



MEETING: STANDARDS COMMITTEE

DATE: Tuesday 15th December, 2009

TIME: 10.00 am

VENUE: Town Hall, Southport

Member

Substitute

Councillor
Bigley
Brady
Fairclough
M. Fearn
Hill
Papworth

Councillor
Barber
Moncur
Maher
Booth
D Rimmer
Storey

Independent Members: Mr. N. Edwards (Chair), Mr. E. Davies (Vice-Chair)
and Mr. J. Fraser

Parish Council Member Mrs. B. O'Brien and Mr. D. Warren

COMMITTEE OFFICER: Steve Pearce
Head of Committee and Member Services
Telephone: 0151 934 2046 / 2068
Fax: 0151 934 2034
E-mail: steve.pearce@legal.sefton.gov.uk or
paul.fraser@legal.sefton.gov.uk

If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

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A G E N D A

1. Apologies for Absence
2. Declarations of Interest
Members and Officers are requested to give notice of any personal or prejudicial interest and the nature of that interest, relating to any item on the agenda in accordance with the relevant Code of Conduct.
3. Minutes of Previous Meeting (Pages 5 - 6)
Minutes of the meeting held on 19 November 2009
4. Review of Members' Allowances – Independent Remuneration Panel (Pages 7 - 18)
Report of the Legal Director

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THESE MINUTES ARE NOT SUBJECT TO CALL IN.

STANDARDS COMMITTEE

MEETING HELD AT THE TOWN HALL, SOUTHPORT ON 19 NOVEMBER 2009

PRESENT: Mr. N. Edwards (in the Chair)
Mr. E. Davies (Vice-Chair)

Councillors Bigley, M. Fearn, Hill, and Papworth;
Mr. J. Fraser and Parish Councillor D. Warren.

26. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Brady and Fairclough.

27. DECLARATIONS OF INTEREST

No declarations of interest were received.

28. MINUTES

RESOLVED:

That the Minutes of the meeting held on 17 September 2009 be confirmed as a correct record.

29. ASSESSMENT OF COMPLAINTS - DVD

The Committee considered the report of the Legal Director on the release of Standards for England's latest training DVD "Assessment Made Clear". Members viewed a copy of the DVD.

RESOLVED: That

- (1) the report be noted; and
- (2) the Legal Director be requested to investigate:
 - arranging for all Councillors to be able to view the DVD at forthcoming Members' Briefing sessions and to request Party Leaders and Parish Council Clerks to encourage their Members to view the DVD;
 - making a copy of the DVD available on the Council's Intranet; and
 - the cost of obtaining and supplying copies of the DVD to each appropriate Councillor.

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Agenda Item 4

Meeting: STANDARDS COMMITTEE
COUNCIL

Date of Meeting: 15 DECEMBER 2009
17 DECEMBER 2009

Title of Report: REVIEW OF MEMBERS' ALLOWANCES –
INDEPENDENT REMUNERATION PANEL

Report of:

Mrs C J Elwood
Legal Director

Contact Officer:
(Telephone No.) 0151 934 2032

This report contains	Yes	No
CONFIDENTIAL Information/		√
EXEMPT information by virtue of paragraph(s).....of Part 1 of Schedule 12A to the Local Government Act, 1972 (If information <u>is</u> marked exempt, the Public Interest Test must be applied and favour the exclusion of the information from the press and public).		√
Is the decision on this report DELEGATED?		

Purpose of Report

To advise Members of the recommendations made by the Independent Remuneration Panel and to make recommendations to Council.

Recommendation(s)

That Members of the Standards Committee consider the report of the Independent Remuneration Panel and make recommendations to Full Council in relation to the review of the Members Allowance Scheme.

Corporate Objective Monitoring

<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1. Creating a Learning Community		√	
2. Creating Safe Communities		√	
3. Jobs and Prosperity		√	
4. Improving Health and Well-Being		√	
5. Environmental Sustainability		√	
6. Creating Inclusive Communities		√	
7. Improving the Quality of Council Services and Strengthening local Democracy	√		
8. Children and Young People		√	

Agenda Item 4

Financial Implications

The additional cost of implementing the recommendations of the Independent Remuneration Panel are:

- a) Full Year - £22,315
- b) May 2009 to March 31st 2010 - £20,455
- c) 1st January 2010 to 31st March 2010 £5,578

<u>CAPITAL EXPENDITURE</u>	2009/ 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	22,315	22,315	22,315	22,315
Funded by:				
Sefton funded Resources	22,315	22,315	22,315	22,315
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Departments consulted in the preparation of this Report

Legal
Finance

List of background papers relied upon in the preparation of this Report

Report to the Independent Remuneration Panel

1.0 Background

- 1.1 The three Members of the Council's Independent Remuneration Panel met on the 3rd December 2008 to review the Council's current Members Allowance Scheme. The report of the Panel setting out their findings and recommendations is set out at **Annex 1**.
- 1.2 At their meeting on 22nd January, 2009, Members considered the report of the Panel with a view to making recommendations to full Council on 26th February, 2009. After some discussion it was resolved that the report of the Independent Remuneration Panel be deferred to enable the views of the three Political Groups to be sought on the Members Travel & Subsistence Scheme and a report thereon be submitted to the Independent Remuneration Panel for consideration.
- 1.3 After the three Political Groups had considered the matter it was decided not to refer the issue back to the Panel. Accordingly, Members of the Standards Committee considered the report prior to Full Council on 9th July, 2009.
- 1.4 At the Council Meeting Members passed the following resolution:-

RESOLVED: That
 - (1) the IRP recommendations be noted and, while supportive of the principles, this Council believes that the overall Councillors Allowances Budget should be capped at the present level; and
 - (2) accordingly, this matter be referred back to the IRP to consider how the IRP principles can be achieved whilst staying within the overall Councillors Allowances budget and IRP be asked to examine the overall Councillors Allowances budget in the light of the current financial climate with a view to possible reductions in the budget.
- 1.5 The Independent Remuneration Panel met again on the 16 November 2009 and their additional report and recommendations are set out at **Annex 2**.
- 1.6 The additional cost of implementing the recommendations of the Independent Remuneration Panel's for a full year is £22,315. However, if the changes were implemented with effect from May 2009 the cost would be £20,455 and with effect from 1st January 2010, it would be £5,578.
- 1.7 Members of the Standards Committee are requested to review the report and make recommendations to Council in relation to the review of the Scheme.

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SEFTON METROPOLITAN BOROUGH COUNCIL
REPORT OF THE INDEPENDENT REMUNERATION PANEL
DECEMBER 2008

1. INTRODUCTION

1.1 The Panel was convened specifically to consider:-

- (a) The appropriate figure for the Special Responsibility Allowance for Overview & Scrutiny Chairs.
- (b) The appropriate figure and level of Special Responsibility Allowance for the Audit and Governance Chair.
- (c) Whether it is appropriate to pay travelling expenses to those Members who undertake statutory visits to childrens homes.

1.2 We met on the 3rd December 2008. Unfortunately Steve Dickson, the third member of the Panel, was unable to join us. In the circumstances we agreed to proceed in his absence but requested the Legal Director to circulate the draft report on the Panel's findings to Mr Dickson on the understanding that if he has any concerns about the findings then the Panel be reconvened to discuss the matter further.

1.3 The three Leaders of the Council had been given the opportunity to attend and make representations to us or send a nominee. The four Scrutiny Chairs had also been invited to attend to make representations. We therefore had the opportunity to hear directly from three of the Scrutiny Chairs, namely Councillor Hardy, Councillor Papworth and Councillor Hands. In addition Councillor Mrs Parry and Councillor P Cummins addressed us in relation to the issue of travelling expenses. We were advised by Paul Edwards (Finance Director), Caroline Elwood (Legal Director) and Viv Swale (Claims & Administration Manager).

1.4 This report outlines our recommendations to the Council in respect of the current Members Allowance Scheme.

Agenda Item 4

2.0 BACKGROUND

2.1 The Panel last met on the 14th June 2007 and undertook a full and comprehensive review of the Members Allowances Scheme. This was subsequently accepted and approved by the Full Council in September 2007. We had recommended that the Basic Allowance should be reviewed and increased to a figure comparable to the Merseyside average, with future increases linked to the Local Government annual pay settlement (using scp 33) and that the Special Responsibility Allowances should continue to be calculated based upon a multiplier of the Basic Allowance. We also recommended that the Council should no longer continue to make separate payments to cover travel expenses for duties undertaken by Members within Sefton, on the basis that the enhanced level of Basic Allowance would reflect the discontinuance of separate travel expenses. We also recommended that a further full review of the Scheme should be undertaken prior to the beginning of the Municipal Year 2010/2011.

3.0 OVERVIEW & SCRUTINY CHAIRS

3.1 The Cross Party Working Group which was originally established to implement the detailed recommendations made by Dr Snape into improvements to the scrutiny function at Sefton requested that the Panel should formally review the level of Special Responsibility Allowance (SRA) currently paid to the Overview & Scrutiny Chairs. The Working Group felt that the level of the SRA demonstrated the value placed upon the function and Dr Snape herself expressed concern that generally scrutiny had a low status within the organisation which was having an adverse effect upon the performance of the function. The recommendation that the allowance should be reviewed was subsequently approved by Cabinet on 13 December 2007 and Full Council on 28 February 2008.

3.2 We noted that there are currently four Overview & Scrutiny Chairs each of whom receives a Special Responsibility Allowance based on a multiplier of 50% x the Basic Allowance (ie. £4,425). This can be contrasted with the Chair of both Planning and Licensing Committees, both of whom received a Special Responsibility Allowance based on a multiplier of 100% x the Basic Allowance (ie. £8,850).

3.3 We were advised that in recent years the scrutiny function had evolved significantly with a resulting impact upon the workload of the Scrutiny Chairs. Although each Overview & Scrutiny Committee still meets once a cycle much more work is now done in Working Groups undertaking in-depth reviews on a variety of topics. Working Group reports have been well received and welcomed by Cabinet. The Chairs and Committees are supported by a dedicated Scrutiny Team with

Chairs generally kept briefed and informed and becoming involved in a wide range of issues related to the work of the Committee.

3.4 We heard from three of the Scrutiny Chairs who explained the far more proactive role which had now developed and we noted the proposed expansion and strengthening of the roles envisaged by the government, particularly in acting as a critical friend to partner organisations requiring the Council to adopt more innovative and imaginative scrutiny enquiries and wider engagement with service users. We also noted the pro-active role of the Scrutiny Chairs in protecting the integrity and propriety of the decision making process by their guardianship of the Forward Plan of Key Decisions.

3.5 We noted that national research commissioned by the LGA and IDeA in 2006/07 demonstrated that the average allowance of O&S chairmanships is comparable or higher than chairmanships of Licensing and sometimes of Planning Committees. We were also provided with information from 18 other areas and noted 17 of these paid a higher amount of Special Responsibility Allowance than Sefton. Overall the summary showed the average amount paid to Overview & Scrutiny Chairs is £7,482 which equates to 75% of the average Basic Allowance.

3.6 We considered it was important to send out the clear message that as an organisation Sefton does value its scrutiny function and the important role it plays not only in holding the Executive to account but also as a guardian of the constitution particularly in relation to the Forward Plan. We therefore recommend that the Special Responsibility Allowance for Chairs should be increased to 100% of the current Basic Allowance ie. £8,860 with effect from the new Civic Year in May 2009.

4.0 Audit & Governance Chair

4.1 At the meeting of the Panel on the 26th September 2006 it was resolved that "the allowance to the new Chair of Audit & Governance be approved and linked to the current multiplier paid to Chairs of Overview & Scrutiny (namely half of the Basic Allowance)". Accordingly we noted the Audit & Governance Committee Chair is currently paid the same rate as Overview & Scrutiny Chairs (£4,425). We were provided with information from the survey of 18 Authorities undertaken on our behalf which shows that the average amount paid to Audit & Governance Chairs is £4,647 (which equates to 43% of the Basic Allowance). In those circumstances we felt that the current allowance to the Audit & Governance Committee Chair continued to be appropriate and that the current link to Chairs of Overview & Scrutiny should be discontinued.

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5.0 Visits to Childrens Homes.

5.1 As previously noted at the last Panel Meeting it was agreed that, in order to save administrative time in future Members would not be paid individual travelling expenses for travel within the Borough of Sefton. Instead an amount was incorporated within the increased Basic Allowance which all Members received. However Sefton is required to undertake statutory visits to childrens homes within the Borough and these visits are over and above Members regular commitments. At present only a small number of Members actually undertake the visits and in these circumstances the Leader of the Labour Group had suggested the Panel should consider providing those Members who do additional mileage an appropriate internal mileage allowance. We heard from Councillor Paul Cummins who is in favour of this proposal and Councillor Paula Parry who did not favour any alteration to current payments for travelling expenses.

5.2 We received details of visits undertaken since 2006/07 and wished to express our concern that Sefton may not be fulfilling the required number of statutory regulatory visits to childrens homes. However, we did not consider that the payment of travelling expenses to undertake such visits was a suitable way to remedy this issue. Accordingly, we do not recommend that it is currently appropriate to pay travelling expenses to those Members who undertake statutory visits to childrens homes. We are aware that this issue has been drawn to Members attention and note that Childrens Overview & Scrutiny Committee are shortly to commence a review of the Council's Corporate Parenting Role which will include the statutory requirement to visit childrens homes. Once the report has been concluded and considered by Cabinet we would be prepared to reconsider the issue of whether and how this function should be recognised in the Allowance Scheme.

6.0 Conclusions

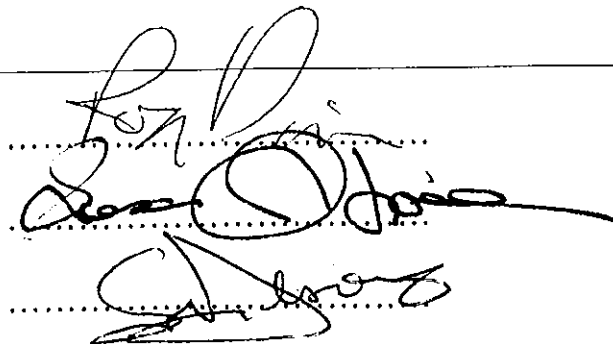
We recommend the above amendments to the Council's current Scheme of Members Allowances and that all other details of the Scheme remain unchanged.

December 2008

Canon R Driver (Chair)

Mrs S Lowe

Mr S Dickson



SEFTON METROPOLITAN COUNCIL

REPORT OF THE INDEPENDENT REMUNERATION PANEL

NOVEMBER 2009

1. INTRODUCTION

- 1.1 We last met as a panel in December 2008 when we made a number of recommendations in relation to the level of special responsibility allowances and the payment of travelling expenses to those members who undertake statutory visits to children's homes. Our report made the following recommendations:-
 - 1.1.1 That the Special Responsibility Allowance for Overview & Scrutiny Chairs should be increased to a multiplier of 100% of the basic allowance ie £8,860 with effect from the new civic year in 2009.
 - 1.1.2 The current link that the Special Responsibility Allowance payable to the Chair of the Audit and Governance Committee is the same as that to Chairs of Overview and Scrutiny Committees be severed; and that the SRA for the Chair of the Audit and Governance Committee remain as a multiplier of 50% of the Basic Allowances.
 - 1.1.3. That we do not consider that it is appropriate to pay travelling expenses to those Members who undertake statutory visits to children's homes.
- 1.2 Our report was submitted to the Standards Committee on 22nd January, 2009 (with a view to making recommendations to full Council on 26th February, 2009). However, after some discussion at the Standards Committee we understand it was resolved that the report of the Panel be deferred to enable the views of the three Political Groups to be sought on the Members Travel and Subsistence Scheme with a possible referral back to the Panel for our views and consideration. Eventually it was agreed not to refer the issue back to us and accordingly the report was re-submitted to the Standards Committee to consider the report and make recommendations to the meeting of full Council on 9th July, 2009.
- 1.3 At the Council Meeting Members attention was drawn to the cost of implementing the changes which was an additional £19,900 in 2009/10 (full year costs £22,150). After lengthy debate the Council Meeting on 9th July passed the following resolution:-

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RESOLVED: That

- (1) The IRP recommendations be noted and, while supportive of the principles, this Council believes that the overall Councillors Allowances Budget should be capped at the present level; and
 - (2) accordingly, this matter be referred back to the IRP to consider how the IRP principles can be achieved whilst staying within the overall Councillors Allowances budget and IRP be asked to examine the overall Councillors Allowances budget in the light of the current financial climate with a view to possible reductions in the budget.
- 1.4 We met again on 16th November, 2009, to discuss the recommendation. The three Leaders of the Council had been invited to attend and make representations to us or send a nominee. We therefore had the opportunity to hear directly from Councillor T Robertson, Leader of the Liberal Democratic Group and Councillor P Dowd Leader of the Labour Group. Councillor I Maher, Deputy Leader of the Labour Group was also in attendance and also offered the opportunity to comment. Apologies were submitted on behalf of Councillor Mrs Parry, Leader of the Conservative Group. We were advised by Mr L Green (Senior Assistant Director Finance and Information Services Department), Mrs C Elwood (Legal Director) and Ms V Swale (Insurance and Administration Manager Finance & Information Services Department).

2. RECOMMENDATIONS

- 2.1 Having heard from the Leaders and having discussed the issues our recommendations to the Council are as follows:-
 - 2.1.1 We note the Council's concerns regarding the affordability of our proposals given the current economic situation generally and the difficult financial challenges the Council itself faces. Nevertheless our proposals were made after careful consideration of the report and information before us and we have not received any further information or evidence which would cause us to revise our original recommendations to the Council.
 - 2.1.2 In those circumstances whilst the Council's concerns are both recognised and indeed to be applauded, we are firmly of the view that it is for the Council itself to make decisions on the budgetary implications of any change to the Members Allowances Scheme. Although we would recommend that should the Council approve any increase to the Special Responsibility Allowance of Overview & Scrutiny Chairs then this should not be backdated beyond the date of the Council's formal approval.

2.1.3 In the light of Members concerns we would respectfully draw Members' attention to the current under spend in the Members Allowance Scheme for this financial year and to the provisions within Section 5 of the Scheme itself which does allow Members to give notice in writing to the Finance Director and elect to forgo any part of their entitlement to an allowance under the Scheme.

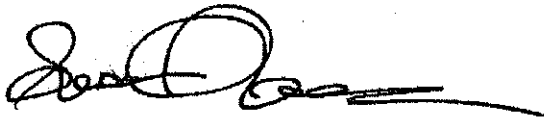
2.1.4 Finally, it was recommended in our report of 14th June, 2007, that there should be a full review of the Members' Allowance Scheme prior to the beginning of the municipal year 2010/11. This recommendation was accepted by the meeting of the Council of 6th September, 2007. We have therefore requested that the Legal Director and Finance Director facilitate a further meeting of the panel in early April 2010 to progress this review.

7 December 2009


Canon R Driver (Chair)



Mrs S Lowe



Mr S Dickson



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