

Members' Allowances Review
for
Oadby and Wigston Borough Council

Report of the
Independent Remuneration Panel

April 2014

SUMMARY OF RECOMMENDATIONS

The Panel makes the following RECOMMENDATIONS:

- a) Special Responsibility Allowances (SRA) be agreed as set out in Column 2 of the following Table:

	Col 1 - Existing (£)	Col 2 – Proposed (£)
Leader of the Council	7310	7310
Deputy Leader of the Council * halved where shared	2430*	2430*
Leader of the Opposition Group	2430#	2430#
Chairman of Policy, Finance & Development, Service Delivery, Development Control	3450	3450
Vice Chairman of Policy, Finance & Development, Service Delivery, Development Control	1150	1150
Chairman of Council (Mayor)	3040	3040
Vice Chairman of Council (Deputy Mayor)	910	910
Chairman of Licensing & Regulatory Committee	2430	2430
Vice Chairman of Licensing & Regulatory Committee	800	800
Member of Development Control or Overview & Scrutiny Committee (other than Chairman or Vice Chairman) *not applicable to Overview and Scrutiny in 2014/15 due to disbanding of the committee.	240	240
Customer Service Task Group Chairman	N/A	1000
Community Engagement Group Chairman	N/A	1000
Waste Task Group Chairman	N/A	1000
Children and Young People Forum Chairman	1000	1000
Greening of the Borough Working Group Chairman	1000	1000
Community Safety Partnership Chairman (where it is a Member of the Council)	1000	1000
Place Shaping Working Group Chairman	1000	1000
Health and Wellbeing Board Chairman	1000	1000
Residents Forum Chairman	1000	1000
Members Standards Complaints – Adjudication Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**	50* or 100**
Member of Licensing Panel (up to 4 hours*, over 4 hours** per attendance)	30* or 60**	30* or 60**
Member of Internal Interview Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**	50* or 100**
Representative on Outside Body (up to 4 hours*, over 4 hours** per attendance)	30* or 60**	30* or 60**

Table of Special Responsibility Allowance Payments

- b) The Members Allowance Scheme included at Appendix A to this report be adopted, to be effective for the period 14 May 2014 until 19 May 2015.

- c) The Guidance for Use of Delegated Power by the Chief Executive in respect of Members' Conferences, Seminars and Meetings, attached at Appendix A (Schedule 3), be adopted as part of the Scheme.
- d) The Council note the results of the Panel's continuing benchmarking exercise against comparable local authorities.

INTRODUCTION

The Local Authorities (Members' Allowances) (England) Regulations 2001, requires Local Authorities to establish and maintain an Independent Remuneration Panel (IRP). The Local Authorities (Members' Allowances) (England) Regulations 2003, placed additional responsibilities on the role of the Panel.

The purpose of the Panel is to make recommendations to the Authority about allowances to be paid to Elected Members. The Panel has a duty, each year, to advise the Authority on its scheme and the amounts to be paid. The Council must have regard to this advice.

Membership of the Panel

The Panel comprises of the following individuals;-

- Mr Laurie Faulkner - Magistrate and retired Head of Business Development at De Montfort University
- Mr Max Boden - Leicestershire Chamber of Commerce
- Mr David Wood - Post Office Manager and Borough resident

Process of the Review

The Panel has addressed the requirements of the Regulations in drawing up the recommendations for the Council's 2014/2015 scheme.

The Panel took the opportunity to continue to collect and analyse data following a full review of the Scheme as reported in September 2013. The initial review had sought to rebalance the Scheme to produce a more transparent and simplified structure. The results of the further analysis carried out by the Panel since September 2013 are set out in the body of this report.

The Panel recommends the adoption of the attached Scheme for the 2014/15 municipal year, which remains the same as that agreed by the Council in September 2013, with the exception of changes made as a result of a governance review at the end of the 2013/14 municipal year.

History

To recap, a benchmarking exercise identified that the current structure of the Scheme sets the basic allowance lower than that of many other comparable local authorities. It also highlighted that a number of Schemes adopted by other

comparable local authorities were simpler, with fewer different bandings of special responsibility allowances. Consequently, the report of the Independent Remuneration Panel considered by the Council in September 2013 proposed two options for a Members Allowance Scheme. These can be summarised as 1) a rebalanced Scheme within the existing budget or 2) a re-adoption of the existing scheme with some minor rounding of allowances. The Council resolved to re-adopt the existing Scheme in line with recommendation 2.

In the report considered in September 2013, Recommendation 1 reduced the total number of bandings from thirteen to five, which made the scheme more transparent and much simpler to understand from the perspective of the public. This is due to the rationalisation of some inconsistencies contained within the scheme following the cumulative impact of minor changes made over a number of years.

Work carried out prior to the report in September analysed and adjusted the levels of special responsibility allowances, reducing the number of bandings of special responsibility allowances and removing some attendance allowances. The effect of this reduced the spread of allowances paid to individual councillors.

Since September 2013, the Panel was mindful in its formulation of the proposed scheme for 2014/15 of ongoing financial pressures faced by the Council and more generally within the current economic climate. It was also acknowledged that the Council had expressed a view that it was not appropriate to remodel the scheme against a backdrop of budgetary constraints and cuts in local authority spending. In the circumstances, the Panel recommends no change to the existing Scheme in 2014/15 with the exception of changes made as a result of a governance review at the end of the 2013/14 municipal year.

The scheme for 2014/15 incorporates, at Appendix A (Schedule 3), Guidance for the use of Delegated Powers by the Chief Executive, in order to support the Chief Executive in using the discretionary powers granted to him in December 2011 (referred to at paragraph 4(4) in the Scheme).

2014/15 Scheme – Work Since September 2013

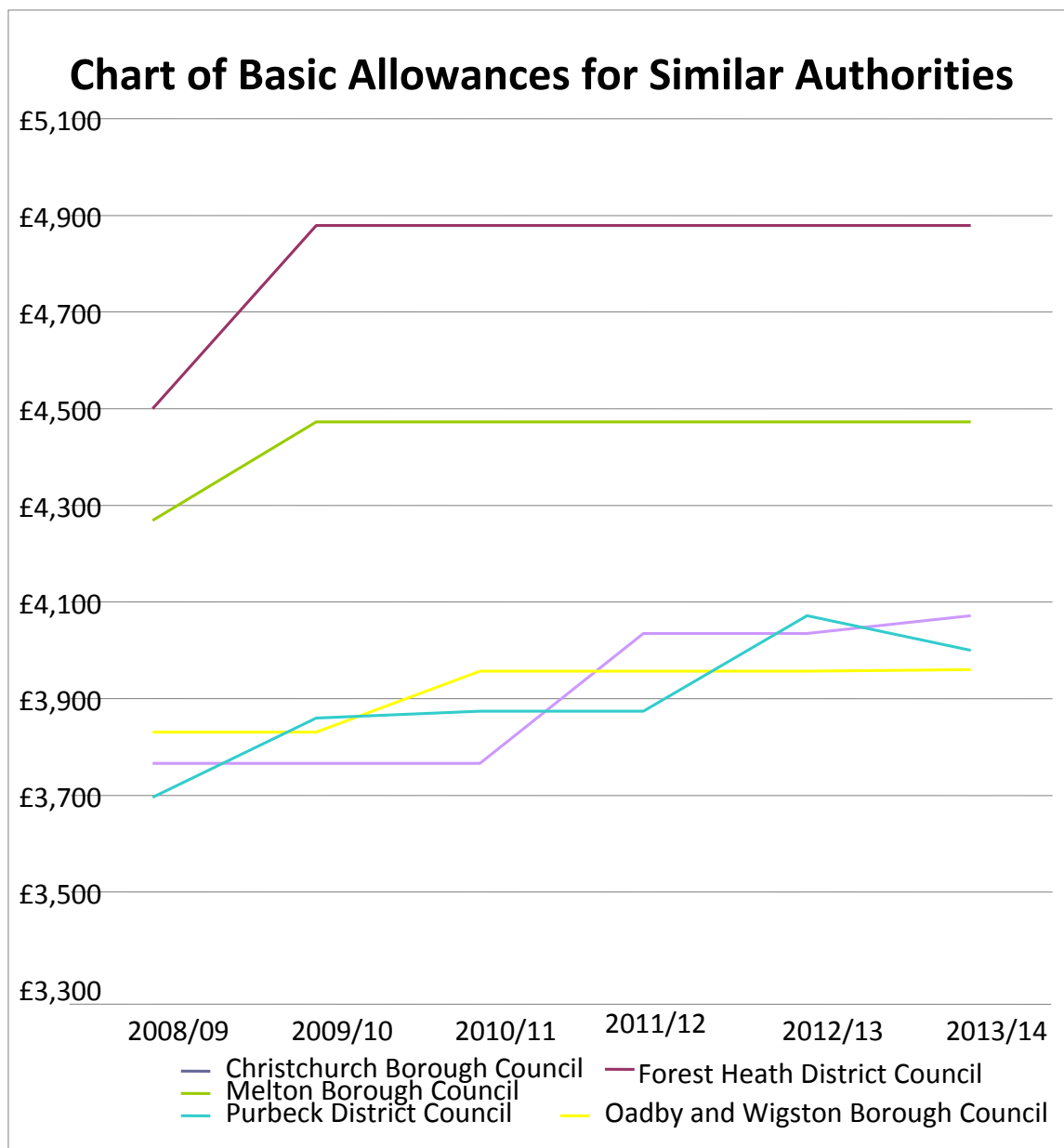
The Panel's objective has been to continue benchmarking the current structure against other comparable local authorities to provide the Council with more information to support a rebalanced scheme for future years.

Data was collected from all fourth option local authorities which is set out in the table attached at Appendix B. It was noted that there were wide variations in the number of councillors and also size of population within the data collected from local authorities. Consequently, the Panel identified a cluster of those local authorities which were most similar in terms of the two identified criteria. This resulted in a cluster of five comparable local authorities set out in table 1 below:

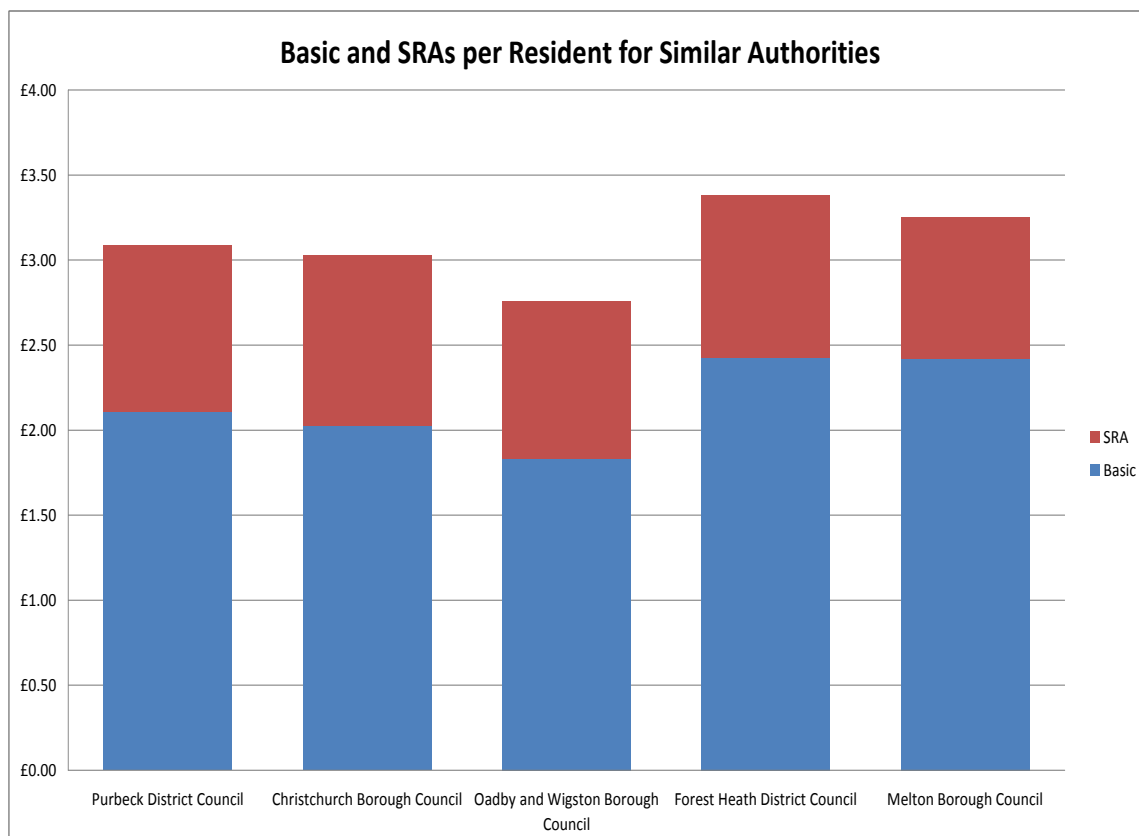
TABLE 1

<u>Name</u>	<u>Population</u>	<u>Councillors</u>
Purbeck District Council	44,973	24
Christchurch Borough Council	47,752	24
Oadby and Wigston Borough Council	56,170	26
Forest Heath District Council	59,748	27
Melton Borough Council	50,376	28
Averages	51,804	26

Analysis of historical payments going back several years of basic allowances across the cluster showed that Oadby and Wigston Borough Council has been consistently lower than average. See chart below:



The Panel decided that further analysis based on the Scheme cost per resident using data for 2012/13 was a useful measure and the results are shown in the chart below. It was noted that while the special responsibility allowance was close to that of the other authorities in the cluster, the basic allowance, once again, was much lower than average. This supports the Panel's recommendation in the report of September 2013 to increase the basic allowance by adjusting other special responsibility allowances, given that it may be undesirable to increase the total budget. It is the Panel's belief that the principles in the proposed remodelled Scheme provide the flexibility to respond to a wide range of budgetary variations.



Due to changes made during a governance review at the end of the 2013/14 municipal year, the Panel gave consideration to the level of special responsibility allowance for chairmen of proposed working groups and disbanding of the Overview and Scrutiny Committee and Standards Committee. These are shown in the table of special responsibility allowances above. It has been assumed that Members Standards Complaints will continue and so the ad-hoc allowance remains within the proposed scheme.

Future Workplan

The Panel intends to continue to collect benchmarking data to monitor Oadby and Wigston's Scheme against a cluster of similar authorities. It is recognised that alternative principles may warrant further consideration and the Panel would welcome feedback from political group leaders during the course of 2014/15.

**OADBY AND WIGSTON BOROUGH COUNCIL
SCHEME OF MEMBERS' ALLOWANCES - 2014/2015**

Oadby and Wigston Borough Council, in exercise of the powers conferred by the Local Authorities' (Members' Allowances) (England) Regulations 2003, hereby makes the following scheme:-

1. This scheme may be cited as the Oadby and Wigston Borough Council Members' Allowances Scheme and shall have effect for the period from 14 May 2014 to 19 May 2015.
2. In this scheme,
"Councillor" means a member of the Oadby and Wigston Borough Council who is a Councillor
"Year" means the period ending with 19 May 2015.

Basic Allowance

3. Subject to paragraph 6, a Basic Allowance of **£3960** shall be paid to each Councillor.

The Basic Allowance is intended to recognise the time devoted by Councillors to their work, including their community representative role, and to cover some incidental expenses incurred by them.

Special Responsibility Allowances

4. (1) A Special Responsibility Allowance shall be paid to those Councillors (in addition to the Basic Allowance) who hold the special responsibilities in relation to the Authority that are specified in Schedule 1 to this Scheme.
(2) Subject to paragraph 6, the amount of each such allowance shall be the amount specified against that special responsibility in that Schedule.
(3) Councillors be permitted to claim no more than one Main Chairman's allowances and up to two Vice Chairman's allowances. A Councillor be permitted to claim no more that two 'Group Chairman' allowances. Main Chairmen are precluded from claiming a Group Chairman allowance. Where it appears to a Councillor that this policy has brought about an inequitable situation, that person may appeal to have the matter reviewed, to the independent Adjudication Panel (see paragraph 6 (7) post).
(4) The Chief Executive, in consultation with the Leader of the Council and having regard to the guidance provided at Schedule 3 below, be authorised to approve the attendance of Councillors at appropriate events where they would be representing the Council and to make payment of special responsibility attendance allowance and any other relevant travel and subsistence expenses covered by the Scheme for the relevant period of absence from home, providing that authority for attendance is given by the Chief Executive in advance of the event taking place.

Claiming of Allowances

5. A Councillor may by notice in writing given to the Head of Corporate Resources to claim any part of his or her entitlement to an allowance under this Scheme.

Part-Year Entitlements

6. (1) The provisions of this paragraph shall have effect to regulate the entitlements of a Councillor to Basic and Special Responsibility Allowances to a Special Responsibility Allowance where, in the course of the year, this Scheme is amended or that Councillor becomes, or ceases to be, a Councillor or accepts or relinquishes a Special Responsibility in respect of which a Special Responsibility Allowance is payable.
- (2) If an amendment to this Scheme changes the amount to which a Councillor is entitled by way of a Basic Allowance or a Special Responsibility Allowance to a Special Responsibility Allowance, then in relation to each of the periods
 - (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this Scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.
- (3) Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a Basic Allowance shall be to the payment to such part of the Basic Allowance as bears to the whole the same proportion as the number of days during which his or her term of office subsists bears to the number of days in that year.
- (4) Where this Scheme is amended as mentioned in sub-paragraph (2) above, and the term of office of a Councillor does not subsist throughout the period mentioned in sub-paragraph (2)(a) above, the entitlement of any such Councillor to a Basic Allowance shall be to the payment of such part of the Basic Allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days which his or her term of office as a Councillor subsists bears to the number of days in that period.
- (5) Where a Councillor has during part of, but not throughout, a year special responsibilities as entitle him or her to a Special Responsibility Allowance, that Councillor's entitlement shall be to the payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he or she

has such special responsibilities bears to the number of days in that year.

- (6) Where this Scheme is amended as mentioned in sub-paragraph (2) above, and a Councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (2)(a) of that paragraph any such special responsibilities as entitle him or her to a Special Responsibility Allowance, that Councillor's or Independent Person's entitlement shall be to the payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.
- (7) A meeting of an Adjudication Panel comprising the Chief Executive, a member of the Independent Remuneration Panel and a senior Councillor, be called to consider and decide upon any issue of uncertainty or ambiguity that might arise in interpretation of the Scheme.

Travelling and Subsistence Allowances

7. Councillors may claim Travelling and Subsistence Allowances in respect of the following categories of meetings, subject to them being held outside the Borough, at the rates prescribed in Schedule 2 to this Scheme.
 - Conferences and meetings where attendance is authorised by the Council, a Committee or by the Chief Executive
 - Outside Bodies to which the Councillor has been appointed by the Council, a Committee or by the Chief Executive

Note: Councillors may not claim Travelling and Subsistence Allowances in respect of any meetings held inside the Borough. Allowance for such expenses is reflected in the basic allowance.

Childcare and Dependant Carers' Allowance

8. Childcare and Dependent Carers' Allowances be paid for the actual receipted cost incurred to a Councillor, providing this does not exceed £10 per hour. The Allowances to cover attendance at any meeting of the Council for which the Councillor is a member or for attendance at any meeting of an outside body for which the Councillor is attending that meeting as a representative of the Council.

Local Government Pension Scheme

9. A Councillor will be given the option of joining the Local Government Pension Scheme, as provided by the Local Authority (Members' Allowances) (England) Regulations 2003

Claims

10. Claims for the payment of Travelling and Subsistence Allowances under this Scheme must be made on the official forms provided within two months of the date on which the meeting took place.

These forms are available from Corporate Resources.

Payments

11. Payments shall be made in respect of Basic and Special Responsibility Allowances, subject to paragraph 6(2), in installments of one-twelfth of the amount specified in this Scheme direct into Councillor's bank/building society account on the 25th day of each month or as close thereto as is possible.
12. Where a payment of one-twelfth of the amount specified in this scheme in respect of basic allowance or a special responsibility allowance would result in a Councillor receiving more than the amount to which, by virtue of paragraph 6, he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

Suspension

13. All allowances will be withheld from any Councillor who has been suspended and any allowance paid must be reimbursed with the exception of any payment in arrear in respect of entitlement prior to the time of suspension.

Updating

14. This Scheme shall be updated on 15 May in line with the level of the Retail Price Index in any year when there is no independent review.

Special Responsibility Allowances

A Special Responsibility Allowance at the amount specified below shall be paid per annum to those Councillors who have the special responsibilities in relation to the Council as specified below:-

Leader of the Council	7310
Deputy Leader of the Council * halved where shared	2430*
Leader of the Opposition Group	2430#
Chairman of Policy, Finance & Development, Service Delivery, Development Control	3450
Vice Chairman of Policy, Finance & Development, Service Delivery, Development Control	1150
Chairman of Council (Mayor)	3040
Vice Chairman of Council (Deputy Mayor)	910
Chairman of Licensing & Regulatory Committee	2430
Vice Chairman of Licensing & Regulatory Committee	800
Member of Development Control Committee (other than Chairman or Vice Chairman)	240
Customer Service Task Group Chairman	1000
Community Engagement Group Chairman	1000
Waste Task Group Chairman	1000
Children and Young People Forum Chairman	1000
Greening the Borough Working Group Chairman	1000
Community Safety Partnership Chairman (where it is a Member of the Council)	1000
Place Shaping Working Group Chairman	1000
Health and Wellbeing Board Chairman	1000
Residents Forum Chairman	1000
Members Standards Complaints – Adjudication Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**
Member of Licensing Panel (up to 4 hours*, over 4 hours** per attendance)	30* or 60**
Member of Internal Interview Panel (up to 4 hours*, over 4 hours** per attendance)	50* or 100**
Representative on Outside Body (up to 4 hours*, over 4 hours** per attendance)	30* or 60**

#pro-rata based on the total membership of groups where applicable

NOTE: Where daily rates are paid, time to be calculated from time when leaving home to time when returned to home.

Travelling and Subsistence Allowances

A. Travelling

1. Motor Car – 52.2p per mile regardless of engine size *

Motor Car Passengers - 3.0p per mile for the first passenger and 2.0p per mile for the second and subsequent passengers up to 4 (to whom a travelling allowance would otherwise be payable)
2. Motor Cycle - 26p per mile
3. Bicycle - 10p per mile
4. Toll, ferry and parking fees (including overnight garaging) - actual cost on production of a receipt
5. Taxis - actual fare (plus reasonable gratuity) either in case of urgency or where no public transport is reasonably available
6. Public Transport - second class or any available cheap day fare unless there are exceptional circumstances approved by the Chief Financial Officer for first class fare.

* Mileage rate for Council officers.

B. Subsistence

1. Absence not involving absence overnight – up to the following limits on production of a receipt

(a) Breakfast (leaving home before 7.30am)	£ 6.50
(b) Lunch (absent between 12 noon and 2pm)	£ 8.00
(c) Tea * (arriving home after 5.30pm)	£ 6.00
(d) Evening Meal *(arriving home after 8.30pm)	£12.00

* only one of these may be claimed
2. Absence overnight covering continuous period of 24 hours – reasonable cost of accommodation and meals on production of a receipt
3. Main meals on trains (i.e. breakfast, lunch or dinner) - reasonable cost (inc. VAT) on production of a receipt (in lieu of the subsistence allowance for the appropriate meal period)

GUIDANCE FOR USE OF DELEGATED POWERS BY CHIEF EXECUTIVE IN RESPECT OF MEMBERS CONFERENCES/SEMINARS/MEETINGS

Introduction

1. Under the Scheme of Delegation, the Chief Executive has been granted delegated authority, in consultation with the Leader of the Council, to approve attendance by Members at conferences, seminars or meetings which have not previously been approved by the Council.
2. In exercising his/her delegation the Chief Executive must have regard to these guidelines.

Guidelines

3. The Chief Executive must ensure that there is sufficient budgetary provision taking into account:-
 - a) The financial provision required for the support and development needs of all Members for the financial year in question.
 - b) The cost and quality of the seminar/conference/meeting where applicable.
4. The Chief Executive must ensure that:-
 - a) The meeting/conference/seminar is relevant to the Member's role and responsibilities at the Council, (i.e by virtue of membership of a Committee, Sub Committee, Task Group, Panel or Outside Body) or, his/her position as Chairman or Vice-Chairman of a Committee, Sub-Committee, Task Group, Panel or Outside Body, OR
 - b) Attendance would be beneficial to the Council or non-attendance would be prejudicial to the Council or its standing in the wider community, OR
 - c) The conference/seminar/meeting provides necessary or relevant training or education to the Member in his her capacity as a Borough Councillor.