

MEETING: INDEPENDENT REMUNERATION PANEL

DATE: Monday 14th October, 2013

TIME: 2.00 pm

VENUE: Town Hall, Bootle

Member

Mr. E. Davies
Canon Roger Driver
Mr. J. Fraser
Mrs. S. Lowe

COMMITTEE OFFICER: Paul Fraser

Telephone: 0151 934 2068

Fax: 0151 934 2034

E-mail: paul.fraser@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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AGENDA

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1.	Election of Chair To seek the appointment of the Chair of the Panel for the 2013/14 Municipal Year.		
2.	Declarations of Interest Members are requested to give notice of any disclosable pecuniary interest, which is not already included in their Register of Members' Interests and the nature of that interest, relating to any item on the agenda in accordance with the Members Code of Conduct, before leaving the meeting room during the discussion on that particular item.		
3.	Minutes Minutes of the meeting held on 21 January 2013		(Pages 5 - 8)
4.	Council's Current Financial Position Presentation from the Head of Corporate Finance and ICT Strategy on the Council's current financial position	All Wards	
5.	Review the Dependent's Carers' Allowance Report of the Head of Governance and Civic Services	All Wards	(Pages 9 - 12)
6.	Correspondence Received Relating To Members' Allowances Report of the Head of Governance and Civic Services	All Wards	(Pages 13 - 16)

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INDEPENDENT REMUNERATION PANEL

MEETING HELD AT THE TOWN HALL, BOOTLE ON MONDAY 21ST JANUARY, 2013

PRESENT: Canon Roger Driver (in the Chair)
Mr. E. Davies, Mr. J. Fraser and Mrs. S. Lowe

ALSO PRESENT: Andrea Watts, Head of Governance and Civic
Services and Paul Fraser, Senior Democratic Services
Officer.

14. APOLOGIES FOR ABSENCE

No apologies for absence were received.

15. DECLARATIONS OF INTEREST

No declarations of interest were received.

16. MINUTES

RESOLVED:

That the Minutes of the meeting held on 10 October 2012 be confirmed as a correct record.

17. MEMBERS' ALLOWANCES SCHEME - POSSIBLE ANNUAL INFLATIONARY INDICES

Further to Minute No. 13(3) of the meeting held on 10 October 2012, the Panel considered the report of the Head of Finance and ICT that provided information on relevant inflationary measures (indices) that could be used to amend the Members/ Allowances Scheme (the Scheme) and that would aid the Panel in its formulation of its recommendations to the Council on the Scheme for 2013/14.

The report indicated that the indices identified fell, principally, into two categories; employee benefits and general inflation indices; that each had their own benefits and pitfalls; that employee benefits reflected the increases in remuneration that certain sectors (or all parts) of the economy were receiving, whilst general inflation provided an indication of the price increases affecting the wider economy; and provided details of the employee benefits relating to the Local Government Pay Settlement, average pay increase given to Sefton Council employees, national pay scales and minimum wage increases and general inflation indices relating to the retail price index and the consumer price index.

The report concluded that each increase of 1% in Members' Allowances would result in an additional cost of £8,051 for the Council; and detailed the mechanism used by Sefton's neighbours when increasing their

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members' allowances, namely, Knowsley, St. Helens and Halton indexed to the national pay awards for Local Government Officers whilst Liverpool and Wirral had no index linking.

Annex A to the report provided financial details of increases in the Scheme using the potential indices referred to above.

RESOLVED: That

- (1) the Panel recommends, having taken into account Sefton's current economic circumstances and acknowledging the fact that Council staff have not received a pay increase for three years, the Council to link increases in Members Allowances to the average pay increase given to Sefton Council employees;
- (2) the annual adjustment in Members' Allowances be implemented for a period of four years in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 Part 3 Sections (4) and (5);
- (3) it be acknowledged that the Panel may need to meet to review the Members' Allowances structure (as approved by Council on 5 July 2012) if the political balance on the Authority changes; and
- (4) a meeting of the Panel be held at 2.00 p.m. on Monday, 14 October 2013 to:
 - (i) receive a presentation from the Head of Corporate Finance and ICT Strategy on the Council's current financial position; and
 - (ii) review the dependent's carers' allowance and to aid the Panel in its deliberations on this matter, the Head of Governance and Civic Services be requested to obtain data from other local authorities on their schemes.

18. MEMBER RESPONSES RELATING TO THE MEMBERS' ALLOWANCE SCHEME

At its meeting held on 10 October, the Panel considered the principle of index linking increases in Members' Basic Allowances (BA) and resolved, amongst other things, that all Members of the Council be invited to submit their written comments to the Head of Governance and Civic Services on the level of the Basic Allowance and the relativity of the Bands relating to Special Responsibility Allowances; and that all written submissions made by Members be reported to the Panel.

In accordance with the decision of the Panel of 10 October the responses received from 8 Members of the Council were considered by the Panel.

RESOLVED: That

- (1) with regard to the comments made on the relationship between the Special Responsibility Allowances paid to the Chairs of the Planning and Licensing and Regulatory Committees and the Overview and Scrutiny and Audit and Governance Committees the Council is reminded that the Panel offered the current scheme to the Council with the intention that the Council should have the flexibility to appoint Councillors to such of the Bands as the Council considers appropriate for their duties;
- (2) with regard to the comments made regarding the Mayoral Allowance, Regulations stipulate that all Members of the Authority should receive a Basic Allowance. Accordingly, it would not be possible to withdraw the Basic Allowance from the Mayor; and
- (3) the Head of Governance and Civic Services be requested, on behalf of the Panel, to contact the 8 Members who submitted views on the Members' Allowance Scheme to thank them for their input into the process.

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REPORT TO: INDEPENDANT REMUNERATION PANEL
DATE: 14th October 2013
SUBJECT: REVIEW OF THE DEPENDENTS' CARERS' ALLOWANCE
CONTACT Andrea Grant, Head of Governance and Civic Services

1.0 Background

1.1 At its meeting on 21st January 2013, the Panel resolved to review the dependents' carers' allowance and to aid the Panel in its deliberations on this matter, the Head of Governance and Civic Services be requested to obtain data from other local authorities on their schemes.

1.2 This report provides progress and information to the Panel on these issues.

2.0 THE LOCAL AUTHORITIES (MEMBERS ALLOWANCES) (ENGLAND) REGULATIONS 2003

2.1 The above Regulations provide that a Members Allowances Scheme:

"...may provide for the payment to members of an authority of an allowance ("dependants' carers' allowance") in respect of such expenses of arranging for the care of their children or dependants as are necessarily incurred in—

(a) the attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;

(b) the attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and at least one other local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee, provided that—

(i) where the authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited; or

(ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;

(c) the attendance at a meeting of any association of authorities of which the authority is a member;

(d) the attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements;

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(e)the performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;

(f)the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;

(g)the performance of any duty in connection with arrangements made by the authority for the attendance of pupils at any school approved for the purposes of section 342 of the Education Act 1996 (approval of non-maintained special schools)(1); and

(h)the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees or sub-committees.

2.2 Sefton's Scheme of Allowances currently provides for this as follows:

8. Dependents' Carers' Allowance

Members who incur additional expenses in order to arrange care for dependents may claim these expenses. This rate is based on the National Minimum Wage up to a maximum of £60 per week.

2.3 One Councillor currently claims this Allowance and the published table of allowances paid shows this amounted to £1,263.85 in 2012/13 (equivalent to 0.16% of the total amount paid to Members).

3.0 OTHER LOCAL AUTHORITIES

3.1 The Appendix to this report shows the Dependent Carers Allowance in place across Merseyside and other neighbouring local authorities. The Appendix also gives information on the national picture around this aspect of Members Allowances.

4.0 CORRESPONDENCE FROM MEMBERS

4.1 The Panel's attention is drawn to correspondence received on this matter contained within the next agenda item.

5.0 RECOMMENDATION

5.1 That Members of the Panel review the information provided and determine whether any recommendations to Council should be made on this matter.

DEPENDENT CARERS' ALLOWANCE

LOCAL AUTHORITY	CARERS' ALLOWANCE	RATE	UP TO MAXIMUM
Sefton	Yes	Minimum wage	£60 per week
Liverpool	Yes	Minimum wage - £6.31 per hour	Not stated
Knowsley	Yes	Minimum wage - £6.31 per hour	10 hours per week
Wirral	Yes	Not exceeding £5.52 per hour	Not stated
St. Helens	Yes	£4.50 per hour	Not stated
Halton	Yes	See next box	Actual receipted costs subject to prior agreement with Strategic Director – Corporate and Policy
Warrington	Yes	£10.61 per hour	10 hours per week
Cheshire East	Yes	See next box	£6,100 per calendar year
Cheshire West and Chester	Yes	See next box	£5,722 per year
West Lancs	Yes	Actual costs	Up to £6.00 per hour

(Note: 1. A survey of 386 local authorities in England was conducted by the Local Government Association in winter 2008 (this was the latest survey to be undertaken). A total of 324 authorities responded (83.9%). The survey showed that 89.5% of authorities offered a dependent carers' allowance at an average hourly rate of £7.83. 72.2% also offered a childcare allowance and the average hourly rate offered was £7.03; and

2. the national minimum wage referred to in the table (£6.31) is the amount payable to persons aged 21 and over. This figure has been in place since 1 October 2013)

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REPORT TO: INDEPENDANT REMUNERATION PANEL
DATE: 14th October 2013
SUBJECT: CORRESPONDENCE RECEIVED
CONTACT Andrea Grant, Head of Governance and Civic Services

1.0 Background

1.1 Several issues have been raised since the Panel last met and this report sets out those issues and provides the Panel with information on those matters. The actual comments and responses received are provided at the appendix to this report

2.0 PAYMENT OF ATTENDANCE ALLOWANCE

2.1 A Member of the public raised this matter with the Leader of the Council and the response set out in the Appendix sets out the position on this aspect of Members Allowances.

3.0 PAYMENT OF DEPENDENT' CARERS' ALLOWANCE

3.1 This matter has been dealt with under the previous agenda item.

4.0 MEMBERSHIP OF THE LOCAL GOVERNMENT PENSION SCHEME

4.1 On 19 December 2012, the Local Government Minister, Brandon Lewis, made a Written Ministerial Statement to Parliament, setting out government proposals to remove access by councillors to the taxpayer-funded Local Government Pension Scheme in England from April 2014 and made the commitment to consult on these proposals.

4.2 The Government undertook a consultation process from April to July 2013 but there has no response to that consultation published as yet.

4.3 All Members of the Council are currently entitled to join the Local Government Pension Scheme provided they are no more than 75 years old.

4.4 The cost to Sefton in terms of 'employer's contributions' came to £49,773.73 in 2012/13.

5.0 RECOMMENDATION

5.1 That Members of the Panel review the information provided and determine whether any recommendations to Council should be made on these matters.

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CORRESPONDENCE RECEIVED RELATING TO MEMBERS' ALLOWANCES

1. Mr Swann

From: Malcolm Swann
Sent: 31 January 2013 22:09
To: Peter Dowd
Subject: Saving money.

Hello Mr Dowd, Sefton council are constantly looking for savings, can I suggest that savings can be made with Councillors basic allowance, which I am told is an automatic £8,500. The savings can easily be made if councillors are only paid for their attendance at meetings, and I quote "Just 15 of Sefton's 78 councillors over the past year have been present at all of their council meetings that they were supposed to attend." I can guarantee that there are thousands of people that would be very pleased to receive an automatic £8,500 regardless of how many meetings that they are supposed to attend. I am making this suggestion in response to your requests for ideas of saving money. Kind Regards Malcolm Swann.

This email was referred on by Councillor P. Dowd to the Chair, Canon Driver who in turn discussed it with Paul Fraser, Senior Democratic Services Officer. The following response was sent to Mr. Swann on 7 February 2013:-

"Hi Mr. Swann, I am writing in connection with your email to the Leader of the Council concerning the topic of Members' Allowances and in particular, your suggestion that Members in future receive an allowance for attending meetings (attendance allowance) rather than a Basic Allowance (BA).

I understand that you have had an interim response from the Leaders' Office referring to the role of the Independent Remuneration Panel (the Panel) in establishing the scheme of Members' Allowances in Sefton; and that your suggestion had been passed on to the Chair of the Panel for a response. I am the clerk to the Panel and I have discussed this issue with the Chair, Canon Roger Driver. Canon Driver has asked me to advise you that the Council is restricted in what it can do regarding the implementation of a scheme of attendance allowances due to Regulations approved by the Government in 2003. The Regulations are set out below:

The Local Authorities (Members' Allowances) Regulations 2003 came into effect on 1 May 2003 and introduced, amongst other things, the payment of a BA to all Members of a Local Authority; and stipulated that such BA must be the same amount to all Members of the Authority. In so doing, Local Authorities no longer have the discretion to pay allowances for Members attending meetings.

In the circumstances and unless Regulations change, it would not be possible for the Council to implement a scheme as you suggest.

I would like to thank you however for taking the time to contact the Council with your views on how the Council could make budgetary savings. Furthermore, Canon Driver has asked me to let you know that your views, together with this response, will be

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shared with members of the Panel when it next meets in October; and that if you have any further views to submit, then please let me have them and I will also share them with the Panel.

Paul Fraser
Senior Democratic Services Officer
Democratic Services

2. Councillor Jones

From: Terry Jones [terryjones15@sky.com]
Sent: 26 June 2013 16:25
To: Andrea Watts
Subject: Remuneration panel.

Hi Andrea

I would like to make representations to the Council's remuneration panel to put forward a couple of requests.

1/ I believe the council should no longer fund councillor pensions and should be withdrawn at the earliest opportunity. I have requested the full costs from Margaret.

2/ the Carers' allowance should be addressed as its not the tax payers responsibility to pay for councillor child care.

Kind regards

Terry

A report on the issue of Carers' Allowance is on the agenda for this meeting.