

INDEPENDENT REMUNERATION PANEL

**REPORT ON MEMBERS' ALLOWANCES FROM
1 APRIL 2019 TO 31 MARCH 2020**

FOR

MID DEVON DISTRICT COUNCIL

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1. INTRODUCTION

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to have regard to the recommendations of an independent panel in agreeing allowances paid to councillors.

The Independent Panel operates under the provisions of the Local Authorities (Members' Allowances) (Regulations) 2003. These regulations require that all councils set up independent panels and take account of their advice before agreeing their councillors' allowances scheme.

2. MEMBERSHIP

There has been one change to the membership of the Panel since the last set of recommendations were presented to Council in February 2018. Mr Richard Watkins had resigned from the Panel, meaning that the remaining Panel members are as follows:

- Paul Baker – Deputy Director for Primary Care, NHS
- Jonathan Rich – Solicitor
- Karen Stone – Business Manager, South West Councils

3. CONDUCT OF THE REVIEW FOR 2019/20

The Panel met at Phoenix House on 14 November 2018 for the purposes of reviewing the Mid Devon District Council Scheme of Members Allowances for 2019/20. In advance of the meeting they had received the following information:

- a) Current MDDC Members Allowances Scheme and previous IRP report.
 - b) Survey of South West Members Allowances for 2017/18 providing bench marked data.
 - c) Notes from the IRP Chairs and Advisers meeting held on 19 June 2018.
 - d) Somerset County Council IRP Report, Fundamental Review July 2017 (including an interesting section on a suggested change to the rationale used to calculate the Basic Allowance).
 - e) Devon County Council IRP Report, Fundamental Review February 2018 (including a recommend change to the Carers Allowance provision and the detailed analysis and reasoning for this).
- (NB: It was noted that although these reports related to County Council's there were some interesting points of interest)

4. SCHEME OF ALLOWANCES

4a Basic Allowance

The Panel had reviewed the range of Basic Allowances paid to other similar South West councils and noted that an amount of £4871.28 represented the average amount paid across the South West with the highest being £7200 and the lowest £2733. They therefore continue to recommend that the Basic Allowance paid to all Members of Mid Devon District Council remain at £5011.91 and that this continue to be increased in line with any staff pay award during 2019/20.

4b. Special Responsibility Allowances (SRA)

The Local Authorities (Members' Allowances) Regulations 1991 provide that 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. In setting the SRAs, the Panel in the past concluded that the best approach was to use the Basic Allowance as the starting point and then give a weighting to the role attracting the SRA which could be applied to the Basic Allowance. The Panel remain of the view that the link between the Basic Allowance and SRA is an important one.

The Panel continue to be of the view that the weightings applied to the agreed Basic Allowance are appropriate - and therefore recommend a continuation of the current levels until 31 March 2020. These are as follows:

Position	Weighting x basic	SRA
Leader of the Council	3.00	£15035.77
Deputy Leader	1.50	£7518.40
Cabinet Member	1.25	£6264.65
Scrutiny Committee Chair	1.25	£6264.65
PDG Chair	0.75	£3759.20
Audit Committee Chair	0.75	£3759.20
Planning Committee Chair	1.25	£6264.65
Licensing/Regulatory Chair	0.25	£1252.72
Standards Chair	0.25	£1252.72
Chairman of the Council	0.50	£2506.48

The Panel continues to recommend that Members should not be entitled to claim more than **one** SRA.

4c. Chairman's Allowance

There was no change to the Panel's previous recommendation that the allowance paid to the Chairman of the Council be split between his civic role and his constitutional role. That is, a small budget (not exceeding £2,000 and to be agreed each year during the budget setting process) be allocated for civic functions. The Special

Responsibility Allowance paid at the above rate should be for the constitutional role in chairing Full Council meetings.

4d. Carers' Allowance

There is no change to the Panel's previous recommendation that the carers' allowance should be the hours of the care required at the actual expenditure up to the national living wage for a person over the age of 25, which from 1 April 2019 will be £8.21.

4e. Travel and Subsistence Allowances

They continue to recommend that reimbursement of approved mileage remain at the rates published by HMRC which for 2018/19 are (these figures to be amended in line with the HMRC rates as from 1 April 2019 once they are known):

Travelling Allowances

- 45p per mile for the first 10,000 miles
- 25p per mile thereafter
- 5p per mile per passenger carried (up to a maximum of 4 passengers payable to the driver)
- 25p per mile for pushbikes
- 24p per mile for motorcycles

Subsistence Allowances

The Panel recommends that subsistence allowances should be the same as for employees which for 2018/19 are (these figures to be amended in line with the HMRC rates as from 1 April 2019 once they are known) in each case up to a maximum of:

- Breakfast - £7.50
- Lunch - £10.35
- Tea - £4.07
- Dinner - £12.80

(all to be submitted with receipts)

4f. IT Allowance

The panel considered that the the only reason to suggest an increase would be if councillors were incurring extra costs but no evidence to suggest this was happening had been forthcoming.

The Panel continues to be of the view that the use of digital devices needs to be incentivised and therefore continues to recommend that one sum of £150 per annum be paid as an overall IT allowance only to those Members going 'paperless'.

4g. Pensions

The Government has now removed the entitlement of elected councillors to join the Local Government Pensions Scheme.

CONCLUSION

The Panel concluded that there did not appear to be an appetite for a change to allowances at the current time and that this was probably related to the fact that 2019 was an election year. The Panel were therefore unanimous in agreeing that the current scheme, with no recommended changes, should remain in place for 2019/20. This was agreed mindful that there was already a clause within the scheme to increase the Basic Allowance in line with any staff pay rises which for 2019/20 was expected to be within the region of 2%.

It was noted that certain members of the Cabinet were continuing to undertake more duties in relation to initiatives such as the Culm Garden Village and the Heart of the South West Joint Committee, which required frequent attendance and participation in more meetings. It was agreed that further feedback be sought on this during the next review and that the Panel be informed about the impact this was having on the roles and responsibility of Members.

Looking ahead, the Panel were mindful of the fact that a Fundamental Review of the Members Allowances Scheme had not been undertaken since 2015 and strongly felt that one ought to take place during 2019 as the new Council establishes itself with a view to recommending a revised scheme for the year commencing 1 April 2020. That process has already begun with a questionnaire having been circulated to all Members seeking their views on their allowances and a date set to meet with those Members who wish to express their views in person.

SUMMARY OF RECOMMENDATIONS

The Panel recommends that from 1 April 2019 until 31 March 2020:

- a. The Basic Allowance to be paid to all Councillors remains at the current level of £5011.91p.a., with any increases being linked to the staff pay award.
- b. Special Responsibility Allowances be paid to the following Members at the levels indicated:

Position	Weighting x basic	SRA
Leader of the Council	3.00	£15035.77
Deputy Leader	1.50	£7518.40
Cabinet Member	1.25	£6264.65
Scrutiny Committee Chair	1.25	£6264.65
PDG Chair	0.75	£3759.20
Audit Committee Chair	0.75	£3759.20

Planning Committee Chair	1.25	£6264.65
Licensing/Regulatory Chair	0.25	£1252.72
Standards Chair	0.25	£1252.72
Chairman of the Council	0.50	£2506.48

- c. No Member should be entitled to claim more than **one** Special Responsibility Allowance.
- d. Carers' allowances be calculated on the current basis namely, the actual expenditure up to the national living wage of a person over 25.
- e. That travel allowances be linked to HMRC rates and calculated at the national levels indicated, currently:
- 45p per mile for the first 10,000 miles
 - 25p per mile thereafter
 - 5p per mile per passenger carried (up to a maximum of 4 passengers payable to the driver)
 - 25p per mile for pushbikes
 - 24p per mile for motorcycles

NB: To be increased in line with HMRC rates from 1 April 2019 once known.

- f. That subsistence allowances be linked to those of the staff, currently these are as follows in each case up to a maximum of:
- Breakfast - £7.50
 - Lunch - £10.35
 - Tea - £4.07
 - Dinner - £12.80

NB: To be increased in line with HMRC rates from 1 April 2019 once known.

- g. That all claims for travel and subsistence reimbursement be accompanied by an appropriate receipt.
- h. That an annual digital allowance of £150 continues to be paid to Members using digital devices only.
- i. That Members of the Authority are not entitled to pensions and therefore neither the basic allowance nor SRA be treated as an allowance in respect of which pensions are payable.

ELECTIONS

The regulations provide that a Member may, by notice in writing, given to the proper officer (the Director of Finance, Assets and Resources) elect to forgo any part of his or her entitlement to an allowance under the scheme.

Paul Baker
Jonathan Rich
Karen Stone

February 2019