



**A REVIEW OF
MEMBERS' ALLOWANCES
FOR
ELMBRIDGE BOROUGH COUNCIL**

**THE REPORT BY THE
INDEPENDENT REMUNERATION PANEL**

JANUARY 2014

South East Employers
2 Crown Walk
Jewry Street
Winchester
Hampshire
S023 8BB

FOREWORD

This report has been produced for Elmbridge Borough Council as part of the Council's requirement to receive independent advice from its statutory advisory panel on members' allowances. The membership of the Panel was Mark Palmer (Development Director, South East Employers) (Chairman), Dennis Frost (who has lived in Elmbridge for over 25 years and is employed by the London Borough of Ealing), Choudhury Ahmed (a doctor by profession, living in Elmbridge Borough for the last 20 years) and Gordon Manickam (local resident and Assistant Director, Department for Business, Innovation and Skills).

The Panel was asked to carry out a 'light touch' review of the current scheme of allowances. Their report is attached.

The Panel would like to thank Jessica Bolton, Committee and Member Services Officer at Elmbridge Borough Council for all her assistance.

The Panel would also like to record its gratitude to the Members and Officers of Elmbridge Borough Council who provided information for the Panel's consideration.

Mark Palmer
Chairman,
Independent Remuneration Panel

1. Introduction and Terms of Reference

A light touch review of the Elmbridge BC members' allowances scheme was conducted by the Independent Remuneration Panel at the request of the council, mindful of the fact that the Panel had undertaken a comprehensive review of allowances in September 2012.

The Panel met at the Civic Centre in Esher on 31st January 2014. The Panel were able to consider information obtained from questionnaires completed by members, from interviews conducted with members and from conversations with officers (Andrew Cooper, Head of Finance and Jessica Bolton).

We interviewed Councillors Andrew Davis (Leader of the Liberal Democrats), John O'Reilly (Leader of the Council and Leader of the Conservative Group), Stuart Selleck (Leader of the Residents Association Group) and Janet Turner (Deputy Leader of the Hinchley Wood Residents Association Group).

The Panel took account of the statutory guidance governing Members' Allowances, in particular the Local Authorities (Members' Allowances) (England) Regulations 2003.

2. Methodology

Following the request to conduct a light touch review of allowances, the Panel asked for a questionnaire to be circulated to all Elmbridge members. The purpose of the questionnaire was to ascertain from councillors how much time they were currently spending in their role as an elected member, what their views were on the current scheme of allowances, and whether there were any changes they would like to see introduced.

Eleven questionnaire responses were received, from a potential total of sixty. The Panel were satisfied that all members had been given the opportunity to comment.

A copy of the questionnaire is provided at **Appendix One**.

The Panel also looked at the current level of allowances paid in Elmbridge in comparison to other local authorities in the Region. Details of allowances paid to other borough and district councils across the south east are provided at **Appendix Two**. This information is extracted from the 2013-14 Members Allowance Survey conducted by South East Employers.

3. The Panel's Considerations and Recommendations

Following close consideration of the responses to the questionnaire together with issues arising from their interviews with members, the Panel make the following recommendations:

- That a comprehensive review of all the allowances (Basic and Special Responsibility) take place in January 2015. The purpose of the review would be to look at the level of all allowances and also the differentials between the Special Responsibility Allowances to develop a more accountable and consistent framework of allowances. With this review in mind it is recommended that no change is made to the Basic or Special Responsibility Allowances as part of this interim review.

- **Basic Allowance**

The Panel recommend that **no change** is made to the Basic Allowance and that it remains at **£4245 plus indexation**. The indexation for 2014/15 is 1.5% (based on the increase in staff salaries) with effect from 1st April 2014. The Panel recommends that the indexation is applied to the Basic Allowance this year following a period of three years when no indexation increase has been applied.

The Basic Allowance for Elmbridge Borough Council currently ranks fifth across the Surrey District and Boroughs.

The Basic Allowances across Surrey are as follows (ranking based on highest to lowest)

| | |
|-----------------------|--------------|
| - Woking BC | £7115 |
| - Reigate BC | £5173 |
| - Surrey Heath BC | £4884 |
| - Waverley BC | £4426 |
| - Elmbridge BC | £4245 |
| - Guildford BC | £4180 |
| - Mole Valley DC | £4098 |
| - Tandridge DC | £4000 |
| - Spelthorne BC | £3938 |
| - Epsom & Ewell BC | £3341 |
| - Runneymede DC | £2869 |

- **Special Responsibility Allowances (SRA's).**

The Panel was made aware through the questionnaire responses and by representations made to the Panel that the workload of the Area Planning Sub Committees had increased dramatically in the last year and that the current SRA for the Chairman of each Area Planning Sub Committee did not reflect the significant additional responsibilities of the role.

However, the Panel recommends that no change should be made to any SRA's this year but as part of a comprehensive review of 'all' allowances in January 2015 further consideration would be given to the allowance of the Chairs of the Area Planning Sub Committees

- **Childcare and Dependant Carers' Allowance.**

The Childcare and Dependant Carers' Allowance is payable to councillors to assist with the care of children, elderly, disabled or sick relatives whilst councillors are performing an approved duty. The Council approved in November 2012 the recommendation of the Panel in September 2012 that the allowance be increased and it now stands at up to £6.50 per hour paid on production of an invoice. The allowance is also capped at a maximum of 25% of the annual basic allowance in any one year.

Following further consideration by the Panel of the real cost of care it is recommended that the Childcare and Dependant Carers' Allowance be linked to the Living Wage that currently stands at £7.65 (outside London) and £8.80 (within London). The allowance would continue to be paid on the production of invoices and be capped at 25% of the basic allowance applicable in that year.

4. Conclusions

The Panel recommends that, with the exception of the Dependant Carers' Allowance that no changes should be made to the system of allowances this year. However, a comprehensive review of the allowance scheme should take place next year (January 2015) with the intention to rationalise the differentials between the SRA's to develop a more accountable and consistent framework of allowances. The comprehensive review will require a more focused and specific questionnaire and the Panel would wish to be involved in the design of any questionnaire relating to the review before it is sent out.

Mark Palmer

Chairman- Independent Remuneration Panel for Elmbridge Borough Council



**Members' Allowances -
Questionnaire**

| | |
|---|---|
| 1. How many hours on average do you spend each week on council business? | _____ hours |
| 2. In a typical week, how will this time be spent? Please complete the details below: | |
| a) Attending meetings (including travelling) | _____ hours |
| b) Community representation | _____ hours |
| c) Case work (dealing with particular issues in your ward) | _____ hours |
| d) Research | _____ hours |
| e) Other (please specify) | _____ hours |
| 3. Do you incur any significant costs which you believe are not covered by your present allowance? | YES / NO If YES , please provide details |
| 4. Government guidance states that "it is important that some element of the work of Members continues to be voluntary". As part of their deliberations, Independent Remuneration Panels will assess what Public Service Discount should apply to the basic allowance. That is the percentage of their time Councillors expect to give without any financial remuneration. | |
| What do you feel is an acceptable amount of time to be given, unremunerated – expressed as a percentage? | _____ % |

| | |
|--|---|
| 5. The present level of Basic Allowance payable to all Councillors is £4,245. Do you think this is appropriate? | YES / NO |
| If NO , should it be higher or lower? | HIGHER ***** / LOWER**** |
| If you are able, please indicate an appropriate level | |
| <p>6. Special Responsibility Allowances (SRAs) are currently paid as follows:</p> <ul style="list-style-type: none"> • Leader of the Council £12,000 • Other Cabinet Members £6,000 • Chairman of Overview and Scrutiny Committee £6,000 • Vice-Chairman of Overview and Scrutiny Committee £3,000 • Chairman of Planning Committee £5,000 • Vice-Chairman of Planning Committee £1,140 • Chairmen of Area Planning Sub-Committees £3,590 • Vice-Chairmen of Area Planning Sub-Committees £800 • Chairman of Licensing Committee £4,075 • Vice-Chairman of Licensing Committee £930 • Chairman of Audit and Standards Committee £3,590 • Chairman of Performance and Finance Standing Panel Presently Deferred • Group Leaders - per Councillor £25 | |
| Would you like to see any changes made to these allowances? | YES / NO If YES , please provide details |
| Would you like to see any new SRAs introduced? | YES / NO If YES , please provide details |
| 7. Carer's Allowance The Dependent Carer's Allowance is currently set at £6.50 per hour. Should this rate be increased? | YES / NO If YES , please can you suggest a new amount: |

| | |
|--|---|
| <p>8. Travel and Subsistence</p> <p>The current scheme is attached.</p> <p>Do you have any comments on the current scheme for members?</p> | <p>YES / NO</p> <p>If YES, please provide details</p> |
|--|---|

If you have any other comments on Members' Allowances, please detail below:

Name _____

Dated _____

SCHEDULE 3 - RATES FOR TRAVEL AND SUBSISTENCE ALLOWANCE

The following travel and subsistence rates apply where an approved duty is performed and the amounts of the allowances are:

| TRAVEL | RATE | | | NOTE |
|-----------------------------------|--|---------------|------------|---|
| Public Transport – Rail | 2nd class or any available cheap rate | | | Note (a) Warrants available from Payroll Officer |
| Public Transport – Bus | Ordinary fare or any available cheap rate | | | |
| Other Transport – Ship | 1st class | | | Note (a) |
| Other Transport – Plane | Ordinary fare or any available cheap rate | | | Note (b) |
| Cycle Allowance | 25 pence | | | Rate per mile |
| Motor Cycle (unchanged) | <251cc | 251cc-500cc | >500cc | |
| Own Motor Vehicle | <1000cc | 1000cc-1199cc | >1199cc | |
| | 46.9 pence | 52.2 pence | 65.0 pence | Rate per mile Note (c) |
| Taxi-cab | Actual fare and any reasonable gratuity | | | Emergency / no public transport Note (d) |
| Hired Motor Vehicle | Not exceeding own vehicle rate unless body approve rate to an amount not exceeding actual cost of hiring | | | Excludes taxi cab |
| SUBSISTENCE | | | | |
| >4 hours before 11am | Breakfast allowance £6.88 | | | Notes (e), (f) |
| >4 hours including 12 noon to 2pm | Lunch allowance £9.50 | | | Notes (e), (f) |
| >4 hours including 3pm to 6pm | Tea allowance £3.76 | | | Note (e) |
| >4 hours ending after 7pm | Evening meal allowance £11.76 | | | Notes (e), (f) |
| Overnight absence | Out of Pocket expenses £5.28 per night | | | Note (g) |

NOTES:

- (a) The rate may be increased by supplementary allowances not exceeding expenditure actually incurred for:
 - (i) on Pullman Car or similar supplements, reservation of seats and deposit or portorage of luggage; and
 - (ii) on sleeping accommodation engaged by the Member for an overnight journey, subject, however, to reduction by one-third of any subsistence allowance payable for that night.
- (b) Not to exceed rate applicable to travel by appropriate alternative means of transport together with an allowance equivalent to the amount of any saving in subsistence allowance.
- (c) The rate may be increased by not more than the amount of any expenditure incurred on tolls, ferries or parking fees, including overnight garaging. This equates to rates agreed by the National Joint Council for Local Government Services.
- (d) Where not a case of urgency or public transport exists, the amount of the fare for travel by appropriate public transport.
- (e) All subsistence rates shall be reduced by an appropriate amount in respect of any meal provided free of charge. This equates to rates agreed by the National Joint Council for Local Government Services.
- (f) Where main meals are taken on trains during a period for which there is an entitlement to a day subsistence allowance, the reasonable cost of the meals (including VAT) may be reimbursed in full as an alternative, subject to the time limits shown above.
- (g) Cost of overnight accommodation will be paid directly by the Council.

These rates shown are also applicable to Elmbridge Officers and will be amended should these rates change.