

CAMBRIDGE CITY COUNCIL

REPORT OF: Democratic Services Manager

TO: Civic Affairs Committee

28/6/2017

WARDS: None directly affected

REVIEW OF MEMBERS' SPECIAL RESPONSIBILITY ALLOWANCES

1 INTRODUCTION

1.1 The Independent Remuneration Panel (the Panel) has made recommendations for the Committee (and for Council to approve) following a review of the current allowances for special responsibility.

2. RECOMMENDATIONS

2.1 The Committee is asked to agree, or amend, the recommendations of the Independent Remuneration Panel, copied below from its report (appendix 1), and to report to Council an Allowances Scheme 2017/18 for adoption:

i. That two new SRAs be created, Executive member without portfolio, for the Chair of the City Deal Board (if that be a member of the City Council) and Member of the City Deal Board.

ii That the SRA for the Chair of Planning be raised in relation to the Chairs of all other committees.

iii. That SRAs be removed from all committee members with the exception of the Planning Committee.

iv. That the Chair and Vice-chair of the Planning Committee do not receive an additional SRA as a Member of that committee.

v. That the SRA for the Minority Group Leader be removed.

vi That SRAs for spokespersons of both Opposition and Minority groups be retained for scrutiny committees only and SRAs for spokes of other committees be removed.

vii. That the number of SRAs that any Councillor may hold be limited to two.

viii. That the SRAs be set as in the Table below.

| Role | Percentage of basic allowance |
|--|-------------------------------|
| Leader | 275% |
| Executive Councillor including Deputy Leader | 200% |
| Exec Councillor without portfolio (Chair of City Deal board) | 50% |
| Member of City Deal Board | 25% |
| Chair of Planning | 150% |
| Chair of Scrutiny | 40% |
| Chair of Licensing | 20% |
| Chair of Civic Affairs | 25% |
| Chair of Area Committee | 20% |
| Lead Councillor on JDCC | 50% |
| Group leader, main opposition party (fixed multiple regardless of size of the group) | 100% |
| Opposition and Minority spokes (fixed multiple regardless of size of the group) | 35% |
| Vice-chair of Planning | 50% |
| Member of Planning | 15% |

2.2 That the Council approves any budgetary requirement up to £5,535 (plus 2,240 or 1,120 depending on the City Deal appointment) from Reserves for 2017/18 and with subsequent years' funding coming from efficiencies in Democratic Services budgets.

3. **BACKGROUND**

3.1 Council agreed changes on 14 July 2016 to Members Allowances following an interim report from the Independent Remuneration Panel. It was noted that the Panel's report was interim and a review of special responsibility allowances would follow on. The review concluded in February.

3.2 The provision of allowances to members is covered by the Local Authorities (Members Allowances) (England) Regulations 2003. It is for each local authority to decide its allowances scheme and the amounts to be paid under that scheme. An Independent Remuneration Panel provides the authority with advice on its allowances scheme and the amounts to be paid. The local authority must have regard to this advice.

4. **IMPLICATIONS OF THE PANEL'S REPORT**

The table at appendix 2 illustrates the changes the Panel's proposals would mean in cash terms. It is recommended that any changes agreed are funded by efficiencies made within the Democratic Services' budgets from 2018/19.

5. **OPTIONS**

Councillors must take into account the Panel's recommendations when agreeing a new scheme of Allowances- **but they are not bound by it**. The statutory guidance states "...that the amounts payable to members is one for local determination. In this way, councils can take full account of their particular circumstances and be directly accountable to the electorate. This accountability is sharpened through each council being advised on its own scheme by a local panel whose members are required to be independent."

6. **IMPLICATIONS**

(a) **Financial Implications**

These are described in 4.1. It should be noted that the increase in the basic allowance to £4,480 for 2017/18 (in accordance with last year's decision to link it to increases in the national living wage) has increased the total budget by £7,560 for 2017/18.

(b) **Staffing Implications**

None

(c) **Equal Opportunities Implications**

Equalities issues are included in the Panel's terms of reference. With regard to looking at just special responsibility allowances principles in paragraph 4 were followed. In terms of any Tax and Benefit implications of any changes, these are a matter for individual councillors although the Council's Finance Support Services Manager can be contacted for any initial advice.

(d) **Environmental Implications** None

(e) **Procurement** None

(f) **Consultation and communication**

The agreed allowances scheme and the Panel's recommendations are required to be published in a local newspaper (in addition to the Council's website). This will be done once the Council has agreed the proposals on 13 July 2017.

(g) **Community Safety**

None

BACKGROUND PAPERS: The following are the background papers that were used in the preparation of this report:

See the Panel's report appendix 1 page 12 for background papers and also the agenda for the Council on 14 July 2016 which included the Panel's first report.

The author and contact officer for queries on the report is Gary Clift 01223 457011.

Report file: Date originated: 30 June 2017

Date of last revision: 30 June 2017

Independent Review Panel Report on Special Responsibility Allowances

Background

1. This report forms an adjunct to the IRP report of 2015/16 which brought the basic allowance up to date and pegged it to the living wage. This change removed some anomalies. We now recommend a similar revision of the Special Responsibility Allowance (SRA) scheme in order to re-allocate SRAs in the light of changes within and beyond this Authority.
2. We note the Statutory Guidance – in particular that SRAs should go to those who have 'significant additional responsibilities in relation to the discharge of the authority's functions'.
3. As a preamble to our previous report, we stated that the city is growing both in size and importance and that the nature of local democracy is changing, for example with the City Deal, Devolution and joint working with other authorities. This impacts on the workload and the nature of the work of individual councillors but also, has repercussions for the holders of Special Responsibility Allowances. The basis on which SRAs are allocated was last changed following the adoption of the IRP Report in 2002. Any revised SRA scheme will need to take into account subsequent and impending developments since that date, many of which will have affected the relative roles and responsibilities of Councillors in receipt of SRAs.

Principles

4. The principles which have guided our discussions and recommendations are that the Special Responsibility Allowance scheme should:
 - be perceived by everyone to be fair,
 - be logical and coherent
 - be transparent, efficient and easy to administer,
 - encourage councillors to fill the most arduous roles,
 - encourage scrutiny in order to augment the effectiveness of the democratic process,
 - be adaptable to future changes.

Method

5. The Panel looked at two forms of evidence:

- quantitative evidence based on time spent on each duty
 - qualitative evidence to assess the importance of that duty to the smooth running and reputation of the City Council.
6. We used the Oxford scheme (our nearest statistical neighbour) and the South Cambridgeshire scheme (our nearest geographical neighbour) as starting points.
 7. A questionnaire was sent to all SRA holders. We received 19 replies.
 8. We interviewed the leaders of the three political groupings: the Labour group, the Lib Dem group and the Ind/Green group. We also interviewed Antoinette Jackson, the Chief Executive of Cambridge City Council.
 9. We used the following documentary evidence to underpin our deliberations. All are attached as appendices.
 10. Documents produced by Cambridge City Council:

Executive Decisions – roles of Executive Members
 Review of Public Involvement in Decision Making
 Councillor Role Descriptions
 City Council IRP Report from 2002
 City Council Corporate Plan

11. Documents produced elsewhere:

Independent Review Panel reports from Oxford and S Cambs
 HMRC/Statutory Guidance on Consolidated Regulations for Local Authority Allowances

Findings

12. From all the evidence accrued, ie through questionnaire responses, interviews and supporting paperwork, these are our findings:

The Executive

13. The Council Leader and Executive bear far more responsibility than other Council members. Chairing the City Deal Board is a responsibility taken, at present, by the Leader of the Council but

could be separate from the Leader's role. Devolution – short-term and possibly long-term, will create more work for the Leader and Executive Councillors. With the exception of the elected Mayor, the new Combined Authority representatives will not receive a separate allowance from that institution.

Planning Committees

14. It is recognised that the workload of the Planning Committee is exceptional. As measured by time spent in meetings, it is more than twice that of any other committee. (See table below.) This committee deals with complex and sensitive issues and their decision-making is in the public spotlight. The committee's decisions are important to the reputation of Council and will have long-term and irreversible effects. There is a need for the members to be flexible in time commitment and there are possible recruitment issues. The Joint Development Control Committee (JDCC) has a lighter load with fewer cases but with big implications for the development of Cambridge.

Other Committees

15. Area Committee chairs have a prominent public role but the role has diminished since all planning decisions are now taken centrally.
16. With the exception of the Planning committee, the amount of work undertaken by Vice-chairs does not merit an SRA.

Comparative table of time spent in meetings over a two year period 2014-16:

(From The Review of Public Involvement in Decision-making, Appx 2)

| Committee | Hours – Average length of meeting x number of meetings |
|-------------------------------------|--|
| Full Council | 32.66 |
| Area committee | 30 |
| Civic Affairs committee | 11.75 |
| Licensing committee | 9.75 |
| Licensing sub-committee | 30 |
| Planning committee | 85 |
| Community Services committee | 20 |
| Environment committee | 22 |
| Housing committee | 20 |
| Strategy and Resources committee | 31 |
| Joint Development Control committee | 34.66 |

Opposition Roles

17. This Council has always prided itself in its tradition of being inclusive in the distribution of SRAs. In Cambridge there are two groups other than the Labour group – the Lib Dem and Ind/Green groups. The rationale for this inclusiveness is that opposition spokespersons have senior roles in enhancing the democratic process. In essence, the spokes for both the non-ruling groups are performing the same job – of holding the executive to account.

18. The size of both of these groups can change both at election and by-election. It will improve simplicity, clarity and fairness if any remuneration for opposition roles does not reflect the size of the group but relates to the weight of the role. There is evidence that there continues to be additional responsibility for the main opposition group leader but the workload of the minority group leader does not carry sufficient responsibility to merit an allowance.

Other findings

19. There is evidence from within and outside this authority that it is considered good practice to limit the number of SRAs each councillor can hold.

20. It is not normal practice in other Councils to provide SRAs to members of committees.
21. Because of the changing nature of the roles undertaken by Councillors, including Devolution, a further review of the SRA Scheme should take place within two years and of the Basic Allowance within four.
22. It was brought to our attention that there continues to be a problem with encouraging those in full-time work to take on additional responsibilities. The main reason appears to be that councillors are time-poor and that the level of allowances does not impact on this problem. This should be kept under review.
23. Following our recommendation from the 2015/16 IRP report, from April 2017 the Basic Allowance will rise in line with the national living wage by 4.166% from £4300 to £4480.

Recommendations

1. That two new SRAs be created, Executive member without portfolio, for the Chair of the City Deal Board (if that be a member of the City Council) and Member of the City Deal Board.
2. That the SRA for the Chair of Planning be raised in relation to the Chairs of all other committees.
3. That SRAs be removed from all committee members with the exception of the Planning Committee.
4. That the Chair and Vice-chair of the Planning Committee do not receive an additional SRA as a Member of that committee.
5. That the SRA for the Minority Group Leader be removed.
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7. That the number of SRAs that any Councillor may hold be limited to two.
8. That the SRAs be set as in the Table below.

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| | |
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February 2017

Background papers/appendices/Links to documents

In addition to the background documents the Panel used whilst undertaking its first report to Council of May 2016:

<http://democracy.cambridge.gov.uk/documents/g3051/Public%20reports%20pack%2014th-Jul-2016%2018.00%20Council.pdf?T=10>

Role of Executive Members – part 2 of the Council’s Constitution

<https://www.cambridge.gov.uk/sites/default/files/documents/constitution-part-3-section-2.pdf>

Corporate Plan

<https://www.cambridge.gov.uk/corporate-plan>

Councillor roles - <https://www.cambridge.gov.uk/councillors-duties-conduct-and-allowances>

Members’ Allowances Regulations 2003 on SRAs

<http://www.legislation.gov.uk/uksi/2003/1021/contents/made>

IRP report 2002

Review of public involvement in decision making

Taxpayers alliance comparison of Allowances 2016

Oxford City Council and South Cambridgeshire District Council IRP reports 2014/15

Oxford City Council/South Cambridgeshire District Council/Huntingdonshire Council end of year payments 2014/15

| | Current SRA (£) | Recommended SRAs (£) | Increase in SRA (£) | Overall increase 2015/16 to 2017/18 including basic allowance (£) +/- |
|---|------------------------|-----------------------------|----------------------------|--|
| Leader | 10,433 | 12,320 | 1,887 | +3,168 |
| Ex Cllr | 8,346 | 8,960 | 614 | +1,895 |
| New- SRA (City Deal Chair of Exec Board) | n/a | 2,240 | n/a | n/a |
| New- SRA (City Deal Board member) | n/a | 1,120 | n/a | n/a |
| Planning Chair | 3,226 | 6,720 | 3,494 | +5,775 |
| Scrutiny Chair | 1,113 | 1,792 | 679 | + 1,960 |
| Licensing Chair | 696 | 896 | 200 | +1,481 |
| Civic Affairs Chair | 1,113 | 1,120 | 7 | +1,288 |
| Area Cttee Chair | 835 | 896 | 61 | +1,342 |
| Lead Cllr JDCC | 2,226 | 2,240 | 14 | +1,295 |
| Main Opposition Grp Leader | 2,307 | 4,480 | 2,173 | +3,454 |
| Main Opposition spokes | 1,391 | 1,568 | 177 | +1,458 |
| Other Opposition spokes | 556 | 1,568 | 1,012 | +2,293 |
| Vice Chair Planning | 139 | 2,240 | 2,101 | +3,382 |
| Planning –committee member (excl. Ch and VCh) | 556 | 672 | 116 | +1,397 |

Notes:

IRP June 2016 recommended:

- 1) Increase of Planning Chair SRA from £2,226 to £3,226 as an interim measure – the Council agreed

- 2) SRAs removed from all Vice Chairs except for Planning and JDCC – the Council agreed
- 3) SRAs removed from all members of committees except Planning and JDCC – the Council agreed but retained the Licensing member SRA

IRP Feb 2017 recommendations in addition to above table:

- 1) Remove Licensing Member SRA (£417 x 12) =5,004
- 2) Remove JDCC Members SRA (£556 x 6) =3,336
- 3) Remove Opposition Group Leader SRAs other than for main Opposition Party =£1,108
- 4) Remove SRAs for spokes on regulatory committees (Planning x2 @ 1,550, Licensingx1 696, Civic Affairs x1 556) = £4,352
- 5) Remove SRA for Chair and VCh of Planning as a member of the Cttee (£696 x2) =£1,392

Funding/budgets

SRA spend 2016/17 will be £107,105 (against a budget provision of £124,120)

Proposed increases in total - £20,679 (not including the new city deal SRA which could be either 2,240 or 1,120)

Proposed reductions in total -£15,144

Total increase on SRA budget +£5,535 (not including the new city deal SRA)

Basic Allowance:

2015/16 £3,199; 2016/17 £4,300; 2017/18 £4,480

Total budget for basic allowance = £188,160