

**REPORT OF THE INDEPENDENT REMUNERATION PANEL TO  
ROCHFORD DISTRICT COUNCIL – DECEMBER 2006**

**1. Background**

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require that each Council must establish and maintain an Independent Remuneration Panel to make recommendations about the level of basic allowance for all Members, the level of special responsibility allowances and to whom they should be paid, and on whether dependants' carers' allowance and travel and subsistence allowances should be paid and the levels of these allowances. The Panel also can consider whether any allowances should be pensionable and/or subject to an annual inflationary increase.
- 1.2 The Council has to have regard to the advice of the Independent Remuneration Panel except in the instance of pensionable allowances where the view of the Panel is binding if it does not recommend their implementation. The Panel has not recommended that any allowances should be pensionable.
- 1.3 The same Independent Remuneration Panel is also required to consider the remuneration schemes of Parish/Town Councils should they wish to pay a basic allowance to their Members.

**2. Work Programme for 2006**

- 2.1 The Panel's work programme for 2006 included reviewing the District Council's allowances scheme and also the Rayleigh Town Council and Ashingdon and Hockley Parish Council schemes.
- 2.2 The Panel met on four occasions and heard from Councillor Cutmore, Leader of the Council, Councillor Black, Leader of the Liberal Democrat Group and Paul Warren, Chief Executive.
- 2.3 The Panel issued an invitation to all Members to make their views known and Councillors Amner and P.F.A. Webster attended as a result. The Panel also had submissions from two Members, Councillors Mrs Glynn and Mason.
- 2.4 The Panel would like to thank all Councillors and the Chief Executive for their contribution to the process.
- 2.5 The Panel considered a number of documents including:-
  - comparative information about allowances payments in District Councils in Essex.
  - CPA Direction of Travel progress report 2005.
  - Member training and development programme 2005/6 and 2006/7.

- Corporate Plan 2006/7 and Best Value Performance Plan 2006.
- General satisfaction survey results 2003/4.
- Summary of national census of local authority councillors 2004.
- Details of Members' attendance at meetings 2005/6.
- Corporate equalities strategy and race equality scheme.
- Take up of dependant carer's schemes across Essex.
- Details of Parish/Town Council remuneration payments and the Quality Parish and Town Council Scheme.

### 3. **District Council Proposals**

#### 3.1 **Basic Allowance**

The Panel believed that their strategy to bring the Rochford basic allowance into line with the average figure for Essex Districts should be maintained. There was evidence of improved progress during the year – for example the CPA Direction of Travel progress report indicated that the Council was making good progress, and satisfaction with services appeared high. The Panel concluded that all other allowances should be calculated as a multiple of the basic allowance.

**Recommendation:** Basic allowance to be set at £4,135 per annum.

#### 3.2 **Special Responsibility Allowances – Leader and Deputy Leader of the Council**

The Panel realised that these two roles were not formally recognised in the existing allowances scheme, which provided only a complicated formula that recognised Group Leaders and Deputy Group Leaders. The Panel believed that this formula should be abandoned.

The Panel believed that the role of the Leader of the Council was an increasingly demanding and time-consuming position. The Leader provided political leadership on the budget and major policies, was the principal point of contact with the media and the Chief Executive and represented the Council at key partnership meetings such as the Thames Gateway Executive Board and Local Strategic Partnership, and had to deal with the inspection regime for the Authority.

The average remuneration for Leaders across Essex was £12,000. The Panel believed that over time the strategy should be to bring the allowance in Rochford to the Essex average, but this would need to be a phased approach.

**Recommendation:** Leader of the Council's allowance to be set at 150% of the basic allowance at £6,202 per annum, supported by a policy to work towards parity with the Essex average.

To provide support to the Leader of the Council, the Council itself would be considering the establishment of the role of Deputy Leader of the Council. If the Council decided to adopt this approach, the Panel determined that an allowance should be payable.

**Recommendation:** Deputy Leader of the Council's allowance to be set at 50% of the basic allowance at £2,067 per annum, supported by a policy to work towards parity with the Essex average.

### 3.3 Special Responsibility Allowance – Chairman and Vice-Chairman of the Council

The Panel considered that these should be retained at their current multiples of the basic allowance as they reflected the Essex average figures.

**Recommendation:** Chairman of the Council's allowance to be retained at 200% of the basic allowance at £8,270 per annum, and the Vice-Chairman's allowance to be retained at 50% of the basic allowance at £2,067 per annum.

### 3.4 Special Responsibility Allowances – Committee Chairman and Vice-Chairman

The Panel heard evidence that in the new Committee structure, the role of the Committee Chairmen had increased in responsibility as they took a more proactive role in their areas of work. The level of allowance paid was considerably below the Essex average. There were currently 11 Committee Chairmen that received this allowance. The Panel were mindful that it was presently difficult to identify the level of work, effort and performance involved with the different Committees, and that when looking at remuneration levels in 2007 for 2008/9 this would be an area of interest.

**Recommendation:** Committee Chairman's allowance to be increased from 40% to 50% of the basic allowance at £2,067 per annum. Committee Vice-Chairman's allowance to be retained at 10% of the basic allowance at £413 per annum.

### 3.5 Special Responsibility Allowances – Sub-Committee Chairman

The Panel considered that this allowance should be retained at the current multiple of the basic as it reflected the 'task and finish' nature of the work involved.

**Recommendation:** Sub-Committee Chairman's allowance to be retained at 10% of the basic allowance at £413 per annum.

### 3.6 Special Responsibility Allowances – Opposition Group Leaders and Deputy Group Leaders

The Panel considered the role of Opposition Group Leader(s); this was an important role in terms of the democratic scrutiny and accountability of the decision-making system and needed to be recognised. However, in the current circumstances, it was felt the level of work required of a Opposition Group Deputy Leader did not warrant recognition.

**Recommendation:** Opposition Group Leaders' allowance to be set at 50% of the basic allowance at £2,067 per annum.

### 3.7 Dependant Carer's Allowance

The Panel had previously recommended the establishment of a dependant carer's scheme but this had not been accepted by the Council. The Panel was concerned that this recommendation had not been acted upon as it was one way of ensuring that as wide a group of people as possible were encouraged to put themselves forward for election and would then be able to carry out the full range of duties without compromising their carer responsibilities.

The Panel considered the National Census of Local Authority Councillors 2004 which found that 25% of Councillors had one or more caring responsibilities. At the request of the Panel, a survey was conducted of Rochford councillors from which 27% of respondents indicated that they had a caring responsibility that had impacted on their role as a councillor, in particular in being unable to attend meetings.

The Panel considered the evidence from the other Districts in Essex; only Brentwood and Castle Point had not yet introduced a dependant carer's scheme. Those authorities that had introduced a scheme reported limited take-up as only actual expenditure was reimbursed; nevertheless these authorities were committed to the principle of the allowance.

#### **Recommendations:**

Childcare allowance to be set at £5.60 per hour maximum, subject to the following conditions: dependent children must be under the age of 16 and living at home with the member. Allowance is claimed on production of a signed statement which states care has been provided by a babysitter and can be paid to a member of the immediate family.

Dependant Carer allowance to be set £15 per hour maximum, subject to the following conditions: elderly or dependent relatives must be living at the same address as the member. Production of receipt from a professional carer must be supplied.

No cap to be applied to the overall annual level of carer's claims made by any individual member in recognition of the fact that Members are responsible in this regard and that the scheme is intended to reimburse actual expenditure incurred.

### 3.8 Travel and Subsistence Allowances

The Panel considered whether a mileage scheme based on emissions from a vehicle was feasible, but it appeared that the data was not available to be able to implement such a scheme. The Panel believed that the current 2-tier mileage allowance unnecessarily favoured those with larger vehicles and so considered that there should be a single mileage allowance, set at the current higher rate, which was also the tax threshold. The Panel considered that all other all travel and subsistence allowances should stay at their existing levels.

#### **Recommendations:**

##### Travelling Expenses

Claims for travelling expenses must be based on one of the following:-

- Bus fare or first class railway train fare
- A mileage allowance for use of the Member's vehicle of 40p per mile
- A passenger allowance of 5p per mile
- A motorcycle allowance of 24p per mile
- A bicycle allowance of 20p per mile
- In certain circumstances, the amount of the actual fare of a taxi cab. This will only be paid in cases where use of public transport is not available or where excessive travelling time would be involved.

##### Subsistence Allowance

When attendance at a conference, course, etc. is as a representative of the Council and involves the purchase of meals and/or overnight accommodation away from home, subsistence allowance is payable. This allowance is intended to cover expenses incurred on meals and hotel accommodation during absence from home and can only be paid when the approved duty is as a representative of the Council.

- The rates shall not exceed:-

In cases of an absence, not involving an absence overnight from the usual place of residence:-

- Breakfast allowance (more than 4 hours from normal place of residence – before 11am) £6.07
- Lunch allowance (more than 4 hours away from normal place of residence – including

lunchtime between 12 noon and 2pm) £8.39

- Tea allowance (more than 4 hours away from normal place of residence including period 3pm to 6pm) £3.31
- Evening meal allowance (more than 4 hours away from normal place of residence, ending after 7pm) £10.38

For overnight stays the actual cost of hotel accommodation will be claimable, subject to a maximum of £120 per night. This sum is increased to £180 per night if staying in Central London, meaning the City of London and the London Boroughs of Camden, Greenwich, Hackney, Hammersmith and Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster.

- Any rate determined under this scheme shall be deemed to cover a continuous period of absence of 24 hours.
- The rates specified above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an authority or body in respect of the meal or the period to which the allowance relates.

NOTE: subsistence allowances will be amended as and when rates payable to officers are amended.

### Meals on Trains

When main meals (ie breakfast, lunch or dinner) are taken on trains during a period for which there is entitlement to a day subsistence allowance, the reasonable cost of the meals (including VAT) may be reimbursed in full within the limits specified below. In such circumstances, reimbursement for the reasonable cost of a meal should replace the entitlement to the day subsistence allowance for the appropriate meal period.

Limitations on reimbursement are:-

- (a) for breakfast, an absence of more than four hours before 11.00am
- (b) for lunch, an absence of more than four hours, including between 12 noon and 2.00pm
- (c) for dinner, an absence more than four hours, ending after 7.00pm.

#### 4. **Parish Council Proposals**

The Panel considered the requests from Rayleigh Town Council and Ashingdon and Hockley Parish Councils to review their remuneration schemes. The Panel requested information about the current allowance schemes of all parishes in the District and concluded there was an element of inconsistency that could merit consideration in the future.

##### **Recommendations:**

##### **Rayleigh Town Council**

- That Rayleigh Town Council's basic allowance remain at 25% of the Rochford District Council basic allowance, at £1,033 per annum.
- That Rayleigh Town Council's Chairman's allowance be set at 25% of the Rayleigh Town Council's basic allowance - £258 per annum.
- That Rayleigh Town Council's mileage and subsistence rates be set at the same as the Rochford District Council scheme.

##### **Hockley Parish Council**

- That Hockley Parish Council's basic allowance be increased to 30% of the Rochford District Council basic allowance at £1,240 per annum, to recognise the fact that Hockley Parish Council has achieved Quality Parish status. The Panel noted that the quality status award would need to be re-applied for every 4 years.
- That Hockley Parish Council's Chairman's allowance remain at the current rate - £250 per annum.
- That Hockley Parish Council's mileage and subsistence rates be set at the same as Rochford District Council scheme.

##### **Ashingdon Parish Council**

- That Ashingdon Parish Council's basic allowance be increased to £250 per annum.
- That Ashingdon Parish Council's Chairman allowance be increased to £50 per annum.
- That Ashingdon Parish Council's mileage and subsistence rates be set at the same rates as the Rochford District Council scheme.

**5. Conclusion**

- 5.1 The Panel believes that the remuneration scheme for Rochford District Council is built on a solid foundation of a basic allowance that reflects the average across Essex. Other allowances are then determined based on a multiple of the basic allowance.
- 5.2 The Panel hopes that the Council will re-consider the position on a dependant carer's scheme, as implementation will be a clear sign of intent that the Council wants to be representative of the local community. The proposed scheme based on reimbursement of actual out-of-pocket expenses incurred is not likely to have a significant impact on the budget and will be evidence of commitment to the implementation of the new equalities strategy recently adopted by the Council.
- 5.3 In future years, the Panel would be keen to understand in greater depth the detailed responsibilities of the Committee Chairmen and would also review whether any special responsibility allowances should be pensionable. The Panel would also be looking at the results of external assessments such as the CPA Direction of Travel 2006 progress assessment, the outcome of the access to services inspection and the general satisfaction survey, to see if the Council's improved performance was being maintained.

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Independent Remuneration Panel

December 2006