GOVERNANCE COMMITTEE

9th July 2009 at 6.00 p.m.

Present: - Councillors Wensley (Chairman), Mrs. Brown (Vice-Chairman), Biss (Substituting Wiltshire), Bower, Brooks, Champman, Dingemans, Elkins (Substituting Dendle) and Tyler.

Councillors Barnett, R Brown, English, Evans, Holman, Maconachie, Mrs Maconachie and Wotherspoon were also present during the meeting.

Mrs. Sandy Pascoe and Mrs. Alison Tuck, members of the Independent Panel were also present during the meeting.

149. WELCOME

The Chairman welcomed Members, Officers and the Independent Panel to the meeting.

150. APPOINTMENT OF VICE-CHAIRMAN

The Committee

RESOLVED

To appoint Councillor Mrs Brown Vice-Chairman of the Committee for 2009/10.

151. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Dendle and Wiltshire.

152. DECLARATIONS OF INTEREST

In view of the nature of the issues to be discussed, it was recognised that all Members of the Committee had a personal interest in accordance with the Members’ Code of Conduct. This did not preclude them from discussing the proposals.

153. MINUTES

The Minutes of the meeting held on 19th June 2009 were approved by the Committee as a correct record and were signed by the Chairman.
154. START TIMES

The Committee

RESOLVED

That the start times of meetings for 2009/10 remain at 6.00 pm.

155. MEMBERS’ ALLOWANCES SCHEME – FINAL REPORT FROM THE INDEPENDENT PANEL

The Head of Democratic Services informed Members that under the Local Government Act 2000 and the Local Authorities (Members Allowances) Regulations 2003, Councils were required to establish and maintain an independent remuneration panel. The purpose of this Panel was to make recommendations to the authority about the allowances paid to Members in relation to the payment of the Basic Allowance, Special Responsibility Allowances (SRA’s), Travel and Subsistence, Carers and Co-opted Allowances, as well as the IT Allowance and what allowances were pensionable.

Members were advised that the Council had maintained an Independent Panel since 2001 and that the latest Panel was made up of June Munro, Sandy Pascoe, Jason Grounsell and Alison Tuck. Mrs Pascoe and Mrs Tuck were in attendance at the meeting to present the Panel’s report to Members.

The Committee had been circulated the Panel’s sixth report separately to the agenda, which set out the outcome of the Panel’s review and the recommendations that they were making. Members were advised that it was for the Committee to consider the Panel’s report and to recommend the proposed scheme of allowances to Full Council on 2nd September 2009. Before considering the report, Members were alerted to comments received from Councillors Wiltshire and Patel, which were circulated to Members, as they had not been able to attend the meeting.

The Head of Democratic Services stated that the Panel had undertaken a very thorough review and she stated that she wished to have recorded her thanks to the Panel for their hard work and to Jane Fulton for the work she had done in responding to their requests for information.

The Committee then received the final report from the Independent Remuneration Panel which set out its recommendations in concluding its sixth review of the Council’s Members’ Allowances Scheme.
Mrs Pascoe presented the Panel’s report and stated that the Panel had worked hard in trying to remain as close as possible in staying within the budget as well as maintaining a close comparison of CIPFA and other similar West Sussex Authorities, as this is what Members had requested when they had been interviewed by the Panel.

Members were advised that in order to make the budget creditable, the Panel had introduced a formula which illustrated the rationale of its thinking and a framework from which it planned to work. This formula had been attached as Appendix 1 to the report and it showed that the Panel had awarded a 4% rise where applicable and had made individual decisions on the position of Chairmen and had then taken .33% of their award to give to Vice-Chairmen.

The Committee was alerted to the main changes which the Panel was now recommending and these related to implementing a decrease in SRA to the Chairmen, Vice-Chairmen and Members of the Development Control and Licensing and Enforcement Committees to reflect a decline in their workload. The Panel stated that it would keep the work of both Committees under review should their position change in the future. The Panel also recommended a decrease in SRA to the Chairmen and Vice-Chairmen of the two Scrutiny Committees so that they would compare more favourably with the Council’s CIPFA family group and as there had been no appreciable increase in workload since the last review. The Panel alerted Members to the recommendation to increase substantially the (SRA) to the Chairman of the Audit Committee, to reflect the Committee’s increase in workload, and due to the fact that its work was of increasing importance having involved Members in occasional large investigations. Mrs Pascoe explained that the Panel and Members interviewed had seen the need to bring the position of Chairman of this Committee in line with those of the Chairmen of the Policy Development and Performance Scrutiny Committees. The other major change related to the proposed SRA to be paid to the Opposition Leaders where the Panel, and Members interviewed, had recommended that the payment be lowered to bring it in line with other comparison groups. This had been a difficult decision for the Panel as it was keenly aware of the importance of strong opposition and did not wish to be seen to be downgrading the role. The Committee was advised that in looking at the Standards Committee, the Panel had received considerable evidence that the workload had increased and that in order to bring the Committee in line with other members of the Council’s CIPFA family group and Sussex authorities, that a payment of £1,500 be paid to the Chairman of the Committee and that the allowance of Independent and Co-opted Members of the Committee be increased to £50 per meeting. The Panel stated that it needed to declare a Personal Interest as it proposed to also extend the £50 per meeting payment to other Co-opted and Independent
Members and Witnesses so that a common payment theme could be adopted.

Finally, the Committee was advised that if it chose to accept the recommendations contained within the final report, the Panel had proposed that all increases could be backdated to 1\textsuperscript{st} April 2009 and any decreases should not be implemented until the report had been agreed by Full Council.

Prior to considering the report, the Chairman requested and the Committee agreed to allow non-Members of the Committee present to ask questions or make statements on the Panel’s report. The following questions were asked which were answered by the Head of Democratic Services at the meeting:-

- Why did Arun seem to be the only authority to pay an SRA to more than one Opposition Leader and why did Arun pay more than other authorities in respect of this SRA?
- Appendix 2 of the report illustrates that the proposals represent no net cost to the Council in view of the savings made from an underspend on Travel and Subsistence payments – what is the reason for this?
- Could the Committee consider implementing the increase or decrease of allowances from when the report is accepted by Full Council in September?
- The Basic Allowance should not be increased at all and should not be index linked.
- Could the Committee consider freezing the budget from last year?

In discussing the proposed changes, the Committee congratulated the Panel in compiling an excellent report and Members wished to have recorded their thanks to the Panel for their hard work undertaken over the past few months.

Comments made by the Committee were as follows:-

- This year’s Members Allowances Budget should be frozen and the total budget to be used to cover any changes should be £448,660 representing no increase from the 2008/09 figures.
- The SRA awarded to the Opposition Leaders should be amended as follows to bring it more in line with the Council’s family group of authorities. Remove the allowance of Cabinet Member (£14,196 - £8,320 = £5,876), less a further third to give an SRA of £3,917. That this payment should only be awarded to the Leader of the Opposition Group.
• Increases should be from September along with decreases.
• Why is there no increase proposed for the Deputy Leader of the Council to reflect the increase in workload?
• Should any increases be implemented at all due to the economic climate, especially if Arun has already been positioned as one of the top paying authorities when compared with other authorities?
• The Panel’s proposals are in line with what other authorities pay.
• The increase in SRA for the Audit Committee Chairman is justified in view of the increase in workload, the recommended SRA reflects this.
• Index linking for the Basic Allowance should be welcomed.
• Index linking should be adopted for all other allowances.
• It was one Political Group’s view that no increase in allowances should be made at all due to the current economic climate.
• The increase suggested for the Leader of the Council was justified in terms of the increase in workload.
• The Panel should keep a close eye on the work of the Development Control Committee as its workload could increase as quickly as it has decreased over the last few months.
• Some Members expressed the view that although there had been a reduction in Committee meetings, the workload of the Development Control Committee had not decreased at all.

Following some further discussion, Councillor Mrs Brown stated that she wished to make the following amendments to the Panel’s recommendations, as follows:-

(1) The Members’ Allowances budget for 2009/10 should be based on the 2008/09 figure and there should be a freeze on any increase giving a total budget of £448,650 to cover the Basic Allowance, SRAs, IT Allowance and Travel and Subsistence.

Councillor Mrs Brown explained that the savings made in the number of Development Control Members allowed the increase of 4% to be paid to the Basic Allowance and that this should be index linked to staff pay increases thereafter.

(2) The SRA awarded to the Chairman of the Council should be the same paid to Cabinet Members to reflect the same level of workload and should be increased from the Panel’s recommendation of £7,800 to £8,320. To follow the Vice-Chairman principle agreed in the remainder of the report, that
the Vice-Chairman of the Council should receive .33 of this allowance, taking this SRA from £2,574 to £2,745.

(3) The Deputy Leader of the Council should receive an increase of 4%, as had been recommended in the report for other SRAs, particularly Cabinet Members, to reflect the increase in workload, taking this SRA from £10,000 to £10,400.

(4) Based on the comparative data reviewed by the Panel in terms of the number of Opposition Leader SRAs and the level payable, there should only be one SRA payable to the main Opposition Leader in the sum of £3,917, based on the formula of:

- taking the Leader of the Council’s SRA
- less the Cabinet Member’s SRA to reflect the position holding its own portfolio
- then less a further third of the remaining figure to cover the Leader of the Council’s other duties and responsibilities to give an SRA of £3,917

(5) the recommendations for a revised Scheme of Allowances should commence from when they are adopted i.e., Full Council on 2nd September 2009 and that there should be no backdating of any increases in allowances to 1st April 2009 as the Panel had recommended in its report.

The amendments proposed by Councillor Mrs Brown were then seconded by Councillor Dingemans. On putting these amendments to the vote they were declared CARRIED.

The Council then returned to vote on the substantive recommendations and

RECOMMEND TO FULL COUNCIL - That

(1) the Basic Allowance be increased to £4,870 and that in future it is Index Linked to the annual staff pay settlement;

(2) the Special Responsibility Allowances payable to the Chairman of the Council should be increased to £8,320 and the SRA paid to the Vice-Chairman of the Council be increased to £2,745;

(3) the Special Responsibility allowance payable to the Leader of the Council be increased to £14,196;
(4) the Special Responsibility Allowance payable to the Deputy Leader of the Council be increased to £10,400;

(5) the Special Responsibility Allowance payable to Cabinet Members be increased to £8,320;

(6) the Special Responsibility Allowances payable to the Chairman and Vice-Chairman of the Development Control Committee be reduced to £6,000 and £1,980;

(7) the Special Responsibility allowance payable to Members of the Development Control Committee be decreased to £750.

(8) the Special Responsibility Allowance payable to the Chairman of the Licensing and Enforcement/Licensing Committee be decreased to £5,550 and £1,832;

(9) the Special Responsibility Allowance payable to Members of the Licensing and Enforcement/Licensing Committee be decreased to £250;

(10) the Special Responsibility Allowances payable to the Chairmen and Vice-Chairmen of the Scrutiny Committees be decreased £4,870 and £1,607;

(11) the Special Responsibility Allowance payable to the Chairman of the Audit Committee be increased to £3,750 and a Special Responsibility Allowance be introduced for the Vice-Chairman of the Committee of £1,238;

(12) the Special Responsibility Allowance payable to Leaders of Opposition Groups be changed with one payment of £3,917 being paid to the Leader of the Opposition only;

(13) the Special Responsibility Allowance payable to the Chairman of the Standards Committee be £1,500 and the allowance for Independent and Co-opted Members of this Committee be increased from £30 to £50 per meeting.

(14) the Special Responsibility Allowance payable to Appeals Panel Members should remain at £50 per half day meeting and that the allowance be paid if the hearing is cancelled once the papers have been circulated;
(15) the IT Allowance of £340 per annum to cover Broadband connection and consumables remains unchanged;

(16) the Carers Allowance of £10 per hour remains unchanged;

(17) In relation to Parish Allowances, as the Panel wish to consider the issue of Parish Council Allowances separately, it is proposing no change to the Parish Council arrangements at this time;

(18) One-off payments continue to be paid on an outline basis of £50 per half day for one off intensive projects, subject to the agreement of the Chief Executive and Chief Internal Auditor;

(19) the arrangements for pensions for Members remain unchanged;

(20) the Allowance payable to co-opted and independent members of Committees and to Independent Panel members be increased to £30 to £50 per meeting attended;

(21) the arrangements for travel and subsistence expenses remain unchanged.

(The meeting concluded at 7.09 p.m.)