

## **Appendix 1**

### **REPORT OF THE INDEPENDENT REMUNERATION PANEL**

#### **1. Introduction**

The Council's constitution states that councillors are entitled to receive allowances as set out in the Members' Allowance Scheme. Amendments to the scheme can only be made following a report by the Independent Remuneration Panel and the scheme must be reviewed at least once every four years.

#### **2 Legal Framework**

In accordance with the Local Government and Housing Act 1989, the Local Government Act 2000, and associated regulations (namely The Local Authorities (Members Allowances) (England) Regulation 2003), local authorities across the country have a duty to consider the findings of an independent remuneration panel before determining any scheme for payment of allowances to councillors of the authority.

The regulations place a statutory obligation on the Council to establish and maintain an independent remuneration panel to look at councillors' allowances and report its findings to Council at least once every four years. Council has a statutory duty to have regard to panel's recommendations before making or amending any councillors' allowances scheme.

#### **3. The Council's Independent Remuneration Panel**

The panel first convened to undertake the current review on 25 June 2013 (a briefing meeting). The panel members were Gill Baker, Colin Langley and John Richardson. Mr. John Richardson was already an existing member of the original Independent Remuneration Panel. The panel met on 3 occasions in July and August to review members' allowances and considered a wide range of information before making their recommendations; this included comparative information from other local authorities many of which have similar population size/number of councillors. The panel also interviewed political group leaders and questionnaires were sent to elected members.

#### **4. Background Information**

The panel was aware of the current difficult financial circumstances facing local authorities. The panel was given an overview of the council's structure, committees and committee membership, together with background information on the current allowance scheme, which had been agreed over four years ago. The current allowance scheme was based on the recommendation in a report published by the panel in January 2008. At the Council budget setting meetings in February 2010, 2011 and 2012, members agreed that there would be no increase.

#### **5. Methodology**

At the briefing meeting the panel agreed to undertake the review using a variety of methods. This would include comparing information with other local authorities as well as providing questionnaires, arranging interviews and requesting information from relevant councillors and officers.

The panel considered carefully comparative evidence of allowances paid to members of other neighbouring North Yorkshire authorities and also looked at a number of councils with similar numbers of councilors/population in the CIPFA family group of Councils.

To enable the panel to have a clear understanding of the roles of councilors within the authority, the panel received information on the structure of the council and responsible officers, the structure of the committees and the committee membership and membership of outside bodies. The panel also requested information on councillor profiles i.e. retired, in paid employment, disabled, dependent children, carer etc. This would help with any decisions being made by the panel in relation to Child Care and Dependent Carers

In relation to Special Responsibility Allowances (SRAs), the panel asked for evidence on the number of times over the last four years that a vice chair has needed to take on their role in the absence of the chair. In addition to this, the panel requested that a questionnaire be sent to the Chairs and vice-chairs of the committees to identify the various roles, responsibilities and workloads of each of the positions.

The panel also interviewed the leaders of the political parties to seek their views on the following:

- a. The level of allowances
- b. Whether the payment to Special Responsibility Allowances was appropriate,

The different methods of enquiry enabled the panel to gather information on a number of aspects, including the different roles and responsibilities of the committee chairs and vice chairs. The panel was also made aware of proposals to amalgamate the Policy & Resources Committee and the Commissioning Board.

## **6. Basic Allowance**

The basic allowance in Ryedale is currently £3551.64. The panel studied and took into account basic allowances across all districts in North Yorkshire and the CIPFA family group. The comparison table for the basic allowances may be seen in the attached Annex 1. The allowance is payable to all councilors to recognize their time and commitment to the council. It covers all meeting of the authority, meetings with officers, meetings with electors/residents and political group meetings.

When comparing Ryedales basic allowance with other authorities, the panel considered the current allowance to be mid – range to low. However in terms of figures for the cost of the basic allowance per head of the population the allowance was not low compared to other local authorities.

## **RECOMMENDATION**

1. The panel recommends that the basic allowance of £3551.64 be increased annually (effective 15 May 2014) and then for the next four years each 1 April by reference to the annual percentage award to officers under the National Joint Council for Local Government Services for spinal column 34;

## **7. Special Responsibility Allowance**

Special responsibility allowances can be made to those councilors who have significant responsibility. This is paid in addition to the basic allowance. More than one special responsibility allowance can be claimed. The panel considered in detail which roles should receive a special responsibility allowance and their recommendations were based on the level of responsibility and comparisons with other authorities.

As previously noted the panel also met with the political group leaders to seek their views.

The panel compared all other special responsibility allowances with other authorities. The comparison table for special responsibility may be seen in the attached Annex 2. The conclusion was that there was no consistent pattern across district councils in how special responsibility allowances were distributed across the different roles.

It was clear that the Special responsibility allowances at Ryedale are low compared to most similar sized local authorities. For that reason it was considered appropriate to recommend that Ryedale District Council continues to allow Councillors to receive more than one Special responsibility allowance.

The panel was made aware of proposed changes to committee structures.

## **RECOMMENDATION**

The panel recommends the following changes to the special responsibility allowances :

1. That the current system where Councillor's can receive more than one special responsibility allowance be retained;
2. That the Chairman's allowances for all Committees be equalised to all be the same at £3,587;
3. That all allowances should include an annual increase in line with the indexation provisions of the scheme of Members Allowances for 2014/15.
4. The Panel felt unable to make any recommendations on the Deputy Leader's Allowance as there wasn't a job description and it wasn't clear if the role was additional to the Leaders post or to take on some of the Leader's duties.
5. As generally all allowances and particularly special responsibilities in Ryedale were lower than similar authorities an increase on all allowances in accordance with the indexation provisions of the Scheme of Members Allowance be recommended.
6. That the allowance for LGA representatives be deleted
7. That the current Vice Chairman's allowance of £1260 be split with £500 being paid to the Vice Chairman and £760 to the Chairman.
8. That the current Chairman's budget be retained, in recognition of the importance of the civic role in Ryedale.
9. That some type of system be introduced to ensure that special responsibility allowances are reviewed when changes in committee structure/responsibility occurred.
10. That Group Leaders Allowances be retained and be payable to leaders of properly constituted political groups of two or more Members .
11. That the allowance paid to the Vice Chairman of Policy & Resources Committee be deleted.

## **8. Dependent Carer's Allowance**

The childcare allowance and dependent carer's allowance are payable to councilors who incur expenditure for the care of their children or dependent relative whilst the councilor is

undertaking approved duties such as attending meetings. These payments are issued direct to the care provider.

The panel noted that over the last 5 years no councilors had claimed a childcare allowance and only one councilor had claimed a dependent carer allowance. However, the panel recognized that it is important to offer these allowances to councilors so they are not discouraged from carrying out council work by their personal responsibilities. The allowance would also assist with engaging a wider range of individuals to become councilors who may not otherwise commit owing to caring responsibilities.

#### **RECOMMENDATION**

The panel recommends no change apart from indexation..

### **9. Travel Expenses**

Travel expenses are intended to reimburse councilors for expenditure incurred when undertaking the approved duties.

#### **RECOMMENDATION**

The panel recommends no changes to existing arrangements for travel expenses with the exception of the following:

That if Councillor meetings include members from more than one political group, they should become eligible for the payment of travel expenses.

### **10. Conclusions and Recommendations**

It was agreed that the current Members' Allowances Scheme be updated with the above recommendations from 15 May 2014.

The panel felt that their recommendations would hopefully have sustainability and be capable of dealing with any proposed committee changes.

#### **RECOMMENDATION**

That the Members' Allowances Scheme be updated with the amendments set out in this report.

### **11. Acknowledgements**

The panel is grateful to all the members and officers who took the time to provide evidence and answer questions, including Chairman of meetings and Group Leaders.

## Annex 1 -Comparison of basic allowances

Authority	Council Structure	Population (Census 2011)	Number of Elected Members	Basic	Basic Allowance per head of popn
Babergh *	Fourth Option	87,740	43	3,649.00	0.04
Cotswold	Executive	82,881	44	4,000.00	0.05
Eden	Executive	52,564	38	3,561.00	0.07
Forest of Dean	Executive	81,961	48	4,250.00	0.05
Hambleton	Executive	84,200	44	4,297.00	0.05
Harrogate *	Executive	157,869	54	4,151.00	0.03
Malvern Hills	Fourth Option	74,706	38	4,200.00	0.06
Melton *	Fourth Option	50,376	28	4,473.39	0.09
North Dorset	Executive	69,000	33	4,374.00	0.06
NYCC	Executive	602,600	72	8,994.00	0.01
Richmondshire	Fourth Option	51,000	34	2,950.00	0.06
<b>Ryedale *</b>	<b>Fourth Option</b>	<b>51,751</b>	<b>30</b>	<b>3,551.64</b>	<b>0.07</b>
Selby	Executive	83,449	41	4,115.00	0.05
South Norfolk *	Executive	124,012	46	4,463.00	0.04
York	Executive	198,000	47	7,192.50	0.04

\* Members can claim more than one SRA

## Annex 2 - Comparison of Special Responsibility Allowances

Authority		Popn (Census 2011)	Basic	Leader	Deputy Leader	Chairman Council	Vice Chairman Council	Chairman P & R	Vice Chair P& R
Babergh*	Fourth Option	87,740	3,649			7,296	1,824	7,296	1,824
Cotswold	Executive	82,881	4,000	12,000	8,000	4,000	2,000		
Eden	Executive	52,564	3,561	10,684	4,452	594			
Forest of Dean	Executive	81,961	4,250	9,840	6,560	4,100	2,050		
Hambleton	Executive	84,200	4,297	16,114	9,670	3,222			
Harrogate*	Executive	157,869	4,151	13,212	6,606				
Malvern Hills	Fourth Option	74,706	4,200	10,500		2,000			
Melton	Fourth Option	50,376	4,473	11,900	3,355.32	13,300	1,100	3,355	1,119
North Dorset	Executive	69,000	4,374	9,842	6,998	6,561			
NYCC	Executive	602,600	8,994	24,704	15,440	9,264	3,088		
Richmondshire	Fourth Option	51,000	2,950	5,310	2,655	2,360			
<b>Ryedale</b>	<b>Fourth Option</b>	<b>51,751</b>	<b>3,552</b>	<b>3,552</b>			<b>1,260.00</b>	<b>3,552</b>	<b>888</b>
Selby	Executive	83,449	4,115	10,288	4,115	5,910	960	3,087	
South Norfolk*	Executive	124,012	4,463	9,712		4,856	971		
York	Executive	198,000	7,193	23,520	16,905				

\*Members can claim more than one SRA

## Annex 2 - Comparison of Special Responsibility Allowances continued

Authority		Popn (Census 2011)	Chairman 2nd Policy	Chairman Planning	Chairman Licensing	Group Leaders
Babergh*	Fourth Option	87,740		3,649	3,649	730
Cotswold	Executive	82,881		4,000	4,000	2,000
Eden	Executive	52,564		1,781	1,781	297
Forest of Dean	Executive	81,961		4,100	1,025	4,100
Hambleton	Executive	84,200		4,297	1,075	1,075
Harrogate*	Executive	157,869		4,404	2,907	2,202
Malvern Hills	Fourth Option	74,706		2 x 2100	1,260	88
Melton	Fourth Option	50,376	2 x 3,355.32	3,355	3,355	3,477
North Dorset	Executive	69,000		5,468	4,374	1,458
NYCC	Executive	602,600		3,088		4,632
Richmondshire	Fourth Option	51,000		1,770	590	
<b>Ryedale</b>	<b>Fourth Option</b>	<b>51,751</b>	<b>1,776</b>	<b>1,776</b>		<b>355</b>
Selby	Executive	83,449		4,115	4,115	1 x 2,058 1 x 2,058
South Norfolk*	Executive	124,012		4,856	2,428	2,428
York	Executive	198,000			6,300	10,500

\*Members can claim more than one SRA