

GOVERNANCE COMMITTEE

Agenda Item 74

Brighton & Hove City Council

Subject:	Review of Members' Allowances		
Date of Meeting:	20 March 2012	Governance Committee	
	26 April 2012	Council	
Report of:	Independent Remuneration Panel		
Contact Officer:	Name: Mark Wall	Tel: 29-1354	
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Ward(s) affected:	All		

FOR GENERAL RELEASE

Note: The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that the following urgent meetings of the Independent Remuneration Panel their report could not be finalised in time to meet the deadline for the despatch of the agenda papers.

1. SUMMARY AND POLICY CONTEXT:

- 1.1 Full Council at its meeting on 15 December 2011 agreed to adopt new governance arrangements and move from the Leader and Cabinet model to a Committee System. The Council is due to consider a report in April which if approved will lead to the committee system being adopted along with a new constitution and that being effective from the Annual meeting in May, 2012.
- 1.2 The Panel has therefore been asked to consider the implications for the Special Responsibility Allowances paid to councillors with specific positions held in the new governance arrangements.

2. RECOMMENDATIONS:

- 2.1 That the Council be recommended to approve the following:
- 2.2 That the Special Responsibility Allowance for the Leader's position remain at the current level of £28,758 as outlined in paragraph 3.4 and appendix 1 to the report;
- 2.3 That the Special Responsibility Allowance for the two Deputy Leaders' positions remain at the current level of £17,254 as outlined in paragraph 3.4 and appendix 1 to the report;
- 2.4 That the Special Responsibility Allowance of £10,967 be payable to the Chairs of Committees as outlined in paragraphs 3.6 to 3.9 and appendix 1 to the report;

- 2.5 That a Special Responsibility Allowance of £8,626 be payable to the Deputy Chair of Policy & Resources (with responsibility for Finance & Resources), as outlined in paragraph 3.7 of the report;
- 2.6 That a Special Responsibility Allowance of £3,594 be payable to the Deputy Chairs of Planning and Licensing Committees, as detailed in paragraph 3.9 of the report;
- 2.7 That the Special Responsibility Allowance of £2,156 for the Deputy Chairs of Committees be payable as outlined in paragraphs 3.6 – 3.9 and appendix 1 to this report.
- 2.8 That a Special Responsibility Allowance of £2,156 be agreed for the four positions of Opposition Spokesperson as outlined in paragraph 3.10 of the report.
- 2.9 That the remaining aspects of the current Members' Allowances Scheme be retained and with the inclusion of the changes in SRA's as outlined above, (paragraphs 2.2 – 2.8) form the Members Allowances scheme 2012/13 set out at appendix 2 to take effect from 18 May 2012.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

Allowances:

- 3.1 Following the Council's decision in December to move to a committee system under new governance arrangements, the need to review Members Allowances became a requirement, in order that they reflected the change in positions to be held by Members.
- 3.2 The Panel have noted the proposed committee structure and reviewed the changes that have resulted in the positions held by Members e.g. with the removal of the Cabinet and the creation of various committees. The Panel have looked at the implications of the changes for Members Allowances as a whole and determined that there was only a need to review the Special Responsibility Allowances identified within the current scheme.
- 3.3 The Panel have met with the three Group Leaders and Councillor J. Kitcat as the Cabinet Member for Finance & Central Services. The Panel were also mindful of the saving of £23k identified in the budget for the cost of allowances overall and also held a unanimous preference to keep the number of SRA's as close as possible to the recommended level of 27 for the City Council.
- 3.4 Having looked at the information the Panel felt that the Leader of the Council's allowance and those of the Deputy Leaders' remained at an appropriate level and recommend their retention of £28,758 pa and £17,254 respectively.
- 3.5 The Panel also feel that the allowances paid to the Leader of the Opposition, the Deputy Leaders of the Opposition and Leader of the Minority Group should remain unchanged at the current time (see appendix 1).

- 3.6 In looking at the change from Cabinet to Committee, the Panel have recognised that Special Responsibility Allowances would need to be attributed to the positions of Chairs and Deputy Chairs of Committees. At this time, the Panel do not feel it is possible to fully consider the implications of the change in role from a Cabinet Member to that of a Committee Chair under the new governance arrangements. However, in taking into consideration the levels of allowances paid under the previous committee system, as well as information obtained as part of its last review, the Panel have concluded it would be appropriate to recommend an SRA of £10,927 for the role of a Chair of a Committee and £2,156 for a Deputy Chair.
- 3.7 The Panel noted that within the previous schemes under a committee system, the role of Deputy Chair of P&R and Chair of Finance Sub-Committee was set at a higher level. It further noted that there was an intention to only have one Deputy Chair of P&R (with responsibility for Finance & Resources) in the new governance arrangements and in this regard concluded that an SRA of £8,626 would be appropriate.
- 3.8 The Panel noted that the role of the Planning and Licensing Committees had not altered and therefore recommend that the Chairs' SRA's should remain at their current respective levels.
- 3.9 The Panel also noted that the number of Licensing Panels had continued at a significant level. It felt that there was a need to recognise the importance of these and the benefit of having them chaired by either the Chair or Deputy Chair of the Licensing Committee should be recognised. In so doing, the Panel considered the role of the Deputy Chair of the Planning Committee and having previously taken evidence on the role of Deputy Chairs, concluded that both deputy chairs positions had a higher level of responsibility than other deputy chairs of committees, but that the current Deputy Chair of Planning was set too high. It therefore recommends that both roles should receive an SRA of £3,594.
- 3.10 The Panel were mindful of the proposed amalgamation of the Audit and Standards Committees and that until further guidance and regulations were made available, it was unclear as to whether the new committee would be chaired by a councillor or an independent member. The Panel have therefore provided for either option as part of the SRA's and the Allowances Scheme (see appendices 1 and 2).
- 3.11 The Panel also noted that the number of Overview & Scrutiny Committees had been reduced from six to two. In taking this into account and their expected increase in roles and responsibilities, the Panel felt that the respective Chairs' SRA's for the Overview & Scrutiny Committee and Health & Wellbeing Overview & Scrutiny Committee should be aligned to that of the Chair of the Licensing Committee, (see appendix 1).
- 3.12 The Panel have taken into account as part of the creation of the new committee structure, that there was likely to be greater involvement in the committee process for the Opposition Group. As such, and again in having consideration for the previous situation, the Panel believe there is a need to recognise the role of Opposition Spokesperson. It is therefore recommended that four posts be included in the list of SRA's, on the assumption that the Leader and Deputy

Leaders of the Opposition will also have responsibility as opposition spokespersons. The SRA for the role of Opposition Spokesperson is therefore recommended to be set at £2,156.

- 3.13 The Panel is always keen to ensure that its recommendations are sound, that these are in line with other authorities and that they can be justified in the face of public scrutiny. The Panel are therefore mindful that a full review should be undertaken once the new governance arrangements are in operation so that the Members Allowances Scheme can fully reflect the new structure.
- 3.14 The Panel is also aware that further consideration needs to be given to the issue of carers' allowances and wishes to discuss this with Members and appropriate officials as part of its next review. In the meantime it intended to monitor the situation and to report fully in 2013.
- 3.15 The proposed new Scheme has a total of 33 Special Responsibility Allowances but assumes there will be a number of 'double-ups' which will result in it coming into line with Members' Allowances guidance which stipulates that the number of SRA's should not exceed 50% (27) of the number of councillors on the authority.
- 3.16 The Panel propose that these recommendations be implemented from 18 May 2012, the day after the Annual Council meeting, which is in line with previous changes to the Members' Allowances Scheme.

4. CONSULTATION

- 4.1 As part of this latest review the Panel has met with the three Group Leaders and the Cabinet Member for Finance & Central Services.
- 4.2 The recommendations of the Independent Remuneration Panel are being reported to the Governance Committee where all party groups are represented, before being submitted to Full Council on 26 April 2012.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The Members' Allowances revenue budget for 2012/13 is £1,059,000.
- 5.2 The recommendations of the Independent Remuneration Panel can be accommodated within the agreed 2012/13 budget for Members' Allowances.

Finance Officer Consulted: Name Anne Silley Date: 09/03/12

Legal Implications:

- 5.3 The proposals in this report comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003 and associated guidance.

Lawyer Consulted: Elizabeth Culbert Date: 07/03/12

Equalities Implications:

- 5.4 The recommendations explicitly seek to encourage a wider cross-section of the community to become councillors and to continue in office by breaking down the

barriers and financial disincentives which deter people from serving as elected members.

Sustainability Implications:

5.5 None arising directly from this report.

Crime & Disorder Implications:

5.6 None arising directly from this report.

Risk and Opportunity Management Implications:

5.7 None arising directly from this report.

Public Health Implications:

5.8 None arising directly from this report.

Corporate / Citywide Implications:

5.9 None arising directly from this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Proposed Special Responsibility Allowances
2. Proposed Members Allowances Scheme 2012

Documents in Members' Rooms

None

Background Documents

1. Members Allowances Scheme 2011

Special Responsibility Allowances

Responsibility	SRA (£)
Leader of the Council	28,758
Deputy Leader of the Council (x2)	17,254
Chairs of Committees	
Policy & Resources	10,927
Adult Care & Health	10,927
Children & Young People	10,927
Economic Development & Culture	10,927
Environment & Sustainability	10,927
Housing	10,927
Transport	10,927
Chairs of Regulatory Committees	
Planning	10,927
Licensing (dual role)	8,626
Audit & Standards	8,626
Chairs of Overview & Scrutiny Committees	
Overview & Scrutiny	8,626
Health & Wellbeing OSC	8,626
Deputy Chairs of Committees	
Policy & Resources (with responsibility for Finance & Resources)	8,626
Adult Care & Health	2,156
Children & Young People	2,156
Economic Development & Culture	2,156
Environment & Sustainability	2,156
Housing	2,156
Transport	2,156
Deputy Chairs of Regulatory Committees	
Planning	3,594
Licensing (dual role)	3,594
Audit & Standards	2,156
Other positions of additional responsibility	
Leader of the Opposition Group	13,803
Deputy Leader of the Opposition Group (x2 max)	7,188
Opposition Spokesperson (x4)	2,156
Leader of the Minority Group	7,188