

ESSENTIAL REFERENCE PAPER 'B'

INDEPENDENT REMUNERATION PANEL REPORT TO EAST HERTFORDSHIRE DISTRICT COUNCIL – FEBRUARY 2012

RECOMMENDATIONS FOR MEMBERS' ALLOWANCES FOR 2012/13

1.0 Background

- 1.1 The Council's Independent Remuneration Panel (IRP), established under the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003, has undertaken a review of the Members' Allowances Scheme.
- 1.2 The regulations require that: "*Before an authority...makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel*"
- 1.3 This report has been prepared in accordance with those regulations to enable the Authority to meet its statutory responsibilities when reviewing or amending its Scheme of Allowances for 2012/13.
- 1.4 The scope of the review was to determine what changes, if any, needed to be made to the current Members' Allowances scheme.
- 1.5 The IRP noted that following the May 2011 elections, the political composition of the Council was:

46 Conservatives
2 Liberal Democrats
2 Independents.
- 1.6 The political structure and the roles of members was unchanged since the last review with the exception that there was one fewer Executive Member (with consequential additional portfolio responsibilities for some Executive Members).
- 1.7 The IRP met on 6 October and 28 November 2011 to conduct its review.

1.8 The following evidence was considered:

- (a) individual submissions from Members (see Appendix 'A')
- (b) oral submission made by the Leader of the Council
- (c) oral submission by the Director of Internal Services
- (d) benchmark data (see Appendix 'B').

1.9 The IRP was advised of the separate IT expense payment to Members of £35 per month. The IRP noted this expense payment.

1.10 The IRP was further advised that notification had been received that the taxable benefit threshold for car mileage expense reimbursement had risen from 40 pence to 45 pence per mile (in recognition of current fuel price levels). The IRP agreed to recommend that the mileage rate within the Members' Allowances scheme should rise to the new threshold of 45 pence per mile for 2012/13.

2.0 Considerations

2.1 In conducting its review, the IRP also took account of the following factors:

- (a) the prevailing economic climate and, particularly, the current local government officer pay freeze;
- (b) the issues and deliberations of the IRP during its last review and the decisions taken by Council on the Panel's recommendations for the 2011/12 Members' Allowances Scheme;
- (c) legislative changes, particularly the provisions of the Localism Act 2011 impacting on Members' workloads;
- (d) issues concerning attracting demographically representative candidates to stand for election as councillors and also political leadership succession planning;
- (e) setting allowances at levels that reflected the time and work needed to undertake the duties and responsibilities of a Member of East Herts Council, including those roles that attracted Special Responsibility Allowances, but also recognised the interest of Council tax payers;
- (f) previous levels of Members' allowances for East Herts;
- (g) current inflation levels.

3.0 Conclusions

3.1 The IRP concluded that no persuasive case had been made to increase any of the current allowances payable to Members of East Herts Council, save for mileage expenses (see para 1.10 above). It therefore agreed that the allowance levels within the 2011/12 scheme be retained for 2012/13.

3.2 It was, however, acknowledged that a further review of allowances may be necessary, possibly in advance of the next annual review, once the implications for Members' workload and responsibilities arising from the provisions of the Localism Act 2011 were evaluated by the Authority.

4.0 The Panel

4.1 The following individuals formed the Panel undertaking the review of Members' Allowances:

Colin Harris (Chairman), Peter Boylan, Nicola Burdett, Bernard Engel, Denis Filer, Catherine Lofthouse, Sally Newton, Jonathan Pool.

4.2 The Panel received administrative support from the Head of Democratic and Legal Support Services.

5.0 Recommendation – that:

the allowance levels within the 2011/12 scheme be retained for 2012/13 (1 April 2012 to 31 March 2013), save for the mileage allowance which should increase from 40 pence to 45 pence per mile.

INDEPENDENT REMUNERATION PANEL –

28 NOVEMBER 2011

REPRESENTATIONS RECEIVED FROM MEMBERS

Background

The Panel, at its meeting held on 6 October 2011, agreed to invite all Members to make written submissions concerning their views on Members' Allowances, particularly with regard to Special Responsibility Allowances that may apply for 2012/13.

Members were advised of the Panel's wish for them to be as open as possible in terms of their views, if any.

Members were requested to:

- (a) focus on how they thought their responsibilities and activities had changed/will change since the last review of allowances;
- (b) identify any activities/responsibilities that may be unique to their role as councillors for the District of East Hertfordshire, and
- (c) express a view on whether or not there was a different emphasis on the workload/activity of an East Herts councillor compared to other Hertfordshire (or other similar) Authorities.

The following are the responses received from Members:

1.	<ul style="list-style-type: none">1. Staff get 5p a mile for taking passengers (green travel) does or should this apply to Cllrs?2. Staff get discounts eg SLM Grange Paddocks - does or doesn't this apply to cllrs? Recently told it did; but not sure its ethical as cllrs decide on contracts etc (but then I suppose that may apply equally to some officers)?3. The £50 for print etc - not sure that is either right sum or whether it needs clarification as some of us may/may not really require it.4. Community Voice - not happening so why are we paying
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	<p>allowances?</p> <p>Cllr led Police meetings (speak with M Alexander) - if these happen then an SR allowance should be considered.</p>
2.	<p>In my opinion; the allowances should remain unchanged in these hard times for another year.</p> <p>Any less, we run the risk of not being able to meet our costs as current level is just on border line of acceptability.</p> <p>The Broadband allowance is a good average to cover costs. No increase is required.</p>
3.	<p>I believe that Members' Allowances should be raised to the level existing before the 10 per cent reduction and also the travelling allowance, i.e. petrol, should be raised to a level in keeping with the rising cost of petrol and general running costs of a vehicle.</p> <p>The foregoing should be, at the very least, a starting point for negotiations with the remuneration panel. Especially in view of the fact that we now pay for all our own printing ink and paper, telephone calls, running costs and office space, to say nothing of putting a value on time.</p> <p>With regards to the comparison between other areas, East Herts is partly rural and therefore unique in spatial terms, St. Mary's Ward in Ware being large and having many issues due to the split in industrial usage and both residential and, supposedly, open spaces. The responsibility with regards to planning in East Herts is also tremendous.</p> <p>I have taken the £35 into consideration before making my comments. The cost of two ink cartridges is, in John Lewis, "never knowingly undersold" is £33.05 for the two. With all the documents I now process, an ink cartridge lasts less than one month. With regards to paper, I recycle every piece of paper that I can, unless it has to be passed to another person. Anything for my own reminder/information is printed on the back of previously used paper.</p> <p>I didn't put enough detail into my e-mail yesterday; in addition to</p>

	<p>listed Council meetings, in St. Mary's Ward I have to attend many outside bodies, i.e. BIFFA/Westmill Liaison meetings, Drill Hall Trustee meetings, Ware Charities, Age Concern(including executive), all because I am an elected Councillor.</p>
4.	<p>I think the backbencher allowance is right for most of us. No increase or reduction necessary to reflect any change. I feel that I do most work for East Herts out in the community and by e-mail, telephone and postal correspondence. I have a lot! I do attend meetings of 'committees' of which I am not a voting member so that I can remain au fait with Council business and development, and if there is a change in work load, it is to do with the INCREASED time I now spend with agendas. They are increasingly complex and demanding. Not altogether absurdly, I browse pretty carefully pretty often, AFTER attending a meeting! This is in part because, having heard the debate, I can relate better to the points and purposes and annoyingly (because I'm not a good screen reader) I usually now, because of East Herts Council's economies, cannot read the agenda papers of 'committees' I don't serve on because members are not allowed to request hard copy pre meeting!!</p> <p>I believe my job is to represent people to the Council and also Council to the people. That is why I spend so much time browsing 'spent' agenda papers which I bring home from the public gallery of meetings I've sat in on. I need to know and understand as well as possible, in order to explain to residents. I make site visits whenever having a vision of a location under debate appears to be helpful and to keep me feeling I am a District wide Councillor. Like some other members I don't restrict site visits to places where I am personally charged with a decision making responsibility. The Rural areas characterise the East Herts 200 square miles.</p> <p>I don't want to over-state any of the above. It is not burdensome and is enjoyable. But reading and travelling does take time. The allowance seems about right as a recognition of time and general responsibility and worry.</p>

5.	<p>AUDIT Committee Chairman – Responsibility Allowance</p> <p>The Committee has at least 5 meetings a year and as well as all the pre-reading required the Chairman also has a briefing with Officers before each meeting.</p> <p>Being a member of the Audit Committee requires regular training which is usually organised to be part of each meeting. The Chairman receives further training from the external Auditor which involves two meetings in London each year.</p> <p>The Chairman is a member of a small working panel with the Finance Portfolio holder and the Director to agree interim changes to the investment policy to be adopted for the Council's sizeable external investments. This also involves twice yearly meetings with Sector, our advisors, which also involve visits to their offices in London.</p> <p>It is helpful, as currently, if the Chairman is one of the District Council's representatives on the Herts County Pension Committee which is responsible for the policy of investing the District Council's pension funds. This involves 4 meetings a year as well as necessary training.</p> <p>I hope this information is helpful when assessing the appropriate allowance but having been a former chairman of the Corporate Business Scrutiny Committee I would suggest the responsibility of the Chairman of Audit is similar to that of the Chairman of CBS.</p>
6.	<p>When I originally decided to stand for election, I was completely unaware that any allowance was paid to members of Council, so when I was first told of this I was somewhat surprised. My own expectation was such that I would be "volunteering" my time to the community as their representative and as such would not be paid for this privilege. Obviously when I discovered more information, and became aware of those with "Special Responsibilities" I could understand some payments being applicable to some roles and positions.</p>

	<p>Having now been a member for 5 months, I have come to observe many fellow Councillors together with my own time involvement and have come to the conclusion that as an allowance to compensate for Councillors time, the current system does not truly represent all Members input. With this in mind, I do not think there should be an allowance payable to any councillors as standard, especially as expenses for undertaking Council business is also paid.</p> <p>Although with that said, for those with Special Responsibilities I believe the time commitment, and where there are non-voluntary elements of their positions, good and appropriate recompense for their roles should be paid.</p> <p>To summarise, I would hope that any future Members' Allowance system focuses on the paying appropriate Special Responsibilities allowances, while also looking at ways to reduce the overall cost of all allowances.</p>
7.	<p>Committee appointments</p> <ul style="list-style-type: none"> • Community Scrutiny Committee (Chairman) • Council • East Herts Council and Stevenage Borough Council Joint Revenues and Benefits Committee • Joint Meeting of Executive, Committees, Sub-Committees, Community Voice and Panels • Joint Meeting of Scrutiny Committees • Chairman Parking & Transport Task and Finish working group. (approx will result in 11+ meetings) • EastHerts rep for Olympic Torch Relay • Member Charter Development group <p>Outside Bodies (EastHerts Council Representative)</p> <ul style="list-style-type: none"> • Bishop's Stortford Sports Hall - Trustee & Vice chairman • Havers Community Centre - Trustee & Chairman • St Michaels Mead Community Centre – Trustee <p>Each of the above outside bodies are scheduled to meet 4 times</p>

per year with no additional allowance.

Email Activity

I have also seen an increase in email activity, this is due in the main to the Councils' ambition to go paperless and reports are sent electronically along with a good no of links to external bodies. Also emails come in from other agencies and the general public rather than writing letters find it easier to email. This can cause problems for me as my telephone line a is at possibly the furthest away from the telephone exchange and the speed of broadband can be very slow and difficult to navigate at times. Result of the above is an increased workload sitting in front of a pc.

Councils' move to Hertford

With the office move to Hertford and the officers based there or at home, I find that they are not as accessible for Bishop's Stortford members as once was the case.

Meetings also used to be held in Bishop's Stortford but now are held in Hertford and it places more pressures on the time of the Bishop's Stortford cllrs as they have to travel much further.

8. I firmly believe that this is a difficult area with so many new Members who have not really had much time to value their work or whether their payment is satisfactory or not.

With additional workload anticipated with the Localism Bill (in fact Members have been asked to obtain answers to questionnaires on Community Safety aspects, this forms part of what is/will be expected of Members). More to come etc. I think, from my point of view, I believe we should keep the status quo for one year. This will give us all the opportunity to see what additional work will be undertaken and also the expense of such additional work. Travelling costs will also have to be considered for those Members who reside in B. Stortford and Sawbridgeworth now that all Meetings take place in Hertford (this will have a bearing on expenses).

I would also prefer EHC to take back Members IT provision. This new process has been traumatic for some Members and is

	on going.
9.	I have just become aware that substitutes who sit in, in place of members do not get the mileage allowance for visiting sites. This seems unfair as substitutes can attend many development control meetings. Please can we pay them. If it means the absent member does not get their allowance for that month, so be it.
10.	I do not believe there should be any increases with members allowances or special responsibility allowances for the year2012/13.
11.	When I stood for the Council, I had no idea that there were such a thing as allowances, let alone Special Responsibility Allowances. I am fortunate that I am not reliant on allowances to do my duties effectively. However, I recognise that many are, and there are certainly costs involved. I accept that allowances are necessary to cover such expenses as travel, telephone, time, and so on, and I consider they are about right at present. As regards my own Special Responsibility Allowance, I also consider I earn it, as I reckon I spend perhaps half of my time on Council business, which is much more demanding now with informed local involvement. But I do get great satisfaction from my position. I certainly do not do it for the money, but I do think our senior Councillors are not adequately recompensed for their services.
12.	I would wish the support you give the panel to include an assessment of the sentiment amongst other Councils with regard to the challenge of the increased workload and responsibilities being undertaken by Leaders and other senior roles with a defined responsibility. It will also be of value for the panel to be aware of comparisons of allowances not just in pure monetary terms but also in relation to the size of a Council (e.g. Stevenage has a population of around 80,000, East Herts 137,000).

13.	<p>The Lib Dem view is that that the basic allowance for all members should be slightly uplifted, bearing in mind it has been frozen or indeed reduced over the last two/three years. Furthermore rather than increase total sum in the overall budget for allowances this could be funded by a corresponding reduction in the SRAs paid to those members who qualify for them, in order to bring us closer to the regional SRA allowances levels.</p>
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INDEPENDENT REMUNERATION PANEL –

28 NOVEMBER 2011

BENCHMARK DATA

Background

The following benchmark data has been obtained for the Panel's information:

- (a) a survey undertaken by Hertsmere Borough Council;
- (b) current allowance levels for Hertfordshire District/Borough Councils (together with population data in accordance with a suggestion made by the Leader of the Council and reported to the last Panel meeting);
- (c) a South East Employer's survey for March 2011 for local authorities in its area (district/borough and unitary).