

INDEPENDENT REMUNERATION PANEL

**REPORT ON MEMBERS' ALLOWANCES FROM
1 APRIL 2020 TO 31 MARCH 2021**

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

Due to the resignation of two panel members for personal reasons early in 2019, there was a need to undertake a recruitment exercise in March and August this year so that the Mid Devon IRP legally met the minimum number of panel members and could continue with its Fundamental Review. The Council was fortunate that two excellent candidates came forward with very relevant experience and expertise in this area. The first replacement member to be appointed was Marianne Hulland, now retired but with a background in journalism, public relations and local authority communications. The second appointment was made to Jeremy Filmer-Bennett, a successful retired businessman and also a member of two other Remuneration Panels in the South West. Therefore the Mid Devon District Council IRP now consists of:

- Jeremy Filmer-Bennett
- Marianne Hulland
- Karen Stone

3. CONDUCT OF THE REVIEW FOR 2019/20

Reason for Fundamental Review

A thorough Fundamental Review of Mid Devon's Members' Allowances Scheme had not taken place since 2015 following the previous election. Light touch reviews had taken place annually since then. The IRP therefore felt that it was time to conduct a full and in depth analysis of all elements of the Members' Allowances Scheme in the light of the 2019 District Council election with Members' own views playing a key role within the process.

Gathering the evidence

Step 1 – Questionnaire

The Panel felt it to be important to catch the thoughts and views of the members of the previous council since they had been in post for at least 4 years and many having served several terms of office. It was felt that they were therefore in an excellent position to comment on whether there had been a significant change to the workload and responsibility of district councillors since the last Fundamental Review.

In December 2018 all Members of the Council were invited to complete a questionnaire.

This included questions in relation to:

- Average time commitment per month
- Percentage seen as voluntary service commitment
- Are you adequately recompensed for your time as a District Councillor?
- Is the link between the Basic Allowance and the staff pay award still appropriate?
- Should a Special Responsibility Allowance be paid for a role/role that currently doesn't receive one?
- Are the current levels of SRA appropriate?
- Should Members be allowed to claim more than one SRA?
- What are your views on the £150 digital IT allowance?
- What are your views on the transition from paper to digital equipment?
- Have workloads and responsibilities changed in the last 4 years?
- What do you consider to be the barriers for standing for election?
- Any other comments you wish to make about the current Members' Allowances Scheme?
- Would you be prepared to meet the IRP in person to discuss your views more fully?

Responses

17 Members out of 42 completed the questionnaire either in full or in part (this equates to 40% of the total membership).

- 2 of these were from Cabinet Members
- 7 were from Committee Chairmen
- 8 were from 'back benchers'

Step 2 – Interviews

The Panel were appreciative of the comments received in the questionnaire but felt that they also needed to meet a range of Members in person, with differing roles and responsibilities, in order to better understand the reasoning behind some of the comments made.

The Panel consequently met with the following 10 Members:

- The Leader
- The Deputy Leader and Cabinet Member for Planning and Economic Regeneration
- The Cabinet Member for Housing and Planning Committee member
- The Chairman of the Scrutiny Committee
- Chairman of the Community Policy Development Group
- Planning Committee members
- Chairman of the Council
- PDG Members ('back benchers')

Step 3 – Exit interviews with retiring Members

The Panel felt that retiring Members might also provide a different perspective on allowances. They could think about their workloads and council commitments retrospectively and thus able to be more open than continuing Members. Therefore all 8 retiring Members were asked to complete an exit questionnaire. The questionnaire included questions on a range of subject areas but the questions in relation to remuneration included the following:

- Remuneration - do you think you were adequately recompensed financially during your time as a Councillor?
- Are there any other comments you would like to make about Members Allowances at Mid Devon District Council which could be referred back to the Independent Remuneration panel for their consideration?

8 responses were received back.

Step 4 – Analysing the evidence

The Panel met on 12 November 2019 having been sent the following documentation beforehand:

- A spreadsheet listing the 2018/19 allowances provided by 18 similar councils across the South West (kindly compiled by South West Councils)
- All 17 questionnaire responses
- Notes from the interviews with Members in February 2019

- Exit surveys responses from the 8 retiring Members in May 2019
- A national survey of similar local authorities with Planning Committees showing whether or not they paid an SRA
- Examples of the wording used by other Councils in the Members' Allowances Scheme in relation to the Carers Allowance and Travel and Subsistence

4. SCHEME OF ALLOWANCES

4a Basic Allowance

The IRP noted the following from the responses to the questionnaire:

- Whilst national guidance indicated that 40% should be seen as the voluntary service element of a Councillors' role, those Mid Devon councillors who responded felt it should be slightly less.
- The general consensus view was that the current Basic Allowance is reasonable.
- The question was asked as to whether the Greater Exeter Strategic Partnership (GESP) added a great deal of extra work to Members workload? It was explained there was a GESP Member Reference Forum which had 10 MDDC Members on it. None of these Members were Cabinet Members and the role was not particularly time consuming.
- The consensus view in the questionnaires was that linking increases in the Basic Allowance to the staff pay award was the correct way to proceed and should be maintained.
- It was felt that the wording in relation to this issue should be tightened up such that the percentage increase in the Basic Allowance be increased in line with but 'no greater than' any staff pay award. An option to fix the amount of the Basic Allowance for a four year period was discussed but not supported.
- It was accepted that there had been an increase in councillors' workload in the digital age and the pace of having to deal with issues over the years. Constituents now contacted Members by email and social media whereas years ago they would have written a letter. An immediate response was now expected by members of the public.
- The Panel had a great deal of sympathy for Members receiving abuse from the public as a result of some of the decisions made e.g. by the Planning Committee. They recognised that it was a difficult role.
- The Panel thought long and hard as to whether there was an argument for raising the Basic Allowance. When looking at the different levels of Basic Allowance across the South West the Panel concluded that in the case of Exeter City Council, for example, whilst they had a larger population it covered a smaller geographical area than Mid Devon did. ECC Members also did not have any responsibility for parishes. It was noted that East

Devon District Council pay considerably less at £4360 p.a. It was also noted that MDDC was much more comparable to North Devon District Council in terms of size and geographical spread however they currently paid £4754 p.a., again less than Mid Devon.

Conclusion:

- The Panel concluded that there was no overriding reason to increase the Basic Allowance. It still equated to the average amount of BA when compared to the other 16 councils on the survey.
- The Panel are very keen to stress that a great deal of consideration had been given to the questionnaire and all the responses had been read thoroughly. All comments had been reviewed, however, the Panel considers that the Basic Allowance, to use the wording of several Members, continues to be **'about right'**.
- The IRP were mindful that when their report is considered by Council in February 2020 and the resulting scheme is published on 1 April 2020, the pay award might not be known, therefore, they wish the wording of the scheme to state the current Basic Allowance (which as at December 2019 is £5112.15 p.a.) with the caveat that this 'be subject to any in year staff increase'.

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 made the following observations based upon the feedback given by Members either by interview or via the questionnaire:

- The general view of the Members was that the current levels of SRA were appropriate.
- Members had a fairly consistent view in the questionnaire that the Planning Committee was a more onerous responsibility than any other committee in terms of workload.
- The overwhelming consensus was that Members should not be allowed to claim more than one SRA.
- The Panel considered comments made about GESP and other strategic projects.

- The IRP considered whether the SRA for the **Deputy Leader** ought to be increased given the representations that had been made. However, they concluded that ‘when the chips are down’ it is the Leader of the Council who would need to accept responsibility and answer questions. It was felt that the Leader’s role was much more high profile and his or her reputation was much more susceptible to damage.
- The Panel considered whether all **Cabinet Members** had the same levels of responsibility and considered each Cabinet Member role in turn. A view was expressed as to whether there was merit in splitting the roles between regulatory functions and non-regulatory. It was felt that this could potentially be fraught with problems e.g. for the Working Environment and Support Service portfolio some staffing issues could be considered as regulatory. It was felt that the theory behind the idea was valid but in reality splitting them up was too problematic.
- Again, the IRP wished Council to know that they had given a lot of thought to this issue but that ultimately splitting the Cabinet roles in terms of levels of responsibility and their remuneration was a political decision rather than a matter for the IRP.
- **Planning Committee SRA** – the IRP listened and discussed in depth the issues raised in connection with this by Members. They also looked at what other similar councils paid nationally to Planning Committee members and learned that only a very small number paid a nominal allowance. It was felt that receipt of an SRA was about responsibility not attendance or length and frequency of meetings. For these reasons the IRP did not feel an SRA was appropriate. However, they did consider whether ‘a training allowance’ should be paid to any Member having to undertake any training in order to sit on one of the regulatory committees e.g. Planning, Audit, Licensing, Regulatory and Standards. However, on balance whilst again this was a good theory, attendance on a training course did not represent additional responsibility albeit it did involve additional time commitment.
- **Scrutiny Committee Chairman** – the question was asked as to why the Scrutiny Chair received the same amount of SRA as a Cabinet Member. The Panel were informed that just prior to the introduction of Executive arrangements the then IRP had considered the levels of SRA for the Cabinet and Chairmen under the new committee structure and provided the following rationale for their recommendations within their report for 2007/8:

“The Panel wished to emphasise that its decisions had been taken in response to the Full Council agreeing to have new structure in place and that its understanding was that this would place a firmer emphasis on focussed and strong leadership by the Executive hence the increase in their allowances. The Panel believed that as a result of the new

arrangements key members would have increased responsibility and accountability to local people in order to deliver improvement across the local authority (at the time the Council was judged to be performing poorly and it was in ‘special measures’). The Panel hoped that the allowances would enable those Members receiving SRA’s would go on to provide the necessary leadership to the improvement agenda. The Panel look forward to seeing the expected step change in the performance of the Council.”

- The Panel also acknowledged the following:
 - The emphasis within the legislation at the time of the importance of the Scrutiny function which is as relevant today as it was then.
 - The amounts recommended by the IRP were consistent with other similar authorities at the time.
 - Time logs provided by the then Cabinet Members and the Scrutiny Chairman which had been commensurate in terms of hours spent per month performing their council duties
 - The power/influence the Chairman of Scrutiny can have when reviewing a Cabinet decision. He or she can call something in on his/her own, he or she does not need the support of the committee.

Conclusion:

The Panel continue to be of the view that the current levels of SRA are appropriate and that the weightings applied to the agreed Basic Allowance do not need to be adjusted - and therefore recommend a continuation of the current levels until 31 March 2021. These are as follows:

Position	Weighting x basic (£5112.15 as at December 2019)	SRA
Leader of the Council	3.00	£15,336
Deputy Leader	1.50	£7,668
Cabinet Member	1.25	£6390
Scrutiny Committee Chair	1.25	£6390
PDG Chair	0.75	£3834
Audit Committee Chair	0.75	£3834
Planning Committee Chair	1.25	£6390
Licensing/Regulatory Chair	0.25	£1278
Standards Chair	0.25	£1278
Chairman of the Council	0.50	£2556

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

4c. **Chairman's Allowance**

The Panel wished to make it clear that the Chairman's Civic budget is set by Council and is not therefore a matter for the IRP.

4d. **Carer's Allowance**

The Panel felt that this section needed further clarification and expansion to take account of all circumstances where a Councillor may need to organise cover for a dependent. Therefore:

A Councillor can claim a Carer's Allowance for Approved Duties, except where Schedule 2 states that such an allowance is not payable.

The following conditions and limitations apply to any claim for a Carer's Allowance:

- (a) The carer must be over the age of 18 and someone who does not normally live with the Councillor as part of their family or household;
- (b) The person being cared for is a dependent of the Councillor and is:
 - (i) a child under the age of 14;
 - (ii) an elderly person; or
 - (iii) someone with a recognised disability who cannot reasonably be left unsupervised for the period during which the Councillor is going to be absent on an Approved Duty;
- (c) Where the care is booked and paid for by the hour, Councillors may claim the hourly rates set out in sub-paragraph (e) for the time incurred in the Approved Duty, plus the reasonable travelling time taken by the Councillor in –
 - (i) carrying out the Approved Duty; and
 - (ii) dropping off or picking up the dependant at the place of care before and after the Approved Duty;
- (d) Where the care can only be booked and paid for as a fixed period or session, Councillors may claim for the duration of the fixed period or session plus the reasonable travelling time taken by the Councillor in dropping off or picking up the dependent at the place of care before and after the Approved Duty. If the location or timing of the Approved Duty means that two or more fixed periods or sessions need to be booked, Councillors may claim for those periods or sessions. The amount payable will be

the hourly rate set out in sub-paragraph (e), unless the dependent is a child (see sub-paragraph (b)(i)) attending an Ofsted registered nursery, pre-school or playgroup – in such cases, if the hourly rate would not cover the cost of the fixed period(s) or session(s), the actual cost may be claimed;

- (e) The hourly rate is the National Living Wage (25 and over);
- (f) Councillors may also claim for the carer's reasonable expenses incurred whilst the dependent is in their care provided the Councillor produces the relevant receipt from the carer in respect of those expenses.

4e. **Travel and Subsistence Allowances**

The Panel were very strong in their view that Travel and Subsistence needed to be treated as separate areas of remuneration. They requested that it be made very clear that the IRP's reasoning is such that every councillor is entitled to a travel allowance when conducting an **approved duty** (as listed in the appendix to the scheme).

The Panel considers that subsistence should only be paid in exceptional circumstances and only when councillors are conducting approved duties **outside** of the Mid Devon District Council area and where refreshments are not provided by the host.

Travelling Allowances

They continue to recommend that reimbursement of approved mileage remain at the rates published by HMRC which for 2019/20 are (these figures to be amended in line with the HMRC rates as from 1 April 2020 once they are known):

- 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)
- 20p per mile for push bikes
- 24p per mile for motorcycles

(All claims to be submitted with receipts)

Subsistence Allowances

The Panel recommends that subsistence allowances should be the same as for employees which for 2019/20 are (these figures to be amended in line with the HMRC rates as from 1 April 2020 once they are known) in each case up to a maximum of:

Breakfast	£7.70
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Lunch	£10.63
Tea	£4.18
Dinner	£13.15

(All claims to be submitted with receipts)

4f. **IT Allowance**

It was a common view from within the questionnaire responses that the iPad was not the right digital device for all Members. It was noted that some other authorities had dropped the digital allowance altogether whilst others had made a contribution towards the Member providing their own kit. The view of the IRP was that £150 may have been an incentive initially but they were not convinced it had that purpose anymore.

It was suggested that the Council lay down a marker to prospective councillors in 4 years' time to say that Members will be expected to be paperless. However, to suddenly impose that on the current membership (and removing the allowance) would be unfair - better rather, to work towards that over the next four years whilst maintaining the current digital allowance.

However, it was explained that for some committee chairmen, such as Planning and Cabinet, going paperless at all times would be very unhelpful.

It is therefore strongly recommended that the Council consider removing the digital allowance by the next election.

4g. **Councillors with Additional Needs**

Mindful of comments made with regard to disability during the interview process the Panel wish to make a recommendation that if any Councillors have particular needs arising due to a protected characteristic under the equalities act – for example, they have a disability that prevents them using some forms of transport, then the Chief Executive or Monitoring Officer may agree to the payment of any additional claims or support arrangements that fall outside the scope of the scheme, to support their needs.

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.

SUMMARY OF RECOMMENDATIONS

The Panel recommends that from 1 April 2020 until 31 March 2021:

- a. The Basic Allowance to be paid to all Councillors remains at the current level of £5112.15 p.a., with any increases being linked to but not greater than 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	£15,336
Deputy Leader	1.50	£7668
Cabinet Member	1.25	£6390
Scrutiny Committee Chair	1.25	£6390
PDG Chair	0.75	£3834
Audit Committee Chair	0.75	£3834
Planning Committee Chair	1.25	£6390
Licensing/Regulatory Chair	0.25	£1278
Standards Chair	0.25	£1278
Chairman of the Council	0.50	£2556

- 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)
 - 20p per mile for push bikes
 - 24p per mile for motorcycles

NB: To be increased in line with HMRC rates from 1 April 2020 once known.

- f. That subsistence allowances only be paid when councillors are conducting approved duties outside of the Mid Devon District Council area (where refreshments are not provided by the host)

and that they be linked to those of the staff, currently these are as follows in each case up to a maximum of:

- Breakfast £7.70
- Lunch £10.63
- Tea £4.18
- Dinner £13.15

NB: To be increased in line with HMRC rates from 1 April 2020 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. The Council considers the removal of the digital allowance by the time of the next District Council election.
- j. That the Chief Executive or Monitoring Officer may consider the payment of any additional claims or support arrangements that fall outside the scope of the scheme to support Members with additional needs.
- k. 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.

Jeremy Filmer-Bennett
Marianne Hlland
Karen Stone

February 2020