----------------------------|-------|
| <u>Motor vehicle:-</u> | |
| First 8,500 miles per annum | |
| Not exceeding 999cc | 40.5p |
| 999cc to 1199cc | 44.2p |
| Over 1199cc | 55.8p |

In addition, elected Members may claim a passenger supplement of 1p per mile for up to four passengers who would otherwise be entitled to a travelling allowance.

5.9 Overnight Rate

The Panel decided that the current allowance should be up-rated by 2.25%.

6. RECOMMENDATIONS

6.1. Basic and Special Responsibility Allowances

That the allowances for 2008/09, which are considered proportionate to the current responsibilities of the posts, be as set out below, which are updated by 2.25%:-

N.B. On the recommendation of the Panel, the allowances for the Chairs of Development Control and Licensing Committees are now proposed to be the same as the basic allowance

| Office Holder | Allowance |
|---|--------------------------------|
| | £ |
| Basic Allowance (all councillors) | 5832 |
| Leader of the Council | 14001 |
| Executive Portfolio Holders | 6998 |
| Overview & Scrutiny Commission Chair | 6264 |
| Vice Chair of Scrutiny Commission | 1143 |
| Payments to Lead Member on a Review (note Members would be entitled to only one £1,111 allowance per year even if they chose to undertake a second review) | 1111 per completed review:- |
| Chair of Development Control Committee | 5832 |
| Chair of Licensing Committee | 5832 |
| Vice-Chair of Licensing | 2333 |
| Vice-Chair of Development Control Committee | 2333 |
| Chair of Standards Committee | 2333 |
| Chair of General Purposes Committee | 2333 |

| | |
|--|--|
| Chair of Audit and Governance Sub-Committee | 2333 |
| Chair of Budget Advisory Group (payable provided the postholder is not an Executive Member) | 2333 |
| Leader(s) of minority group(s) (differential rates depending on the number of Members in that Group); | |
| <ul style="list-style-type: none"> • Basic allowance • Additional payment per Group member | <p style="text-align: right;">2157</p> <p style="text-align: right;">269</p> |

The existing policy in respect of the multiple allowances be continued i.e. No member shall be entitled to more than two special responsibility allowances. If they fulfil three or more of the above roles, they are paid only the highest two allowances.

6.2 Travelling and Subsistence Allowances and Overnight Rate

Travelling and subsistence allowances should be the same as those paid to officers and that the overnight rate should be the actual cost up to a maximum of £88.46 (or £99.51, if in London), subject to the Head of Democratic Services being empowered to authorise a higher amount in specific instances where suitable accommodation cannot be found within the limit.

The circumstances under which Members receive travelling and subsistence allowances should remain the same, as specified in the current Members' Allowances Scheme.

Whilst the level of uptake of travelling and subsistence allowances is minimal, Members should be strongly encouraged to claim the expenses due to them.

6.3 Co-Optees' Allowance

Co-optees should not receive an allowance as such (other than in circumstances where a special responsibility allowance might apply) but should continue to receive travelling and subsistence payments

6.4 Dependant Care Allowance

The Dependant Care Allowance payment should increase from £8.46 to £8.65 per hour (Actual cost – payable provided the carer is not a member of the Councillor's own household). However, where professional babysitting or care services are used and a minimum period for the service is imposed by the provider, then the period in respect of which the allowance is payable shall include the whole period for which a Councillor is charged.

6.5 Backdating of amendments to the scheme made during the year

In the event that the scheme is amended at any time as to affect an allowance payable for the year in which the amendment is made, a decision should be taken at that time as to whether payment of allowances should be backdated, based on the circumstances of the case.

6.5 Adjustments to the level of allowances being determined according to an index

The Panel should meet again next year and that adjustments to the level of allowances should not be determined in accordance with an index.

6.6 Pension Scheme

No changes should be made as to Members' current entitlement to join the pension scheme.

Chair
Members' Allowances Independent Review Panel