

## Welland Partnership Remuneration Panel

### Report to Melton Borough Council : 10 October 2012

#### 1. Introduction

- 1.1 The Welland Partnership Remuneration Panel was reconstituted in June 2012. Our membership now comprises John Cade (Chairman), Colette Eames, John Greenwood, James Veitch and Gordon Wells.
- 1.2 The Panel met at Parkside, Melton Mowbray on 12<sup>th</sup> July 2012. We heard evidence from the Leader of the Council (Councillor Byron Rhodes), Councillor Joe Orson, Councillor Trevor Moncrieff and the Chief Executive (Lynn Aisbett).
- 1.3 We also received written evidence from Councillors Bush, Dungworth, Lumley and O'Callaghan.
- 1.4 We are grateful to those who gave oral or written evidence and we are also very appreciative of the support we have received from Sarah Evans and Verina Wenham.

#### 2. Context

- 2.1 This is intentionally a short report. In the context of the majority of representations made to us and the general economic background we took the view that now is not the right time to be making changes to your remuneration scheme unless there are compelling evidence-based reasons.
- 2.2 We are, however, mindful that a Councillor's workload has become more demanding and complex (eg: implications of Localism Act 2011). Also, that you have made some recent changes in your governance arrangements (eg: utilising the provisions of the Localism Act to conduct scrutiny through your Service Committees rather than by a separate Overview and Scrutiny Committee).

- 2.3 In addition, your Chief Executive, in her evidence to us, said that she considered Melton Council to be very much Member-led and that when speaking to Officers in other Councils she was not always hearing of the same level of commitment and involvement.
- 2.4 Recognition also needs to be made of the fact that you declined – for understandable reasons – to accept some of the Panel’s recommendations in 2008, particularly for a 20% increase in the Basic Allowance.
- 2.5 So, in the knowledge that South Kesteven District Council (one of two other Councils also looking to the Welland Panel to review their allowance scheme) wishes for a more detailed appraisal to be made in 2013, we would wish to combine that with a similar but separate and customised piece of work for Melton Council. This would essentially mean collecting information on workloads, individually, comparatively and in working with Partnerships together with revisiting hourly rates. It would also provide us with the opportunity to assess how recent governance changes are impacting.
- 2.6 Therefore, we see this as essentially a holding report, addressing a couple of issues specifically referred to us, but with the intention of doing more detailed work in 2013 with a view to reporting back to your Council by October 2013.

### 3. The Basic Allowance

- 3.1 For the reasons given in the preceding section, the Panel is of the view that, at this moment in time, the Basic Allowance should not be increased. However, we do believe that index linking of allowances is important. This allows the allowance to retain more of its intended value in real terms and mitigates against more significant periodic movements which are less understood by the public.

At your Council Meeting on 15 October 2008 when you considered the last Independent Remuneration Panel Report you set the precedent of linking the Leader’s Special Responsibility Allowance

to increases in staff pay. We think this is an appropriate benchmark and recommend that the Basic Allowance from now on be linked to NJC pay awards. (There have, of course, been no NJC pay awards for 2010/11, 2011/12 and 2012/13 and any future increases are likely to be very modest, but the principle of index linking should be put in place).

With regard to the Basic Allowance itself an update report should be provided by your October 2013 Council Meeting once a more detailed appraisal has been made of responsibilities and workloads and the implications of the Localism Act 2011 are more apparent.

- 3.2 Finally in this section, we should mention that we did receive representations that the Members of the Development Committee should receive greater recognition of their workload through the Basic Allowance.

Whilst there is now little central prescription concerning the payment of Members' Allowances the only main constraints are :-

- attendance allowances are prohibited
- the basic allowance has to be paid equally to all Members
- where one or more groups on a Council form an administration an SRA must be paid to a member of the opposition

The second of these provisions unfortunately make it impossible for there to be 'enhanced' basic allowances.

#### 4. Special Responsibility Allowances

- 4.1 We received specific representations concerning the Special Responsibility Allowances paid to the Deputy Leader of the Council, the Chair of the Development Committee, the Chair of the Licensing Committee, the Chair of the Appeals Committee, the Leader of the main Opposition Group and the Vice-Chairs.
- 4.2 With the exception of the Special Responsibility Allowance for the Leader of the main Opposition Group, the Panel is of the view -

again for the fore-mentioned reasons - that the allowances should remain unaltered at the moment apart from, like with the basic allowance, they be index linked from now on to NJC pay awards.

- 4.3 When we complete our more detailed appraisal we would want to collect more specific information regarding workloads, accountability and responsibility levels for these posts and also to take into account what has happened in the intervening period.
- 4.4 With regard to the Leader of the main Opposition Group, this post holder had previously chaired the Overview and Scrutiny Committee which has now been abolished. The Constitution provided that the Chair of this Committee would undertake certain governance functions (eg: be involved in the performance appraisal of the Chief Executive and Strategic Directors). This will now be within the remit of the Leader of the main Opposition Group.
- 4.5 It is still quite early days to assess fully the impact of this change, but we believe that there is already sufficient evidence to warrant an interim increase in the Special Responsibility Allowance of £650 to the Leader of the main Opposition Group to take into account this additional responsibility since the abolition of the Overview and Scrutiny Committee.

This need not disturb the existing core arrangement, whereby each Leader, other than the Leader of the Council, receives an allowance calculated by sharing the sum of £3,477.22 pro rata to the number of Members in each of these groups.

Rather it would be a supplemental amount added to the core allowance of the Leader of the main Opposition Group based on the additional duties now being expected to be undertaken by this postholder. The whole allowance to be index linked to NJC pay awards.

- 4.6 When we revisit this in 2013 an opportunity will also be provided for us to understand better the work of the new Governance Committee where the Panel noted that the Special Responsibility

Allowances had been set at the same level as for the other Committees.

5. Independent Persons appointed to advise the Governance Committee on Code of Conduct Complaints

5.1 From 1<sup>st</sup> July 2012, a revised standards regime came into operation, which included a locally approved Code of Conduct and arrangements for dealing with complaints about the conduct of Members.

5.2 As part of the new regime, every Council needs to arrange for the recruitment of the Independent Person(s) required under Section 28 of the Localism Act.

5.3 We saw the advertisement the Council had placed for the appointment of Independent Persons and also the role description for this post.

5.4 This is a new role (quite different from the role of the previous Independent Member(s)), essentially to be available to give independent advice as and when required; Independent Persons are not co-opted Members of the authority as Independent Members were previously.

5.5 We took the view that, on an interim basis, subject to validation when we undertake our more detailed appraisal, a payment of £448 per annum be made and this be index linked to future NJC pay awards.

6. Information and Communication Technology

6.1 We were asked to consider whether it was appropriate to include, within the Basic Allowance, some provision for electronic working by Members. We were satisfied from the evidence we received that the Council approved Electronic Working for Members Support Package meets all necessary costs and there is no need for any further provision within the allowance scheme.

## 7. Travel and Subsistence Expenses

- 7.1 The Panel saw no reason to recommend any changes in the current arrangements for reimbursing travel and subsistence expenses.

## 8. Carers Allowance

- 8.1 Similarly, the Panel saw no reason to recommend any changes in the Childcare and Carers Allowance Scheme.

## 9. Budgetary Implications

- 9.1 Budgetary considerations have been a strand running right through this report. We are, therefore, pleased to be able to advise, that the cost connected with our proposals, £1,546, (1 x £650 for the Special Responsibility Allowance for the Leader of the main Opposition Group and 2 x £448 for the two Independent Persons appointed to advise the Governance Committee on Code of Conduct complaints) can be met from within the existing provision, no longer required to be paid, of £3,134 related to the previous Standards Committee.
- 9.2 Whilst at some future stage there will be some budgetary implications as a result of our recommendation to index link allowances to NJC pay awards that cannot be quantified at this stage but is likely to be quite modest.

## 10. Summary of Recommendations

- 10.1 That the Basic Allowance should remain unaltered.
- 10.2 That all Special Responsibility Allowances, with the exception of that for the Leader of the main Opposition Group, should remain unaltered.

- 10.3 That the existing Special Responsibility Allowance paid to the Leader of the main Opposition Group be augmented by an interim sum of £650 per annum, as a consequence of increased responsibilities following the abolition of the Overview and Scrutiny Committee.
- 10.4 That the Independent Persons appointed to advise the Governance Committee on Code of Conduct complaints each be paid an allowance of £448 per annum.
- 10.5 That all allowances be now index linked to NJC pay awards.
- 10.6 That no provision be made in the Allowance Scheme for Members' use of Information and Communication Technology as it is separately covered in the Council's Electronic Working Package for Members.
- 10.7 That no change be made to the Travel and Subsistence Expenses Scheme and the Childcare and Carers Allowance Scheme.
- 10.8 That a more detailed appraisal of workloads individually, comparatively and in Partnership working be undertaken in 2013, having particular regard to the implications of the Localism Act 2011 and changes in the Council's governance arrangements with an update report coming to the Council by October 2013.

John Cade,  
Chairman, Welland Partnership Remuneration Panel

August 2012