

CABINET

13 December 2006

MEMBERS' ALLOWANCES – FOURTH REPORT OF THE INDEPENDENT  
REMUNERATION PANEL

REPORT OF CITY SECRETARY AND SOLICITOR

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

The fourth report of the Independent Remuneration Panel has been received and a copy is attached as Appendix B. The timing of this report enables the Council to consider the proposals and set Members Allowances rates for the forthcoming Municipal Year, together with making the necessary provision in the 2007/08 draft budget.

The Panel last met in August 2003 and the majority of its recommendations were accepted by the Council (the main exception being not to introduce pensions for Members). For 2004/05, the Council increased allowances by using one of the permitted indices set out in the Scheme. For 2005/06 and 2006/07, the Council decided for budgetary reasons not to increase any of the allowances.

The 2006 Panel has used the same methodology as with the three previous reviews and recommended increases to the Basic Allowance and some Special Responsibility Allowances (SRA). As part of its calculations, the Panel has continued to apply the Public Service Discount (PSD) at one third. The PSD is taken from national guidance and relates to the time which any individual should be prepared to give to the community 'free of charge' as part of their role of being a Councillor (paragraphs 18 -24 of the Panel's report provides a full explanation). On the other hand, the Panel was mindful that the proposed allowances must be retained at a reasonable level, to ensure that potential candidates for elected office are not prevented from standing by the impact that Council work may have on their income.

If fully adopted (with the exception of pensions discussed below), the proposals of the Panel would result in growth of just under 4% on the current Basic Allowance (from £5,589 to £5,800). This should be compared against growth of 8.85% had the allowances been

increased each year from 2005/06 in accordance with the Scheme index. In financial terms, a growth bid of £28,000 is required, less £6,000 to take account of the fact that no individual can claim more than one SRA, giving a net growth figure of £22,000.

With regard to pensions, the Panel is again offering the option for all eligible Members to join the Local Government Pension Scheme. In view of the potential financial implications of introducing pensions for Members, it is suggested that the matter be noted at this stage and investigated during 2007, with a view to introduction (if agreed) in the 2008/09 financial year.

The Panel has again endorsed the principle that no Member should receive more than one SRA and that the total number of SRAs available should not exceed 50% of the Council's membership (i.e. 28).

The current 2006/07 Allowances are attached as Appendix A. The Panel's Report is attached as Appendix B and the table of Other Allowances attached as Appendix c.

The Council has to consider the recommendations of the Panel, but may make its own decision as to whether to implement them in full, or in part, or in a phased manner. The proposed implementation date is 1 April 2007. If the Council departs from the Panel's recommendations, reasons have to be given and published.

#### RECOMMENDATIONS:

##### To Council

1. That the Basic and Special Responsibility Allowances, as set out in Appendix B, be approved.
2. That the revised levels of 'Other Allowances', attached as Appendix C, be approved.
3. That with regard to the possibility of eligible Members joining the Local Government Superannuation Scheme, the matter be noted at this stage and investigated during 2007, with a view to introduction (if agreed) in the 2008/09 financial year.
4. That whilst the contribution of TACT representatives to the work of the Council is valued, the concern about the potential financial difficulties of being in receipt of a Co-optees Allowance being a deterrent to individuals wanting to undertake the role, is understood. Therefore the allowance be not included in the Scheme. However, TACT be advised that the Council will review the matter at a future date, if requested.
5. That the continuation of the use of either the annual Local Government Pay Award or the Retail Price Index (whichever is the lower) as the appropriate index to provide an annual inflation increase to the Scheme be agreed, in the event that the Council decides there are no material issues to require a further report of the Independent Panel in a particular year.
6. That Cabinet considers whether it wishes to recommend to Council any other changes to the Panel's proposals.
7. That the base budget for Members Allowances be increased for 2007/08 onward, by £22,000.

8. That Travel and Subsistence payments for attending Internal and External Meetings be amended in accordance with para 5.5 of the report.
9. That a further category be added to the Internal Meetings list as follows:-  
  
‘A Group Leader (or their nominated representative) attending a meeting of Cabinet to observe proceedings.
10. That the Civic Allowances for the Mayor and Deputy Mayor be increased from £3,620 to £4,000 and from £150 to £500 respectively.
11. That the inflation increase applied to the Other Allowances, as set out in Appendix C, be agreed.

To Cabinet

That a report be submitted direct to Council which sets out the full Members Allowances Scheme for approval, incorporating all decisions arising from the above.

CABINET13 DECEMBER 2006MEMBERS ALLOWANCES – FOURTH REPORT OF THE INDEPENDENT  
REMUNERATION PANELREPORT OF CITY SECRETARY AND SOLICITORDETAIL:1 Introduction

- 1.1 The schedule of allowances payable under the current 2006/07 Scheme is attached as Appendix A. The report of the Independent Remuneration Panel is attached as Appendix B and, in accordance with the statutory provisions, a public notice setting out the Panel's key proposals contained in that report will be published in the Hampshire Chronicle.
- 1.2 The decision on changes required to the Allowances Scheme is a matter for full Council, which will also have to consider the detailed re-wording of the Scheme. In order that this can be achieved, a report will be submitted direct to Council on 10 January 2007, setting out the complete Scheme, as amended by the decisions of Cabinet arising from this report.

2 Issues Arising from the Panel's Report

- 2.1 The main elements of the recommendations of the Panel are included in the executive summary and are not reproduced here unless additional comment is necessary. The relevant statutory guidance has been taken into account in preparing the Panel's report and is referred to where appropriate.
- 2.2 The Council will still have discretion under the Scheme to identify task and finish chairmen for a SRA, provided that the limit on numbers is not exceeded. The same principle would also apply to the size of Cabinet and the number of Scrutiny Panel Chairmen for example. The Scheme also has an element of flexibility in the description of posts eligible for SRAs, so that the Council can make some minor structural changes without having to re-convene the Panel.
- 2.3 The Panel's report again recommends that an inflation index be used in the Scheme. This would avoid the expense of convening another Panel in the event of no significant changes being made in a future year. This mechanism can only be used for a maximum of four years before another Panel has to be convened.
- 2.4 The Regulations allow pensions to be granted to Members. The Panel has again supported the principle of pensions for all Members and it allows the Council to decide whether any Members should be eligible. It was within the power of the Panel to restrict the allocation of pensions, but it chose not to do this.
- 2.5 The Council can decide, therefore, whether to award pensions on the basis of all or some of the Members being eligible. For example, it could restrict eligibility to some or all of the SRA holders only. It can also decide whether the Basic Allowance is only taken into account in the pension calculation – or whether the SRA is used as well.

- 2.6 In view of the potential financial implications of introducing pensions for Members, it is suggested that the matter be noted at this stage and investigated during 2007, with a view to introduction (if agreed) in the 2008/09 financial year.

### 3 Parish Remuneration Panel

- 3.1 The Regulations also required the Panel to act as the Parish Remuneration Panel. Parishes can now pay Basic Allowances after considering the report of the Panel, but have to pay the Panel's costs. There were no requests from any Parish to have a report on a Parish Basic Allowance

- 3.2 Proposing rates for Parish Travel and Subsistence is also a matter for the Panel and its report on this aspect is anticipated shortly.

### 4. Summary of Main Proposals

- 4.1 The main proposals are as follows:-

- (a) The Basic Allowance is proposed to increase from £5,589 to £5,800
- (b) The Leader's SRA continues to be the benchmark for the rest of the Scheme, with the other SRAs being set at a percentage of the Leader's allowance. However, the Panel considered that the role of the Leader had developed more than any other position, so in this review, slightly less than the Leader's recommended allowance was used to set the other SRAs (see para 31 of the Panel's report for exact calculations).
- (c) The SRA position of Cabinet Member without Portfolio has been deleted from the Scheme, although the Panel has given some flexibility about its re-introduction, if required.
- (d) The SRAs payable to the Chairmen of Personnel and Licensing & Regulation Committees have been reduced by one Band, to reflect a decrease in workload and responsibility.
- (e) The SRAs payable to the Chairman of the Standards Committee has been increased by one Band, to reflect the likely increase in workload and responsibility, as more casework is delegated to local authorities by the Standards Board.
- (f) The SRAs payable to the Chairmen of the four Scrutiny Panels has been increased by one Band, as the Remuneration Panel considered that their scrutiny roles and responsibilities had developed beyond those of the former Performance Improvement Committees.
- (g) The SRA for the Chairman of the Winchester District Local Plan Committee has been deleted from the Scheme. The Panel considered that as the likely successor body (the Cabinet (LDF) Committee) would be chaired by a member of Cabinet, there was no need to create an additional allowance. Were the matter to be dealt with as a scrutiny function, the Scrutiny Panel Chairmen SRA would be the appropriate rate.

- (h) The SRA for the Chairmen of any Task and Finish body has been reduced by one Band. The Panel considered that a reduction was needed to make it more consistent with other roles. This Band has not been used in 2006/07 but provides some flexibility should the need arise.
- (i) An SRA for the Chairman of the Winchester Town Forum has been introduced by the Panel, to reflect the increasing workload and responsibilities of this role.
- (j) A Co-optees Allowance is again recommended for TACT representatives and the Independent Members and Parish Representatives serving on the Standards Committee. TACT has been consulted on whether they would wish the allowance to be included, because its existence within the Scheme can cause financial issues should any representatives be in receipt of benefits, whether or not they actually take the allowance. TACT has responded that they would not wish the allowance to be part of the Scheme, because of the concerns mentioned above. Therefore, it is considered that the Co-optees Allowance should be for Standards Committee co-opted members only.
- (k) The Dependants' Carers' Allowance is again strongly supported by the Panel, although there were comments that its availability did not seem to be widely known amongst Members. This allowance and all those set out in Appendix C have been increased for inflation.
- (l) The Panel supported the availability of pensions for all eligible Members and that has been discussed above.
- (m) The Panel considered a suggestion from the Director of Finance (endorsed by the Portfolio Holder for Finance and Resources) that the Council should consider ceasing to provide Broadband for Members. Instead, a compensating amount should be added to the Basic Allowance, so that each Member could arrange for his/her own supply. The suggestion was made mainly because private individuals can have Broadband supplied at a far cheaper rate than businesses, but also to save on the administration of the current arrangements. The Panel decided to retain the status quo, principally because it gave all Members a common IT platform. They also suggested that the Council investigate other sources of business Broadband provision.

## 5 Other Matters Raised by the Panel

- 5.1 Although not part of the Members Allowances Scheme, some representations to the Panel pointed out that the level of Civic Allowances for the Mayor and Deputy Mayor had not been reviewed for some years. The Panel suggested that these allowances be re-examined and this has now been done. It is recommended that the Civic Allowances for the Mayor and Deputy Mayor be increased from £3,620 to £4,000 and from £150 to £500 respectively.
- 5.2 The Panel also suggested that the list of eligible duties and the travel and subsistence rates associated with each be reviewed. A review was undertaken and a number of amendments are recommended below.

- 5.3 With regard to Internal Meetings, there is already provision within the Scheme to pay travel and subsistence to any Member who addresses Cabinet (with the Chairman's consent), but there is no corresponding provision for those who simply wish to observe. As Cabinet is the main decision making forum of the Council, it seems reasonable that an observer from each of the minority parties should receive travel and subsistence, if they wish to attend and listen to the debate, but have no particular need to ask a question or make comment. By limiting this arrangement to a Group Leader or their nominated representative, the cost implications would be minimal. Therefore, the following additional category is proposed:-

‘A Group Leader (or their nominated representative) attending a meeting of Cabinet to observe proceedings.’

- 5.4 With regard to External Meetings, the current Scheme is divided between those meetings for which the Council's representatives receive both travel and subsistence payments, or travel only, or no payment at all. There is a fourth 'exceptions' category where one-off attendance can be authorised by City Secretary and Solicitor, who also determines whether travel and subsistence is payable in each case.
- 5.5 These categories were introduced in the early 1990s. As bodies have been added and deleted over the years since then, it is now hard to see any obvious rationale as to why attendance at certain bodies do or do not qualify for a particular payment. Therefore, whilst it is proposed that the 'exceptions' and 'no payment' categories remain unaltered, the other two categories should be amalgamated, meaning that attendance at meetings of any of the bodies listed will qualify for travel payment. Any meeting outside the District will also qualify for a subsistence payment. These changes can be accommodated within the existing budget.
- 5.6 Attendance at Parish Council meetings should remain in the 'no payment' category.
- 5.7 Finally, the Panel supported inflation increases to all the allowances set out in track changes in Appendix C.

#### OTHER CONSIDERATIONS:

##### 6 CORPORATE STRATEGY (RELEVANCE TO):

- 6.1 The Panel's proposals are the outcome of the statutory requirement to review the Allowances Scheme as part of the modernisation process and in accordance with current regulations.

##### 7 RESOURCE IMPLICATIONS:

- 7.1 If adopted (and excluding any provision for pensions as discussed above), the proposals of the Panel would result in growth of 4.6%. This should be compared against growth of 8.85% had the allowances been increased each year from 2005/06 in accordance with the Scheme index. In financial terms, a growth bid of £28,000 is required, less £6,000 to take account of the fact that no individual can claim more than one SRA, giving a net growth figure of £22,000.
- 7.2 The current budget, prior to consideration of the Panel's Report, is set out below.

Description of Cost	2006/07 Budget £
Basic Allowance	319,030
Special Responsibility Allowances	135,370
Travel etc	23,700
Total	478,000

- 7.3 The net growth bid of £22,000 differs from the budget estimates in Report CAB1353. This is because the vacancy management element has been reduced from (£16,000) to a more prudent (£6,000) to allow for greater flexibility.
- 7.4 Report CAB1353 also includes a notional growth bid of £25,000 if Members were permitted to join the Local Government Pension Scheme. This was based upon an assumption of 25 Members (approx.) joining the scheme and only the Basic Allowance being eligible.
- 7.5 The actual amount could be significantly different – particularly if SRAs were also considered for inclusion. Much would depend on actual take-up.
- 7.6 Members would be responsible for meeting their share of the costs (currently 6%) from their allowance. However, the Council would have to meet the employers costs which for 2007/08 is estimated to be 16%.
- 7.7 The maximum potential cost to the Council if all Members took up the pension entitlement would be:-
- (a) Based upon the Basic Allowance only - £53,000
  - (b) Based upon Basic and Special Allowances - £76,000.

#### BACKGROUND DOCUMENTS:

Folder of Documents submitted to the Independent Remuneration Panel

#### APPENDICES:

Appendix A - Schedule from the current Members Allowances Scheme

Appendix B - Report of the Independent Remuneration Panel

Appendix C – Other Allowances



**Appendix A****BASIC AND SPECIAL RESPONSIBILITY ALLOWANCES 2006/07**

<b>Post</b>	<b>Maximum No of SRAs Suggested<sup>1</sup></b>	<b>Basic Allowance</b>	<b>Special Responsibility Allowance</b>	<b>Total Allowance per Member</b>	<b>SRA Totals</b>
<b>Basic Allowance</b>					
All Members		£5,589		£5,589	
<b>Band One</b>					
Leader	1	£5,589	£15,279	£20,868	£15,279
<b>Band Two</b>					
Deputy Leader with a Portfolio	1	£5,589	£9,165	£14,754	£9,165
<b>Band Three</b>					
Deputy Leader without a Portfolio	Not in current use	£5,589	£7,638	Not in current use	Not in current use
Cabinet Member with a Portfolio	6	£5,589	£7,638	£13,227	£45,828
Chairman of Principal Scrutiny Committee	1	£5,589	£7,638	£13,227	£7,638
Chairman of Planning (Development Control) Committee	1	£5,589	£7,638	£13,227	£7,638
Leader of Principal Opposition Group	1	£5,589	£7,638	£13,227	£7,638
<b>Band Four</b>					
Cabinet Member without Portfolio	Not in current use	£5,589	£6,111	Not in current use	Not in current use
<b>Band Five</b>					
Chairman of Personnel Committee	1	£5,589	£4,581	£10,170	£4,581
Chairman of Licensing & Regulation Committee	1	£5,589	£4,581	£10,170	£4,581
Chairman of Winchester District Local Plan Committee	1	£5,589	£4,581	£10,170	£4,581
<b>Band Six</b>					
Chairman of the Council	1	£5,589	£2,289	£7,878	£2,289
Chairmen of Task & Finish &/or Ad Hoc Working Groups/Panels with Significant Impact	3 <sup>2</sup>	£5,589	£2,289	£7,878	£6,867
Other Group Leaders	3	£5,589	£2,289	£7,878	£6,867
Vice Chairman of Planning (Development Control) Committee	1	£5,589	£2,289	£7,878	£2,289
Chairman of Standards Committee	1	£5,589	£2,289	£7,878	£2,289
<b>Band Seven</b>					
Chairmen of Scrutiny Panels	4	£5,589	£1,527	£7,116	£6,108
Sub Total Payable		£318,573			£133,638
Total Sum Payable					£452,211

<sup>1</sup> The maximum number of SRAs listed in the second column is for illustrative purposes only. The number of recommended SRAs that are payable at any one time to various post holders will vary in some instances depending on what SRAs are in effect based on changing political structures. The Panel has taken on board the statutory advice that no more than 50 per cent of the membership should be in receipt of a SRA at any one time. It has also adopted the principle that a Member can only draw down one SRA regardless of the number of posts held. For instance, if Council appoints the Leader of the Principal Opposition Group as Chairman of the Principal Scrutiny Committee (which has occurred in the past) he/she can only draw one SRA of his/her choice. This would be the relevant committee SRA or Opposition Group Leader SRA but not both. The variation in the number of SRAs being claimed at one time will affect the number of Task and Finish and/or Ad Hoc Working Groups and/or Panels that the Council can award a Band 6 allowance. There is a ceiling of no more than 28 Members in receipt of a SRA.

<sup>2</sup> The number of Chairmen of Task and Finish Groups/Panels that have been deemed by the Council to have significant impact could increase if one or more of the ascribed SRAs are not taken up.

**A Review  
Of  
Members' Allowances  
For  
Winchester  
City Council**

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**The 4<sup>th</sup> Report**

**Independent Remuneration  
Panel**

**Lynda Banister  
Roger Farrall  
Dr Declan Hall  
Richard Lindley  
Madeleine Sumsion**

**October 2006**

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## Foreword

This is the fourth report produced by the Independent Members Remuneration Panel for Winchester City Council. The original panel was appointed in December 2001 as a requirement of the Local Government Act 2000, whereby the Council was obliged to adopt new roles and responsibilities for Councillors and also to review Councillors' allowances to reflect those new roles and responsibilities. The recommendations of the Independent Panel in December 2001 were largely accepted by the Council. In January 2003 a further review was undertaken in light of actual experience of the new political structures and responsibilities for Members. The recommendations of the second review were once again accepted by the Council.

In compliance with the *Local Authorities (Members' Allowances) (England) Regulations 2003*<sup>1</sup> and subsequent amendments, the Panel was required to reconvene to make recommendations on certain associated allowances, e.g., travel allowances, before 31 December 2003. The recommendations (which did not result in major changes) were produced in September 2003 and the Council once again accepted the Panel's main recommendations, apart from the recommendation on pension provision.

The Panel (with a revised membership) is undertaking this fourth review, for two reasons. Firstly, the 2003 Regulations require that Winchester City Council review and implement a new allowances scheme every four years, so the City Council would have been required to hold a review during 2007 regardless and this review ensures that the legal requirement has been met in good time. Secondly, the other driver of this review is the perception that the nature of some posts has evolved over time and other minor issues have simply arisen since September 2003.

The recommendations contained in this report seek to address any anomalies in the current scheme, rather than revisit the fundamental framework upon which the scheme is based. The role of the Panel has been to assess the rate for being an elected Member, representing the diversity of communities that make up Winchester City and its towns and villages.

Dr Declan Hall  
Chairman of the Independent Remuneration Panel  
October 2006

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<sup>1</sup> See Statutory Instruments 2003 Nos. 1021, 1022 and 1692 for further details.

## Summary of Remuneration Panel's Recommendations

### MEMBERS ALLOWANCES SCHEME

#### BASIC AND SPECIAL RESPONSIBILITY ALLOWANCES (*with effect from 1/4/07*)

Post	No of SRAs Suggested <sup>2</sup>	Basic Allowance	Special Responsibility Allowance	Total Allowance per Member
<b>Basic Allowance</b>				
All Members		£5,800		£5,800
<b>Band One</b>				
Leader	1	£5,800	£17,400	£23,200
<b>Band Two</b>				
Deputy Leader with a Portfolio	1	£5,800	£9,491	£15,291
<b>Band Three</b>				
Deputy Leader without a Portfolio	Not in current use	£5,800	£7,909	Not in current use
Cabinet Member with a Portfolio	5	£5,800	£7,909	£13,709
Chairman of Principal Scrutiny Committee	1	£5,800	£7,909	£13,709
Chairman of Planning (Development Control) Committee	1	£5,800	£7,909	£13,709
Leader of Principal Opposition Group	1	£5,800	£7,909	£13,709
<b>Band Four</b>				
Band 4 is not in current use	Not in current use	£5,800	Not in current use	Not in current use
<b>Band Five</b>				
Chairman of Personnel Committee	1	£5,800	£3,164	£8,964
Chairman of Standards Committee	1	£5,800	£3,164	£8,964
Chairman of Licensing & Regulation Committee	1	£5,800	£3,164	£8,964
<b>Band Six</b>				
Chairman of the Council	1	£5,800	£2,373	£8,173
Other Group Leaders	3	£5,800	£2,373	£8,173
Chairmen of Scrutiny Panels	4	£5,800	£2,373	£8,173
Vice Chairman of Planning (Development Control) Committee	1	£5,800	£2,373	£8,173
<b>Band Seven</b>				
Chairman of Winchester Town Forum	1	£5,800	£1,582	£7,382
Chairmen of Task & Finish &/or Ad Hoc Working Groups/Panels with Significant Impact	See note 2 below	£5,800	£1,582	£7,382

## Independent Remuneration Panel

<sup>2</sup> The number of SRAs listed in the second column is for illustrative purposes only. The number of recommended SRAs that are payable at any one time to various post holders will vary in some instances depending on what SRAs are in effect based on changing political structures. The Panel has taken on board the statutory advice that no more than 50 per cent of the membership should be in receipt of a SRA at any one time. It has also adopted the principle that a Member can only draw down one SRA regardless of the number of posts held. For instance, if Council appoints the Leader of the Principal Opposition Group as Chairman of the Principal Scrutiny Committee (which has occurred in the past) he/she can only draw one SRA of his/her choice. This would be the relevant committee SRA or Opposition Group Leader SRA but not both. The variation in the number of SRAs being claimed at one time will affect the number of Task and Finish and/or Ad Hoc Working Groups and/or Panels that the Council can award a Band 7 allowance. There is a ceiling of no more than 28 Members in receipt of a SRA.

# Review of Members' Allowances

## For Winchester City Council

### Introduction: The Regulatory Context

1. The following report notes the proceedings and recommendations made by the Winchester City Council Independent Remuneration Panel.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* to make recommendations to the Council on a new scheme of Members' Allowances. These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an advisory Independent Remuneration Panel to review and provide advice on Members' allowances. All Councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'have regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

### Terms of Reference

3. The Panel was asked to "review the current Members' Allowances Scheme and advise the City Council upon a revised scheme, following consideration of all relevant factual evidence and representations made by Members." In addition, the Briefing Note requested the Panel to consider the following points:
  - (a) whether any posts should be added/deleted for SRAs – and if so at what rate and with effect from which date?
  - (b) a review of the rates and circumstances in which travel and subsistence should be paid under the City Council Scheme, and whether any amendments should also be made to the Parishes scheme.
  - (c) whether the principle of pensions for Members should be reaffirmed and, if so, should this be limited to certain categories and calculated on Basic only or Basic and Special Responsibility payments.

- (d) whether the Scheme inflation index remains appropriate to be used in future years?
  - (e) whether the Basic Allowance should be increased to reflect the fact that Members could be required, in the near future, to install/maintain Internet/Broadband services at their own cost?
  - (f) should there be any further amendments to the Scheme in the light of replies to the questionnaire circulated to all Members?
4. The Panel was subsequently asked during the interviews carried out with Members to specifically consider the following issues:
- whether there was a case to pay SRAs to members of Planning Development Control or Licensing and Regulation Committee.
  - consideration of broadening the definition of approved duties

#### **The Panel**

5. Winchester City Council appointed the following to its Independent Remuneration Panel, namely:
- Lynda Banister – Non-Executive Director of Winchester and Eastleigh Healthcare Trust, and a local resident
  - Roger Farrall – retired local government officer specialising in job evaluation and remuneration review, and a local resident.
  - Dr Declan Hall, Institute of Local Government, School of Public Policy, The University of Birmingham - an academic specialising in the field of Members' Allowances who was engaged by the Council and appointed by the Panel to act as Chairman.
  - Canon Richard Lindley – former Director of Education for the Winchester Diocese and now a Schools Adjudicator, and a local resident.
  - Madeleine Sumsion – Until 1 April 2006, the Regional Director of South East Employers, which provides advice on employment and management issues, including development in Council structures and the impact of the Local Government 2000. Madeleine sat on a number of allowances panels during her time as Regional Director and now acts as an associate consultant for SEE dealing with members allowances.
6. The Panel had the support of Chris Ashcroft, Assistant City Secretary, who acted as the 'Panellists' Friend' and whose role was to service the Panel, and take the organisational lead in facilitating the whole process.

7. The Panel would like to record its gratitude to the Members and Officers of Winchester City Council for making themselves available to talk to the Panel and ensuring the work of the Panel was supported in an efficient and effective manner. In particular, special appreciation is reserved for Chris Ashcroft who was central in ensuring the Panel met its deadlines.

### **Methodology**

8. The Panel met at the Mayor's Parlour, Guildhall, Winchester, on 27 and 28 September 2006.
9. The Panel meetings and deliberations were held in private session, so as to enable it to meet Members and Officers in confidence. The details of the elected Members and Officers of the Council who met with the Panel are provided in Appendix 1.
10. All Members had the opportunity to fill out a questionnaire and the Panel was presented with a summary of the returns. All the information and evidence submitted to the Panel, both orally and in writing, was taken into account in formulating the Panel's recommendations.
11. The Panel's activity fell into four parts:
  - **One:** Review of background information on Winchester City Council, i.e., political structures and composition; roles and responsibilities of Members; a briefing on recent changes to the Council, and previous allowances reports for the Council.
  - **Two:** Interviews with Members of the Council
  - **Three:** Review of oral and written submissions, and analysis of the members' questionnaire returns, allowances schemes from relevant councils (see Appendix Two for full list of information reviewed by the Panel)
  - **Four:** Arriving at recommendations and drafting and redrafting of report to the agreement of the Panel.

### **Principles of the Review**

12. The Panel, as far as possible, was guided by the previous reviews and was concerned with seeking out anomalies in the current scheme, rather than carrying out a 'root and branch' review.

13. The Panel developed a number of guiding principles, namely: that the Winchester City Members' Allowances Scheme should seek to
  - Be more transparent in what Members receive and what is expected from them in return;
  - Provide reasonable recompense for the various roles and responsibilities held by Members;
  - To allow most people considering standing for Council to do so without suffering financial hardship;
  - Be at a sufficient level to retain experienced and competent Members;
  - To ensure that an Opposition was resourced.
  - To retain the principle that Members should only draw down one allowance and that SRAs should be restricted to no more than 50% of Members. This is in accordance with the guidance which has regard to the views of the public if a high percentage of Members were in receipt of a SRA.

## **The Evidence Reviewed and Recommendations**

### **A Robust Foundation**

14. The Panel observed that the allowances scheme for Winchester City Council was still broadly appropriate in structure and scope. In particular, the questionnaire returns and the interviewees confirmed that the current framework had stood the test of time.
15. The Panel was convinced that the Members' Allowances Scheme needed amendment rather than fundamental reformation.

### **The Basic Allowance**

16. The Panel noted that the Basic Allowance for 2006/07 (£5,589) compares favourably with other districts in both the South East and Hampshire, but then both the Council and the Panel expects a lot in return for that favourable Basic Allowance. It was originally set at a relatively high level as the number of SRAs paid by the Council has been limited historically.
17. The Panel further noted that the Basic Allowance has not been indexed for the past 2 years and, if it had have been indexed, the Basic Allowance for 2006/07 would now be £5,892. This was a political decision and, as such, the Panel has no comment to make on this. However, it did provide a marker for the Panel to consider as an appropriate basis for recommending the Basic Allowance for the forthcoming financial year.



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## Recalibrating the Basic Allowance?

18. To cross check, the Panel replicated the methodology utilised by the Panel in the 2001 review, to arrive at the Basic Allowance with updated variables.
19. In 2001, the three variables and their values used in arriving at the Basic Allowance were:
  - I. Time Necessary to fulfil role: 728 hours per year (or 14 hours per week)
  - II. Public Service Discount: one third or 243 hours per year
  - III. Rate for Job: South East Average Salary (2000 - £10.85 p/hour) (Source: Office of National Statistics)

### Expected Minimum Time Inputs

20. The time deemed necessary in 2001 to fulfil the role of ordinary Member was 728 hours per year (or 14 hours per week), recognising that as a voluntary role some Members were and are in position to and do put in more hours. The Panel did not receive any evidence that 728 hours per annum as a minimum expected time input is no longer appropriate in 2006.

### Public Service Discount

21. The Panel originally discounted 243 hours, or one third of the hours deemed necessary to fulfil the role, for public service. In other words, one third of the expected time commitment was to be given as *pro bono publico*. This requirement is also included in the statutory guidance and, since 2001, has become known as the public service discount and has settled down to around the one third mark nationally. The Panel was content that 485 remunerated hours per year for which to calculate the Basic Allowance was still appropriate.

### Rate for the Job

22. The third variable was to apply a rate for the job to the remunerated (485) hours. The 2001 Panel applied the South Eastern average hourly salary as the rate for the job, which in 2000 was £10.85. The Panel noted that it could have applied the Local Government Association (LGA) daily session rate, which is published annually by the LGA. Whilst not the officially sanctioned rate of what the LGA deems Councillors are worth, it is a rate that the LGA suggests allowances panels may find useful. It has been used extensively by panels for arriving at their recommended Basic Allowances. This rate was

originally based on the national average male non-manual salary which was approximately £17 per hour in 2001. It has now reached £18 per hour. The LGA now uses a slightly different version of their original daily session rate. Notwithstanding the methodological meanderings of the Office of National Statistics, the LGA daily session rate for 2006 is £133.80 per day (LGA Circular 28 February 2006 *Members' Allowances*). The Panel has divided this daily rate by 8 hours per working day to arrive at an hourly rate of £16.73 per hour.

23. The means by which average salaries are collected and collated have altered since 2004 and now the Annual Survey of Hours and Earnings publishes the average hourly salary in Winchester area (a figure that was not available to the Panel previously). The Panel decided that the 2005 (latest year for which figures are available) average hourly salary for Winchester is the appropriate up dated rate for the job. This figure is £11.96 per hour.

### **The 2006 Formula**

24. The only changed variable in 2006 is the rate for job. Thus, the Basic Allowance by using the 2005 rate for the job was arrived at by the following formula:

- Time Required – Public Service Discount X Rate for Job (2005)  
= 728 hours – 33.33% = 485 hours X £11.96 per hour = £5,801

25. The Panel felt that the difference between the indexed 2006/07 **Basic Allowance (£5,892)** and the up rated **Basic Allowance (£5,801)** using the 2005 rate for the job, was so marginal that the recalibrated figure is the one this Panel will recommend, fractionally rounded down for general ease of reference to make it **£5,800**.
26. The Panel recommends that the **Basic Allowance for 2007/08 is £5,800**. It notes that it could be indexed for the next financial year, but it has not done so, as that is for the Council to decide. However, when making this decision, the Panel had regard to national and regional benchmarking data.

### **The Role of the Leader**

27. The Panel noted that the Leader's current SRA (£15,279) also compares favourably against peers in the South East and Hampshire. Originally the 2001 Panel assessed the size of the role of Leader as being a half time equivalent and then paid it at the mean male non-manual salary for the South East. This salary rate is no longer gathered. Moreover, the evidence received by the Panel was that the Leader's post, while not necessarily full time, was the one post that had

definitely grown in size and responsibility over the past three years<sup>3</sup>. If the Council had indexed the Leader's post over the past 2 years, it would now be paid £16,107 for 2006/07 and, assuming an index of at least 2.5 per cent, £16,510 for 2007/08, which is the operative year for this review. There was broad consensus amongst the interviewees that the post of Leader was under-remunerated, bearing in mind what was required from the Leader.

28. The Panel decided to move away from a time based approach in arriving at the Leader's recommended SRA, because arriving at an appropriate rate for the job is more difficult, due to how the government collects the relevant data. While it is clear that the size of the post has increased, a straight time-based approach is hard to maintain. Increasingly, Panels factor the Basic Allowance to arrive at their Leader's SRA for reasons of simplicity and transparency (it is also an approach suggested in the statutory guidance).
29. The question then became what factor should the Panel apply to the Basic Allowance? The Panel decided that the appropriate factor should be 3. In other words, in arriving at the recommended SRA for the Leader, the Panel multiplied the recommended Basic Allowance by three, which produces **a recommended SRA of £17,400**.
30. The reason a factor of three was chosen is because it appears the broadly acceptable Basic Allowance/Leader's SRA ratio across England. The IDeA (Improvement and Development Agency) survey from 24 February 2004 (based on data collected at end of 2003) shows that, no matter what the type of authority, the average Leader's SRA is three times that of the average Basic Allowance. This is a pattern that holds true for district councils in the South East and in Hampshire, based on the information supplied to the Panel by the South East Employers Organisation.

### **Arriving at the Other SRAs – Leader as 110 Per Cent**

31. As stated above, the Panel felt that the Leader was the post that had been subject to the most change. Therefore, rather than alter the previous ratios utilised in arriving at other SRAs, it decided to maintain the current ratios based on the Leader's SRA as it would have been with no change. This meant viewing the recommended Leader's SRA as 110 per cent of 'normal', with normal being £15,818 (the Leader's recommended SRA divided by 1.1). Thus all other SRAs are calculated as a ratio based on £15,818, which is similar to what the Leader's SRA would have been, if it had been indexed.

### **The Post of Deputy Leader with Portfolio**

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<sup>3</sup> The Panel accepts that other executive posts *may* have grown since the last review but no firm evidence or representation was presented to the Panel making such a case.

32. The Panel received no evidence or representations that the post of Deputy Leader (with portfolio) had changed since the last review. The previous Panel had assessed it at 60 per cent of the size of the Leader's role. But although the Panel had increased the sizing of the Leader's post, the Panel has maintained the 60 per cent sizing for the Deputy Leader, in relation to the Leader's recommended SRA at 'normal', or £15,818.
33. The recommended SRA **for the Deputy Leader is £9,491 for 2007/08**. The Panel notes that if this allowance had been indexed for the past two years it would have been £9,662 for 2006/07. It is acknowledged that the recommended figure is less than the index for 2006/07 – and more so if the 2007/08 index was applied. However, when making this decision and the following decisions on SRA's, the Panel had regard to national and regional benchmarking data.

### **Cabinet Members – Portfolio Holders**

34. The Panel received no evidence or representations that the roles of Cabinet Members who are Portfolio Holders had changed since the last review. The previous Panel had assessed it at 50 per cent of the size of the Leader's role. But although the Panel has increased the sizing of the Leader's post, the Panel has maintained the 50 per cent sizing for the Cabinet Members with Portfolios.
35. The recommended **SRA for the Cabinet Members with Portfolio is £7,909 for 2007/08**. The Panel notes that if this post had been indexed for the past two years it would have been £8,052 for 2006/07.

Other Posts Currently in Receipt of SRAs at 50% of Leader's SRA

36. **The Panel also felt that there was no reason to change the relative value in SRAs for the following roles:**
- Deputy Leader without Portfolio: **maintain at 50%** £7,909
  - Chairman of Principal Scrutiny (including Audit): **maintain at 50%** £7,909
  - Principal Opposition Group Leader: **maintain at 50%** £7,909
  - Chairman of Planning Development Control: **maintain at 50%** £7,909.
37. The Panel also notes that if these posts had been indexed for the past two years they would also be remunerated at £8,052.

### **Cabinet Member without Portfolio**

38. Currently this post is paid £6,111, which is set at 40% of the Leader's SRA. The Panel received no evidence about this post to make an assessment, mainly because the post does not exist and original recommendations were put in place in case such a post was set up,

which was only the case in Winchester when there was a multi-party Cabinet. As the post is not in use, nor any evidence received indicating what it might look like, **the Panel has decided not to make any recommendation and it is dropped from the current list of SRAs payable.** If it was re-instituted, the Council could pay it at the 40% Band 4 (£6,327) and ask the Panel to undertake a retrospective review when the role has been in place for a year or so.

### **Chairman of Personnel Committee**

39. Currently, the Chairman of the Personnel Committee is remunerated at 30% of the Leader's SRA. The reason it is relatively high was to deal with personnel functions that government determined could not be assigned to the Executive. The evidence received indicated that the responsibility of this post has not been maintained and has settled down to 5-6 meetings per annum. As a result, the Panel has decided to reduce the ratio of this SRA down to 20% of the Leader's 'normal' SRA.
40. The recommended **SRA for the Chairman of the Personnel Committee is £3,164.**

### **Chairman of Licensing and Regulation Committee**

41. Likewise, the role of the Chairman of the Licensing and Regulation was originally paid a SRA set at 30% of the Leader's SRA, on the grounds that the transfer of the liquor licensing function would create a major increase in the work of this Committee. Indeed, the Licensing Act 2003 did lead to an increase in the work of this Committee, but it has largely settled down now the period of transition is over and the evidence received by the Panel indicated that the role is not as large as it once was. In particular, there was a wider Panel of Members to chair sub-committee meetings dealing with individual cases. Thus, the Panel has decided to reduce the ratio of this SRA down to 20% of the Leader's 'normal' SRA. The Panel further notes that the impending Gambling Act 2005 might impact on work and responsibility of the Licensing and Regulation Committee, but that will be an issue for a future review to address.
42. The recommended **SRA for the Chairman of the Licensing and Regulation Committee is £3,164.**

### **Chairman of the Standards Committee**

43. Currently the Chairman of the Standards Committee receives a SRA set at 15% (or £2,289) of the Leader's SRA. There have been two important changes regarding the role and function of Standards Committees in English local government. First, they have received the power to determine some complaints and, secondly, the power to investigate some complaints against alleged breaches of the code of

conduct for Members. Potentially, this is a substantial enhancement of the responsibility of the Chairman of the Standards Committee. Although it is not expected that Winchester City Council will have to deal with many complaints, some have occurred and the Standards Committee has exercised the local powers devolved to it by the Standards Board for England. The Panel decided that this SRA merited an uplift to place it on par with the other similar regulatory committee roles, i.e., from 15% to 20% of the Leader's 'normal' SRA.

44. The recommended **SRA for the Chairman of the Standards Committee is £3,164.**

#### **Chairman of the Council (The Mayor)**

45. The Chairman of Winchester City Council is paid a SRA (£2,289) set at 15% of the Leader's SRA. The Panel received no evidence to indicate that this ratio was inappropriate and recommended that it should continue to be paid at 15% of the Leader's 'normal' SRA.
46. The recommended **SRA for the Chairman of the Council is £2,373.**
47. The Panel notes that it received a number of comments and representations on the level of the Civic Allowance paid to the Mayor and Deputy Mayor, insofar that the views expressed felt the Civic Allowances were insufficient. The Civic Allowances are outside the remit of the Panel, but it suggested that the Council review the level of payments of the Civic Allowances.

#### **The Scrutiny Panels**

48. The five Performance Improvement Committees (PICs) have been replaced by four Scrutiny Panels. The Scrutiny Panels continue to give a structure which provides a robust overview and scrutiny framework to cover the Council's main service areas. They also maintain an enhanced level of financial and operational monitoring of the Council's key activities. In addition, the Scrutiny Panels undertake specific scrutiny tasks at the request of Council, Cabinet, or Principal Scrutiny Committee, which has led to a not insubstantial work programme of in-depth reviews. They are also different from the PICs in that they have tried to avoid routine double handling of a number of policy reports, which previously had been automatically referred by Officers for 'pre-scrutiny' before Cabinet decision.
49. As a result of this reconfiguration of the scrutiny function and resulting increase in responsibility, the Panel has decided that the SRA for the Chairmen of the Scrutiny Panels should be up lifted from 10% to 15% of the Leader's 'normal' SRA.

50. The recommended **SRA for the Chairmen of the Scrutiny Panels is £2,373.**

### **Winchester District Local Plan Committee**

51. Presently, there is provision in the Scheme to pay a SRA to the Chairman of the Winchester District Local Plan Committee. It is set at 30% of the Leader's SRA. However, the scope and remit for this function is set to alter. It may become the responsibility of a Cabinet Committee, which would be chaired by the relevant Cabinet Member, whose remuneration includes an expectation to chair relevant committees. Alternatively, it could evolve into a scrutiny function, in which case the Chairman of the Local Plan Scrutiny Panel should be paid a SRA at the same level as other Scrutiny Panel Chairmen, or £2,373. **In view of these uncertainties, it is recommended that the position be deleted from the Scheme.**

### **Vice Chairman of the Planning Development Control Committee (PDC)**

52. The only Vice Chairman that currently receives a SRA in Winchester City Council is the Vice Chairman of the PDC Committee. This is on the basis that it is of such high profile that the Vice Chairman merits an allowance which recognises the need to support the Chairman. It is presently set at 15%, and the Panel received no evidence that it should be amended.
53. The recommended **SRA for the Vice Chairman of the PDC is £2,373.**

### **Other Group Leaders**

54. Presently, all Other (apart from the Principal Opposition) Group Leaders receive a SRA paid at 15% (£2,289) of the Leader's SRA. The Panel received no evidence to suggest that this ratio is no longer appropriate and therefore should continue to be paid at 15% of the Leader's 'normal' SRA. It notes the Winchester practice for this allowance to be paid to a Member of the majority party as a role which is separate to that of the Leader of the Council.
55. The recommended **SRA for the Other Group Leaders is £2,373.**

### **Chairmen of Task and Finish Ad Hoc Working Groups**

56. The Scheme currently includes provision for paying a SRA to Chairmen of Task and Finish Ad Hoc Working Groups, as long as the maximum number of SRAs payable at any one time does not exceed 28, which is 50% of the total membership of the Council. It was a provision introduced to enhance flexibility into the Scheme, without reference back to the Independent Remuneration Panel.

57. Presently, the rate for Chairmen of the Task and Finish Ad Hoc Working Groups are paid a SRA set at 15% (or £2,289) of the Leader's SRA. The Panel received evidence that this ratio was probably too high in light of the level of responsibility carried by the Chairmen. The Panel decided to reduce this SRA to 10% of the Leader's 'normal' SRA.
58. **The recommended SRA for the Chairmen of the Task and Finish Ad Hoc Working Groups is £1,582.**

### Consideration of Further SRAs

#### Chairman of Telecommunication Sub Committee

59. The Panel was asked to consider whether there was a case to recommend a SRA for the Chairman of the Telecommunication Sub Committee. This Sub Committee is charged with overseeing applications to site masts for mobile phones. The Panel was informed that it meets as and when necessary, but recently the tranche of work undertaken has decreased. Consequently, **the Panel decided not to recommend a SRA for the Chairman of the Telecommunication Sub Committee. However, the Panel further recommends that if this Sub Committee does undertake a programme of work beyond what is considered normal, then the Chairman should be paid a SRA under the provision for Chairmen of the Ad Hoc Task and Finish Working Groups, until that 'beyond normal' programme of work has been completed.**

#### Chairman of Winchester Town Forum

60. Again, representation was made to the IRP to award a SRA to the Chairman of the Winchester Town Forum. While formally a committee of the Council, in essence this body undertakes some functions of a 'parish' nature, in the absence of a formal town council. It has a scheduled programme of work and has a delegated discretionary budget of £20,000 for small grants, etc. It also acts as the principal forum to consult the public in Winchester.
61. As a result of the on-going programme of work for the Winchester Town Forum, the Panel decided to recommend a SRA for the Chairman of the Winchester Town Forum. **The Panel further recommends that this SRA should be set at 10% of the Leader's 'normal' SRA, which is £1,582.**

#### Ordinary Members of the Planning Development Control (PDC) Committee

62. The Panel heard representations that the ordinary Members of the PDC Committee should be paid a small SRA, on the grounds that the



workload for this Committee is higher than all other committees and that it has a high profile. The Panel accepts it is a high profile committee – one reason that the Vice Chairman of the PDC Committee is the only Vice Chairman to be paid a SRA. However, the Panel takes the view that the level of responsibility associated with membership of the PDC is not particularly high, as it is essentially constrained by statute and regulation. Moreover, the Panel was not necessarily convinced that the extra workload merited monetary remuneration; on the information presented to the Panel, it calculated that a member of the PDC Committee had an average commitment of less than 5 hours per week. **The Panel does not recommend that ordinary Members of the PDC Committee receive a SRA.**

### **The Licensing and Regulation Committee – Sub Committee Chairmen and Ordinary Members**

63. The Panel also received representations that the Licensing Sub Committee Chairmen and the ordinary Members should receive a SRA, on account of their extra workload and responsibility. The Panel feels that the arguments applied to the ordinary Members of the PDC Committee also apply to these posts, in that the extra workload and responsibility is not sufficient to merit a SRA. **The Panel does not recommend that the Sub Committee Chairmen and ordinary Members of the Licensing and Regulation Committee receive a SRA.**

### **Co-optees Allowance**

64. The 2003 Regulations permit the payment of a Co-optees' Allowance to people appointed to the Council's committees and working groups as co-opted non-elected members. Winchester City Council appoints statutory Co-optees to the Standards Committee and there are also non-statutory Tenant (TACT) co-opted representatives on the Social Issues Scrutiny Panel. It was noted that the questionnaire evidence generally supported the payment of a Co-optees' Allowance.
65. **The Panel continues to support the payment of the Co-optees' Allowance**, as it helps remove a potential barrier to public service, while at the same time the payment of such an allowance should not be a motivating factor for candidates to become co-optees. Moreover, the Panel recognises that it does not impose an undue financial burden on the Council, as there are only a limited number of Co-optees on the Council.
66. The Regulations specify that the Co-optees' Allowance must be paid as a specified sum. The Panel noted that the number of meetings and general level of work had not altered significantly and therefore decided **that the current levels of remuneration were adequate, subject to**

**an appropriate uplift.** It will be for the Council to determine whether that increase should be based upon the same rates used to index the Allowance figures in the current scheme, and whether to include any additional inflation uplift for 2007/08.

67. The Panel further recommends that this allowance continues to be subject to the annual index that is applied to the Members' Allowances.
68. The Panel notes that TACT does not support the introduction of a Co-optees allowance at this time, but the Panel thought that it should recognise the value of their work. It is for the Council to decide, after consulting TACT, whether it is appropriate to create the allowance. Thus, the Panel in principle recommends the payment of a Co-optees' Allowance to TACT representatives. The Panel also points out that even if such an allowance was put in place the TACT representatives would be able to decline accepting their Co-optees' Allowance.
69. With regard to the Standards Committee, an Independent Member may be appointed as the Chairman (which is currently the case at the City Council) and that person is entitled by law to receive the same SRA as would have been payable to a 'councillor chairman'. For the other co-optees on this Committee, payment should be on the same basis as for TACT representatives.

#### **The Dependants' Carers' Allowance (DCA)**

70. The Panel was informed that the Dependants' Carers' Allowance (DCA) was not widely utilised or was not widely known about. The Panel feels that the DCA is an important tool in helping to reduce barriers to public service for serving and potential Councillors. **The Panel recommends that the DCA is widely publicised both within the Council and across the City area, so all Members and potential Members or candidates are aware that they are able to obtain support if they have caring responsibilities.**
71. The Panel notes that the current maximum claimable under the DCA is £7.70 per hour for actual costs incurred. **The Panel recommends that this sum continues to be subject to the annual index that is applied to the Members' Allowances in the current scheme. Again, it is for the Council to determine to what level that index is applied.**

#### **The Local Government Pension Scheme**

72. In the third report by the IRP in September 2003, the Panel recommended that the Members should be able to join the Local Government Pension Scheme (LGPS) if they so wish (see paragraphs 62-66). The Council chose not to accept this recommendation,

therefore preventing membership of the LGPS by the Councillors on Winchester City Council.

73. Again, the Panel feels that the provision of pensionable allowances is another means to reduce barriers to public service. Therefore, it supports the principle that elected Members should be able to contribute to a pension scheme (and also the Council). Once this principle has been enunciated, the Panel has no choice but to re-recommend to the Council that it should permit its' elected Members, if they so wish, to join the LGPS.
74. **Therefore, the Panel re-recommends that Members should be allowed to join the LGPS and that the Council does not remove this option for current and future Members. It is noted that, in reality, most Members would probably not exercise their right (if it existed) to join the LGPS. However, it should be for Members to decide suitability and make decisions, taking into account their own personal circumstances, not the Council. If the right to join the LGPS is introduced, then it should be calculated on the basis of Basic and Special Responsibility Allowances.**

#### **Provision of Broadband Access and Second Telephone Lines**

75. The Panel has been asked to consider changing how the Members are provided with Broadband access. One view was to include an additional sum in the Basic Allowance for Members to make their own Broadband provision, and for the Members to seek out the best deal that suited each individual's circumstances. However, **the Panel recommends that the provision of Broadband to Members is maintained by the Council for individual Members outside the Allowances Scheme.**
76. The Panel noted that by including a notional sum in the Basic Allowance, it could potentially lead to the Council paying for non-access if a Member did not actually connect to the Broadband system. By providing direct provision to Broadband for Members, the Council can ensure all Members have a stable and common platform and there is no break in provision with a continuity that is not subject to business vagaries. **This does not preclude the Council from seeking a better deal with a Broadband provider. It also means that there is no need for the Council to provide a second telephone line where a Member is already provided with Broadband access. It may wish to review its policy on Broadband re-imburement but outside the Members Allowances Scheme.**

#### **The Definition of Approved Duties**

77. The Panel was asked to consider the current approved duties for which Members could seek reimbursement of relevant expenses, such as

travel and subsistence, as the current list, it was suggested by some, was too restrictive. In particular, representation was made to the Panel that Members were out of pocket in fulfilling their duties as an elected Councillor, particularly for attending Parish Council public meetings.

78. The Panel is not qualified to make pronouncements on what qualifies as an 'approved' duty and what does not. It does point out what the 2003 Regulations define as an 'approved' duty, which are (see 2003 Statutory Guidance paragraph 19):

The Regulations provide that travelling and subsistence allowances may be paid for:

- a meeting of the executive
- a meeting of a committee of the executive
- a meeting of the authority
- a meeting of a committee or sub-committee of the authority
- a meeting of some other body to which the authority make appointments or nominations
- a meeting of a committee or sub-committee of a body to which the authority make appointments or nominations
- a meeting which has both been authorised by the authority, a committee, or subcommittee of the authority or a joint committee of the authority and one or more other authorities, or a subcommittee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups)
- a meeting of a local authority association of which the authority is a member
- duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened
- duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises
- duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996
- any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.

79. However, the Panel does not want any Member to be out of pocket by fulfilling their representative role and **suggests that the Council revisit its current list of bodies and activities that are defined as**

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**'approved' duties** to ensure Members are not being penalised by fulfilling their expected roles and responsibilities as locally elected representatives.

80. The Panel also re-confirms the use of AMAP (or Revenue and Customs) rates for the payment of the mileage allowance. It is the most tax efficient mechanism.
81. **The Panel also re-confirms the current subsistence arrangements; it has reviewed the current Council policy on claiming the subsistence allowances and notes it is in line with original Panel recommendations and intent from previous reviews. Again, it is for the Council to determine to what extent subsistence payments should be increased having regard to the index used elsewhere.**

#### **Indexation, Implementation and Further Reviews**

82. **The Panel recommends that the Council should continue to link the Basic Allowance, SRAs, Co-optees' and Dependants' Carers' Allowance, together with subsistence rates, to the annual percentage increase in salary for Officers of Winchester City Council as agreed each April (linked to spinal column point 49 of the NJC scheme) or the Retail Price Index (RPI), whichever is less.**
83. **The index should be implemented at the start of each municipal year from 2008 for a further three years, or until the Council seeks a further review, whichever is less.**

#### **Implementation of Recommendations**

84. **The Panel recommends that any alteration in allowances following this report should be from 1 April 2007.**

**Appendix One: Councillors and Officers who Met with the Panel**

Cllr Frederick Allgood: Portfolio Holder for Finance & Resources  
(Conservative)

Cllr George Beckett: Leader of the Council  
(Conservative)

Cllr Georgina Busher: Leader of the Independent  
Group

Cllr Therese Evans: Leader of the Liberal Democrat  
Group

Cllr Peter Rees: Leader of the Labour Group

Cllr Harry Verney: Backbencher  
(Conservative)

Stephen Whetnall (LLB Hons): City Secretary and Solicitor

## Appendix 2: Information and Evidence Considered by the Panel

1. A briefing Note on the Council for the Panel
2. 2003 Regulations and Guidance for panels issued by Office of Deputy Prime Minister (ODPM)
3. Report of the Panel (issued December 2001)
4. Second Report of the Panel (issued January 2003)
5. Third Report of the Panel (issued September 2003)
6. Winchester City Council Members' Allowances Scheme 2006/07
7. District Ward and Parish Map
8. Distribution of Committee seats
9. Timetable of Council and committee meetings 2006/07
10. List of Committee, Sub Committees and Groups 2006/07
11. Press Notice re: Members Allowances – Payments Received 2005/06
12. Members Accountability Statements and Role Definitions
13. Terms of Reference of Scrutiny Panels and Winchester Town Forum
14. Scrutiny Work Plan 2006/07
15. Committee Structure 2006/07
16. South Employers Organisation, summary of allowances paid in South East, May 2006
17. Average Allowances for Hampshire Authorities May 2006
18. Current Allowances adjusted by index uplift for 2005/06 and 2006/07 (had that been approved by the Council)
19. Provision of Broadband to Members – Note from Director of Finance
20. Members Travel and Subsistence Claims 2005/06
21. Guidance on Pensions
22. Copy of presentation by Dr Declan Hall on allowances reviews and patterns post-2003
23. Analysis of Responses to Members' Allowances Survey Questionnaire August 2006
24. Written submission from Cllr Harry Verney
25. An analysis of frequency and duration of meetings regarding the following committees:-
  - (a) Planning Development Control
  - (b) Standards
  - (c) Personnel Licensing and Regulation
  - (d) Licensing and Regulation
  - (e) Winchester District Local Plan

**Appendix C****OTHER ALLOWANCES – with effect from 1 April 2007~~23 June 2004~~**

Type of Allowance:		(£)
<b>Travel</b>		
Travel within District	Cars and Vans	40p a mile
	Motor Cycles	24p a mile
	Bicycles	20p a mile
Travel outside District	Cars and Vans	40p a mile (subject to most effective mode of transport for reasonable needs of Member)
	Air Travel	Not to exceed public transport (eg train fare) unless prior approval obtained
All Journeys	Ferry	Economy class fare or reduced rate
	Rail	2 <sup>nd</sup> class fare or reduced rate
	Taxi or Private Hire	Fare and reasonable gratuity (bus or train rate if use of taxi/private hire optional)
	Hired car	Prior approval - actual cost. Otherwise normal mileage rates
	Bus	Ordinary or cheap rate fare
	Car Parking	Actual cost
	Additional mileage rate for Members carrying other Members in their vehicles	5p a mile (per passenger up to 4 max.)
<b>Subsistence</b>		
Subsistence within District	Breakfast	<u>5.055.51</u>
	Lunch	<u>6.957.59</u>
	Tea	<u>2.742.99</u>
	Evening Meal	<u>8.609.39</u>
Subsistence outside District		Rates as above where possible
Overnight stay outside District		<u>81.9089.45</u>
Overnight stay – London		<u>93.40102.00</u>
<b>Dependants' Carers' Allowance (to include childcare):</b>		
Actual fees, up to		<u>7.708.40</u> per hour



**Co-optees' Allowances:**

| Independent and Parish Representatives on Standards Committee

~~231.00~~252.00pa

