



## **MEMBERS' ALLOWANCES**

### **TWENTIETH REPORT OF THE INDEPENDENT REMUNERATION PANEL**

1. Under the Local Authorities (Members' Allowances)(England) Regulations 2003, (the '2003 Regulations') local authorities must establish and maintain an Independent Remuneration Panel (IRP). The purpose of this panel is to make recommendations to the authority:
  - a) as to the amount of Basic Allowance that should be payable to its elected members
  - b) about the roles and responsibilities for which a Special Responsibility Allowance (SRA) should be payable and as to the amount of each such allowance
  - c) as to whether the authority's allowances scheme should include an allowance in respect of expenses of arranging for the care of children and dependents, and if it does make such a recommendation, the amount of this allowance and the means by which it is determined
  - d) about the duties for which a Travelling and Subsistence Allowance can be paid and as to the amount of this allowance
  - e) as to the amount of a Co-optees Allowance
  - f) on whether any allowance should be backdated to the beginning of a financial year
  - g) as to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run
  - h) as to which members of an authority are to be entitled to pensions and as to treating basic allowance and special responsibility allowance as amounts in respect of which such pensions are payable.

The Council and the Panel must have regard to statutory guidance in considering the provisions of the Members' Allowances Scheme. The Council must consider recommendations from the Panel before making or amending a Members' Allowances Scheme.

2. Derby City Council's Independent Remuneration Panel comprises:

- Arthur Burns, Individual Member
  - Helen Foord, Senior HR Business Partner, Rolls-Royce plc
  - Martyn Holden, Human Resources Director, University of Derby
  - Sue Holmes, Chief Executive, Derby Law Centre (Vice Chair)
  - Ian Samways, Individual Member (Chair)
  - Geoff Seymour, Derbyshire and Nottinghamshire Chamber of Commerce
  - Gill Taylor, Individual Member
3. Three members of the panel (Messrs. Samways, Burns and Seymour) met on 4 February 2014 to consider the recommendations it should make to the Council in respect of Members' Allowances for 2014/15.
  4. In advance of the meeting, the Chair asked the Secretary to the Panel to write to all Members of the Council, inviting them to either attend the meeting, or make a written submission if they had observations or recommendations about the Scheme.
  5. A written submission was received from the Chair of the General Licensing Committee (GLC), to request that consideration be given to an increase in the Special Responsibility Allowance (SRA) paid to members of the various Licensing sub-committees, to be offset in a reduction in the SRA paid to vice-chairs of Scrutiny Boards. That submission is included as Appendix A of this report. Panel members noted that the Chair of the GLC also serves as Chair of the Taxi Licensing and Appeals Committee, but as she is entitled to only one SRA, this saves the Council £7482 pa
  6. One elected Member attended the meeting of the Panel and asked members to:
    - a. consider an increase in Basic and Special Responsibility Allowances to reflect the established link to any increases received by council employees and
    - b. consider a review of journeys, made by Members, which attract the payment of a mileage allowance

The Panel was encouraged to learn from that Member that changes to Dependent Carers' Allowance payments, made in 2012/13, had created a more flexible scheme to suit the environment in which councillors operate.

7. The Council's Taxation Manager was invited to address the Panel, as he had informed the Secretary to the Panel of new guidance, received from HMRC, about the treatment of travelling expenses, an area within the remit of the Panel. This directly addressed the issue raised at 6b above.
8. The Secretary of the Panel answered a number of questions from members to inform their decisions on:
  - a. the type and numbers of Special Responsibility Allowances paid
  - b. relative time commitments of roles which attract a SRA
  - c. the Council's expectations of its employees in respect of broadband connections for home working and travelling expenses

## 9 Recommendations

- a. to continue the established practice of linking the annual uplift of Members' Allowances (both Basic Allowance and Special Responsibility Allowances) to the increase in Council employees' salaries. For 2014/15 this will be a 1% increase, with effect from 1 April 2014
- b. to vary the conditions within Schedule 3 of the Scheme, relating to travelling expenses, to remove consideration of Members' homes as a place of work. To comply with HMRC guidance, the sole place of work will be The Council House and journeys between it and the Member's home will not qualify for a mileage allowance
- c. to make no changes to the Special Responsibility Allowances, other than the 1% uplift, until the Annual Meeting of the Council on 11 June 2014, recognising that the decisions on constitutional appointments, when all roles are appointed to, is the logical point to introduce change
- d. subject to recommendation c being accepted, then at the time of the Annual Meeting the following recommendations be introduced:
- e. Councillors continue to be mindful, when making appointments at the Annual Meeting, that payments of Special Responsibility Allowances (SRA) should be restricted to no more than 50% of all Members, currently a maximum of 25. The IRP recognises the particular commitment made by those who serve on Licensing Committees and Adoption and Fostering Panels and recommends that those SRAs should not be included in the calculation of the 50% target.
- f. to increase the payment of the SRA to members of the General Licensing Committee and the Taxi Licensing and Appeals Committee, to a level equivalent to 6.25% of the Leader's Allowance, to reflect the time commitment and responsibility of these roles. There is a requirement that each member will attend at least 15% of the meetings called and the Panel wishes to receive a report of attendances at its meeting in 2015, to ensure compliance with this condition.
- g. to reduce the payment of the SRA to vice-chairs of Scrutiny Boards to the level currently paid to members of the Adoption and Fostering Panels, and that proposed for members of Licensing Committees, being 6.25% of the Leader's Allowance.
- h. to introduce a condition that the SRA for the Deputy Leader of a political group, be payable only if that group has at least ten members, that number being the minimum required to request a recorded vote in a meeting of Council, under Council Procedure Rule 71
- i. that the Council ceases the practice of funding Members broadband connections, to reflect that employees do not receive a similar benefit. This measure to be phased, so that the minority of Members currently receiving this benefit retain it, until the end of their current electoral term, the effect being a complete phasing out by 2016/17.

Ian Samways

Philip O'Brien

Chair of the Independent  
Remuneration Panel

Secretary to the Independent  
Remuneration Panel

February 2014

## **Appendix A**

To The Independent Remuneration Panel

### **SUBMISSION FROM COUNCILLOR BARBARA JACKSON CHAIR OF TAXI LICENSING AND APPEALS COMMITTEE**

I would respectfully ask the panel to consider an increase in the responsibility allowance paid to members of the Taxi Licensing and Appeals Committee. The

current rate is **£897.88** for the municipal year and this has not been increased since 2010.

So far this municipal year, there has been a total of 41 sittings and I would expect this to increase to 50-60 by the end of the year.

I believe that this rate is disproportionate to the amount of time and effort that members devote to the preparation and attendance at hearings.

Prior to each hearing a large amount of documentation is provided that has to be read and absorbed in detail for members to familiarise themselves with the case they are to hear. If the case is complex this can take several hours of concentrated reading.

These hearings are intensive by nature and can take from half a day to in some cases up to 3 days when members sometimes have to sit through long and detailed submissions on occasion presented by barristers.

Although professional advice is available to the councillors at the hearings, ultimately they are required to make decisions that could mean the loss of a person's livelihood as a taxi driver, licensee of licensed premises or a council employee. These judgements are not undertaken lightly and members are acutely aware of the seriousness of the decisions they are taking.

On occasion members are required to attend court hearings or employee tribunals when appeals are heard and they are required to give evidence under oath.

Members are required to receive four sessions of training before they are allowed to sit at a hearing and all are experienced and knowledgeable about licensing and appeals procedures.

For clarification I should add that the Chair of the Licensing and Appeals Committee is paid an additional allowance of £7,482.33 and Vice-Chairs an allowance of £3,741.16 to reflect the extra amount of work they undertake. I consider these allowances to be appropriate for these roles and would not seek any additional funding.

I am acutely aware of the extremely difficult financial position of the council at the current time and would not expect further funding to be applied to allowances generally. My own view is that an increase in the region of £200 would be adequate in recognition of the workload of committee member. I would respectfully request that the roles and allowances of Overview and Scrutiny Board vice chairs and opposition deputy leaders are reviewed to provide the additional funding for members of the Taxi Licensing and Appeals Committee.

Barbara Jackson  
Chair of Taxi Licensing and Appeals Committee