

INDEPENDENT REMUNERATION PANEL

REPORT ON MEMBERS' ALLOWANCES FROM
1 APRIL 2017 TO 31 MARCH 2018

FOR

MID DEVON DISTRICT COUNCIL

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1. INTRODUCTION

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to have regard to the recommendations of an Independent Panel in agreeing allowances paid to councillors.

The Independent Panel operates under the provisions of the Local Authorities (Members' Allowances) (Regulations) 2003. These regulations require that all councils should set up independent panels and take account of their advice before agreeing their councillors' allowances scheme.

2. MEMBERSHIP

There has been no change to the membership of the Panel since the last set of recommendations were presented to Council in August 2016. The membership of the Panel continues to be as follows:

- Richard Watkins – retired business man
- Paul Baker – Deputy Director for Primary Care, NHS
- Jonathan Rich – Solicitor
- Karen Stone – Business Manager, South West Councils
- Sylvia Vallis – retired schoolteacher

3. BACKGROUND

The previous review had taken place during 2016 and had culminated in a report recommending a Scheme of Allowances until 31 March 2017. Following receipt of this report Council voted on each of the Panel's recommendations at a meeting on 31 August 2016.

The Panel have noted the following:

- a) Council did not accept their recommendation to keep the Basic Allowance at £4691 but voted to increase this by £174 pa making the current annual Basic Allowance £4865.
- b) As a result of the decision above all Special Responsibility Allowances (SRA) were increased as these were based upon a weighting applied to the Basic Allowance.

- c) Council voted to approve the Panel's recommendation to reduce the weighting applied to the SRA for the Licensing and Regulatory Committee Chairman from 0.50 applied to the Basic Allowance to 0.25.
- d) Council had approved with all the other recommendations in the Panel's report in respect of the following:
 - i. No Member should be entitled to claim more than one SRA.
 - ii. That the Leader and Cabinet Members keep a record of the additional workload as a result of the Greater Exeter proposal and Devolution.
 - iii. Carer's Allowances be calculated on the current basis namely the actual expenditure up to the national living wage of a person over 25.
 - iv. Travel allowances be linked to HMRC rates and calculated at the national levels indicated.
 - v. Subsistence allowances be linked to those of the staff.
 - vi. All claims for travel and subsistence reimbursement be accompanied by an appropriate receipt.
 - vii. An annual digital allowance of £150 be paid to Members using digital devices only.
 - viii. The current Town and Parish Council Scheme of Allowances remain in place.

4. CONDUCT OF THE REVIEW FOR 2017/18

Since only 4 months had elapsed since Council had approved the previous Members Allowances Scheme and in the absence of any evidence to suggest a significant change in the workload of Members, the Panel chose to communicate their deliberations electronically and did not feel the need to meet in person.

5. SCHEME OF ALLOWANCES

5a The Basic Allowance

The Panel were mindful of the fact that there had only been 4 months since the approval of the previous Members Allowances Scheme where Council had voted for an increase in the Basic Allowance. Therefore, in the absence of any evidence to suggest Members workloads had changed in the previous 4 months the Panel wish to recommend that the Basic Allowance remains at the amount of £4865 pa, as agreed by Council on 31 August, until 31 March 2018.

5b. Special Responsibility Allowances (SRA)

The Local Authorities (Members' Allowances) Regulations 1991 provide that SRA may be paid to those Members of the Council who

have “**significant additional responsibilities**” over and above the generally accepted duties of a Councillor. In setting the SRA’s originally the Panel had concluded that the best approach was to use the Basic Allowance as the starting point and then give a weighting to the role attracting the SRA which could be applied to the Basic Allowance. The Panel remain of the view that the link between the Basic Allowance and SRA is an important one.

The Leader and Cabinet Members had been requested to keep a log of the additional workload they had encountered between September 2016 and January 2017 as a result of the Greater Exeter proposals and Devolution. In reality, the additional workload had only impacted upon the Leader who had attended 8 additional meetings during that time. The panel were informed that it was still early days with regard to these issues and that a more accurate assessment may be able to be given in the autumn. The panel also noted that there may be other issues affecting Cabinet Member roles as the year progresses. They are not therefore able to justify an increase in Special Responsibility Allowances at the current time.

The Panel continue to be of the view that the weights applied to the agreed basic Allowance are appropriate and therefore recommend a continuation of the current levels until 31 March 2018. These are as follows:

Position	Weighting x basic	SRA
Leader of the Council	3.00	£14,595
Deputy Leader	1.50	£7,298
Cabinet Member	1.25	£6,081
Scrutiny Committee Chair	1.25	£6,081
PDG Chair	0.75	£3,649
Audit Committee Chair	0.75	£3,649
Planning Committee Chair	1.25	£6,081
Licensing/Regulatory Chair	0.25	£1,216
Standards Chair	0.25	£1,216
Chairman of the Council	0.50	£2,433

The Panel continues to recommend that Members should not be entitled to claim more than **one** SRA.

5c. **Chairman’s Allowance**

There was no change to the Panel’s previous recommendation that the allowance paid to the Chairman of the Council be split between his civic role and his constitutional role. That is, a small budget (not exceeding £2,000 and to be agreed each year during the budget setting process) be allocated to him or her for civic functions. The Special Responsibility Allowances paid to him or her at the above rate should be for the constitutional role in chairing full Council meetings.

5d. Carers' Allowance

There is no change to the Panel's previous recommendation that the provision for the carers' allowance should be the hours of carer required at the actual expenditure up to the national living wage for a person over the age of 25 which from 1 April 2017 will be £7.50.

5e. Travel and Subsistence Allowances

They continue to recommend that reimbursement of approved mileage continue to be linked to the rates published by HMRC which for 2016/17 are (these figures to be amended in line with the HMRC rates as from 1 April 2017 once they are known):

Travelling Allowances

- 45p per mile for the first 10,000 miles
- 25p per mile thereafter
- 5p per mile per passenger carried (up to a maximum of 4 passengers payable to the driver)
- 25p per mile for pushbikes

Subsistence Allowances

The Panel recommends that subsistence allowances should be the same as for employees which for 2016/17 are (these figures to be amended in line with the HMRC rates as from 1 April 2017 once they are known):

- Breakfast - £7.02
- Lunch - £9.70
- Tea - £3.81
- Dinner - £12.00

5f. IT Allowance

The Panel continue to be of the view that the use of digital devices needs to be incentivised and therefore continues to recommend that one sum of £150 per annum be paid as an overall IT allowance only to those Members going 'paperless'.

5g. Pensions

The Government has now removed the entitlement of elected councillors to join the Local Government Pensions Scheme.

5h. Town and Parish Council Scheme of Allowances

The Panel do not consider that there needed to be any change to the previous scheme of Town and Parish Council Allowances. They therefore recommend that the current scheme remain in place until such time that a Town or Parish Council requests that the Panel meets to discuss their particular circumstances.

SUMMARY OF RECOMMENDATIONS

The Panel recommends that from 1 April 2017 until 31 March 2018:

- a. The Basic Allowance to be paid to all Councillors remain at the current level of £4865 with any increases being linked to the staff pay award.
- b. All other Special Responsibility Allowances be paid to the following Members at the levels indicated:

Position	Weighting x basic	SRA
Leader of the Council	3.00	£14,595
Deputy Leader	1.50	£7,298
Cabinet Member	1.25	£6,081
Scrutiny Committee Chair	1.25	£6,081
PDG Chair	0.75	£3,649
Audit Committee Chair	0.75	£3,649
Planning Committee Chair	1.25	£6,081
Licensing/Regulatory Chair	0.25	£1,216
Standards Chair	0.25	£1,216
Chairman of the Council	0.50	£2,433

- c. No Member should be entitled to claim more than **one** Special Responsibility Allowance.
- d. Carers' allowances be calculated on the current basis namely, the actual expenditure up to the national living wage of a person over 25.
- e. That travel allowances be linked to HMRC rates and calculated at the national levels indicated, currently:
 - 45p per mile for the first 10,000 miles
 - 25p per mile thereafter
 - 5p per mile per passenger carried (up to a maximum of 4 passengers payable to the driver)
 - 25p per mile for pushbikes

NB: To be increased in line with HMRC rates from 1 April 2017 once known.

That only travel from within the Mid Devon border to attend an official duty be recompensed to the Member.

- f. That the subsistence allowances be linked to those of the staff, currently these are as follows:

- Breakfast - £7.02
- Lunch - £9.70
- Tea - £3.81
- Dinner - £12.00

NB: To be increased in line with HMRC rates from 1 April 2017 once known.

- g) That all claims for travel and subsistence reimbursement be accompanied by an appropriate receipt.
- h) That an annual digital allowance of £150 continue to be paid to Members using digital devices only.
- i) That the current Town and Parish Council Scheme of Allowances remain in place.
- j) That Members of the Authority are not entitled to pensions and therefore neither the basic allowance nor SRA be treated as an allowance in respect of which pensions are payable.

ELECTIONS

The regulations provide that a Member may, by notice in writing, given to the proper officer (the Director of Finance, Assets and Resources) elect to forgo any part of his or her entitlement to an allowance under the scheme.

Paul Baker
Jonathan Rich
Karen Stone
Sylvia Vallis
Richard Watkins

February 2017