

MEETING: INDEPENDENT REMUNERATION PANEL  
DATE: Wednesday 7th September, 2011  
TIME: 10.00 am  
VENUE: Town Hall, Southport

**Member**

Canon Roger Driver  
Steve Dickson  
Mrs. S. Lowe  
Councillor Parry  
Councillor P. Dowd  
Councillor Robertson

COMMITTEE OFFICER: Paul Fraser  
Telephone: 0151 934 2068  
Fax: 0151 934 2034  
E-mail: paul.fraser@sefton.gov.uk

The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an \* on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

**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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# AGENDA

Items marked with an \* involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>
1.	<b>Election of Chair</b>	
2.	<b>Declarations of Interest</b> 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.	<b>Minutes</b> Minutes of the meeting held on 16 March 2011	(Pages 5 - 8)
4.	<b>Members' Allowance Scheme</b> Report of the Director of Corporate Commissioning	All Wards (Pages 9 - 12)

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## INDEPENDENT REMUNERATION PANEL

### MEETING HELD AT THE SOUTHPORT TOWN HALL ON WEDNESDAY 16TH MARCH, 2011

PRESENT: Canon R. Driver (in the Chair)  
Mrs S. Lowe

ALSO PRESENT: Ms. V. Swale, Corporate Finance and ICT  
Department  
Mr. D. McCullough, Interim Head of Corporate Legal  
Services  
Ms. A. Grant, Assistant Director (Democratic  
Services)  
Mr. P. Fraser, Chief Executive's Department

#### **6. APOLOGY FOR ABSENCE**

An apology for absence was received from Mr. S. Dickson

#### **7. ELECTION OF CHAIR**

RESOLVED:

That Canon R. Driver be appointed Chair of the Panel for this meeting.

#### **8. DECLARATIONS OF INTEREST**

No declarations of interest were received.

#### **9. MINUTES**

RESOLVED:

That the Minutes of the meeting held on 14 December 2010 be confirmed as a correct record.

#### **10. MEMBERS' ALLOWANCE SCHEME**

The Panel commenced its review of the Members' Allowance Scheme for 2012/13 and received presentations from Ms. A. Grant, Assistant Director (Democratic Services) and Ms. V. Swale, Insurance and Administration Manager, Finance and Information Services Department.

Ms. Grant detailed the differing roles and work of Councillors i.e. Cabinet Member, Spokespersons, Committee Chair, backbencher, appointees on outside bodies etc; detailed the current Council/Executive/Committee decision making structure; and advised of the findings of the latest national census of Local Authority Councillors undertaken by the Local Government Association in 2008 which indicated that, amongst other things, Councillors spent on average 22 hours per week on Council

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business and that this was consistent with surveys undertaken in both 2004 and 2006.

Ms. Grant concluded by detailing the new governance arrangements approved by Council on 3 March 2011 that replaced Cabinet Member meetings with electronic decision making; that reduced the calendar of meetings by 53%; and that all Key Decisions would be taken by the Cabinet with all other decision making powers delegated to Cabinet Member/Committees.

Ms. Swale detailed the suggested matters for consideration by the Panel in understanding the review; highlighted how a full review would be undertaken; that the recommended effective date of any changes should be 1 April; sought views on the link between the Mayoral Allowance and SRA multipliers although this allowance did not form part of the Scheme; the current linkage for annual increases to be in line with officers pay (SCP33); that pensions were available to all Members under the age of 75; and ancillary points for consideration relating to dependent carers allowance and overnight and day subsistence rates.

Ms. Swale also provided information on the following to aid the Panel on their deliberations on the matter:

- Copy of the current Scheme
- Copy of the Notes for Guidance
- Members ICT - new ICT Policy
- Notes on how the Basic Allowance and Special Responsibility Allowances were originally established
- A copy of the current National Daily Rate
- Corporate Travel and Accommodation Policy
- Comparative data from 2009/10 (for background). (A further set showing the updated details would be forwarded by June 2011)
- Copy of the Base Budget for 2011/12

Panel Members asked questions and commented on:

- the audit trail of electronic decision making and the call-in process
- the provision of IT equipment for Members
- the 53% reduction in meetings and the commensurate reduction in hours spent on Council business
- the differentials in time spent on Council business between Cabinet Members, Overview and Scrutiny Chairs and backbenchers etc.
- Boundary Commission reviews and the reduction in Members per Ward
- the Budget and Policy Framework of the Council
- portfolio changes to potentially correspond with the new senior management structure
- the potential for certain Cabinet Members to have more responsibilities than others and whether this should be reflected in SRA
- obtaining the best available price for rail travel journeys

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- undertaking the review following the implementation of the new governance arrangements and proposals contained in the Localism Bill
- Government guidance on SRA's
- an assessment of the SRA paid to Party Group Leaders to correspond to the amount of Members within their group
- the payment of SRA to Party Group Leaders who do not hold Cabinet positions
- Mayoral Allowances and the recent appointment of the Deputy Chair rather than Deputy Mayor
- the production of an annual report highlighting the attendance of Members at meetings.

RESOLVED: That

- (1) in order to formulate an objective review of the Members Allowance Scheme for 2012/13, the Assistant Director (Democratic Services) be requested to:
  - (a) provide a copy of the Government guidance on Special Responsibility Allowances to Panel Members;
  - (b) consider options for the payment of Special Responsibility Allowances to Party Group Leaders who do not hold Cabinet positions;
  - (c) seek the views of Party Group Leaders on whether certain Cabinet Member portfolios should attract a higher Special Responsibility Allowance than others due to additional responsibilities resting with various Cabinet Members following the recent senior management restructure; and
  - (d) seek the views of all Members of the Council, in writing, on the Members' Allowance Scheme;
- (2) it be noted that the Mayoral Allowance does not form part of the remit of the Panel but the views of the Mayoral Working Group be sought on whether the opinions of the Panel on such Allowance would be helpful;
- (3) to encourage a culture to make savings, investigations be undertaken to establish a protocol to aid Members in "shopping around" to get the most economic ticket prices for rail journeys;
- (4) Party Group Leaders (or their representatives) be invited to the meeting of the Panel on 7 September 2011; and
- (5) the meeting of the Panel, scheduled to be held at Bootle Town Hall on 7 September 2011, be held at Southport Town Hall instead.

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REPORT TO: INDEPENDANT REMUNERATION PANEL  
DATE: 7<sup>TH</sup> SEPTEMBER 2011  
CONTACT Andrea Grant, Head of Governance and Civic Services

## 1.0 Background

1.1 At its meeting on 16<sup>th</sup> March 2011, the Panel made a number of requests for information as follows:

(1) in order to formulate an objective review of the Members Allowance Scheme for 2012/13, the Assistant Director (Democratic Services) be requested to:

(a) provide a copy of the Government guidance on Special Responsibility Allowances to Panel Members;

(b) consider options for the payment of Special Responsibility Allowances to Party Group Leaders who do not hold Cabinet positions;

(c) seek the views of Party Group Leaders on whether certain Cabinet Member portfolios should attract a higher Special Responsibility Allowance than others due to additional responsibilities resting with various Cabinet Members following the recent senior management restructure; and

(d) seek the views of all Members of the Council, in writing, on the Members' Allowance Scheme;

(2) it be noted that the Mayoral Allowance does not form part of the remit of the Panel but the views of the Mayoral Working Group be sought on whether the opinions of the Panel on such Allowance would be helpful;

(3) to encourage a culture to make savings, investigations be undertaken to establish a protocol to aid Members in "shopping around" to get the most economic ticket prices for rail journeys;

(4) Party Group Leaders (or their representatives) be invited to the meeting of the Panel on 7 September 2011; and

(5) the meeting of the Panel, scheduled to be held at Bootle Town Hall on 7 September 2011, be held at Southport Town Hall instead.

## 2.0 SPECIAL RESPONSIBILITY ALLOWANCES (SRA's)

2.1 The Government produced 'Guidance on Regulation for Local Authority Allowances' in July 2003 and the relevant sections on SRA's are attached at

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Appendix A. In accordance with resolution 1(a), a full copy of the Guidance has been circulated to Members separately.

2.2 The current Members Allowances system is based on a review carried out in 1999 by external consultants. At that time, the Consultant expressed the view that SRA's should be allocated to a maximum of 40% of Members in a balanced authority (although there is no statutory basis for this figure). Currently 50% of Members receive an SRA in accordance with the Members Allowances Scheme as follows:

Leader of the Council	£25,560
Party Leaders (with Cabinet position)	£21,300
Other Members of the Cabinet	£17,040
Chair of Planning Committee	£8,520
Chairs of Overview and Scrutiny Committees	£4,260
Chair of Licensing and Regulatory Committee	£8,520
Chair of Audit and Governance Committee	£4,260
Party Spokespersons for Cabinet & Planning Portfolio	£4,260
Waste Disposal Authority - Spokesperson	£2,130

2.3 As only one SRA can be claimed per Member, the Scheme could be amended to allow Party Leaders to claim their allowance with a separate allowance payable to Cabinet Members. If the Party Leader was also a member of the Cabinet only one allowance would be payable.

2.4 The views of Party Leaders in relation to resolutions 1(c) and Members of the Council in relation to 1(d) have been sought and a summary of those responses will be circulated at the meeting.

## 3.0 MAYORAL ALLOWANCE

3.1 The views of the Mayoral Work Group on the Mayoral Allowance have been sought and those responses will be circulated at the meeting.

## 4.0 RAIL TRAVEL

4.1 Further information on the Council's systems for obtaining the best price for rail journeys will be circulated at the meeting.

5.0 **RECOMMENDATION:** That the Panel determine any further requests for information to help with their deliberations.

## EXTRACT FROM GUIDANCE ON SPECIAL RESPONSIBILITY ALLOWANCES

### **Special responsibility allowance**

70. Special responsibility allowance (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. These special responsibilities must be related to the discharge of the authority's functions.

71. The Regulations do not limit the number of special responsibility allowances which may be paid, nor do the regulations prohibit the payment of more than one special responsibility allowance to any one member.

72. However, these are important considerations for local authorities. If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the additional roles of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.

73. It does not necessarily follow that a particular responsibility which is vested to a particular member is a significant additional responsibility for which a special responsibility allowance should be paid. Local authorities will need to consider such particular responsibilities very carefully. Whilst such responsibilities may be unique to a particular member it may be that all or most members have some such responsibility to varying degrees. Such duties may not lead to a significant extra workload for any one particular member above another. These sorts of responsibilities should be recognised as a time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which a special responsibility allowance should be recommended.

74. In addition, any particular local authority will need to look carefully at the nature of its constitution when determining its scheme. New arrangements will mean that there are inevitable changes in the positions of responsibility on the Council, both in terms of number and workload. Some councillors will be spending significantly more of their time on council duties than has ever previously been the case. On the other hand, changes in the traditional committee structure will mean that there are far fewer committees and, as a consequence, fewer councillors engaged as chairs and vice-chairs of numerous committees.

75. In a case where a local authority has agreed that the holder of the chair of its overview and scrutiny committees should be rotated that local authority will need to assure itself of the additional responsibilities of the temporary chairs before determining what allowances to recommend.

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76. Having determined which duties should be acknowledged as significant additional responsibilities, the local authority will need to consider the levels of special responsibility allowance which are attached to each post. A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance. One way of calculating special responsibility allowances may be to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance for either the elected mayor or the leader.