

**Governance, Audit and  
Finance Scrutiny Panel**

**Review of Members'  
Allowances**

**For**

**Havant Borough Council**

## Foreword

I am delighted to present this report of the Members Remuneration Panel.

The purpose of this report is to address those matters which were not resolved by the review of the members allowances scheme undertaken last year.

The Panel recognises that the Council (as all Councils) should seek to attract a wider range of candidates, particularly from under represented groups, such as younger people who are employed, ethnic minorities, adults charged with home caring responsibilities. Indeed, this was a constant theme echoed by all interviewees. However, ultimately this issue needs addressing by central government in how it determines the model of English local government.

A Members' Allowances Scheme can only play a part in making standing and remaining as an elected Member a more feasible proposition for those from under represented groups. But, the reality is that if the Panel were to make recommendations that ensured being an elected Member was financially attractive it would be recommending levels of remuneration that would make Members in Havant Borough Council by far the highest paid in the UK. The Panel is aware that the Council could not afford to pay such suggested levels nor was there any suggestion from the evidence received that it should do so.

This is not to suggest that financial considerations have driven this review. While the Panel was aware of its fiduciary responsibilities in ensuring value for money for the Council Tax payers of Havant Borough Council it was concerned primarily with arriving at the appropriate allowances for the roles that Members are required to undertake. Moreover, the Panel did not feel entirely comfortable setting allowances at such a level to make being a Councillor financially attractive. The role of the Panel has been to balance the requirements that the Council provides proper remuneration for being an elected Member (within a sensible framework) while ensuring that a degree of public accountability is brought to bear on the Council's right to determine its own Members' Allowances Scheme. As such, it has sought to address anomalies in the scheme within the current framework.

I would like to thank all those councillors and officers who gave evidence for their valuable Contributions.



Councillor Crellin  
Lead for the Members Remuneration Panel

## **1.0 Introduction**

- 1.1 The following is a synopsis of the proceedings and recommendations made by the Members' Remuneration Panel ("the Panel") appointed by the Governance, Audit and Finance Board to consider its current Members' allowances scheme and advise the Council on a revised scheme.
- 1.2 In September 2018 Full Council the Governance, Audit and Finance Scrutiny Panel ("the previous Panel") submitted its [Report](#) on the Members' Allowances scheme ("the 2018 Review") to Full Council on 28 September 2018. The report recommended a number of revisions to the scheme, which were adopted by the Council. The previous Panel also committed itself to undertake a further review into the Leader's Special Responsibility Allowance ("Leader's SRA"), including the budgetary implications of any changes to this allowance with the objective of submitting this report to Cabinet and for consideration of the Independent Remuneration Panel when it convened in 2019.

## **2.0 Recommendations**

- 2.1 The Governance, Audit and Finance Board be requested to recommend Council to adopt the Members Allowances Scheme attached as Appendix A to this report.

## **3.0 Associated Documents**

This report should be read in conjunction with the "Background Papers" used by the Panel. These are published online in a separate document entitled "[Background Papers to the Review of Members' Allowances for Havant Borough Council](#)"

## **3 The Panel**

- 3.1 The Review was undertaken by the Panel which included the following members:

Councillor P Crellin (Lead Councillor)  
Councillor P Bains  
Councillor T Hart  
Councillor K Smith

- 3.2 The Panel would like to record its gratitude to the Members and Officers of Havant Borough Council for making themselves available to meet with the Panel. Full details of these members and officers may be found in the document entitled "Background Papers to the Review into Councillor Allowances 2019" (Background Papers")

## **4 Terms of Reference**

- 4.1 The Panel agreed to undertake the review of the Leader's SRA recommended by the previous Panel in 2018. The Panel, also considered it appropriate to re-evaluate the changes made to the scheme in 2018 to ensure that it fulfilled the objectives of the previous Panel. The Panel in particular agreed this review would:

(1) ascertain whether the current Leader's SRA is reasonable;

- (2) ascertain how changes to the Leader's allowance (if any) will affect other Special Responsibility Allowances ("SRAs") and the impact this will have the Council's budget;
- (3) consider any new SRAs or revisions to existing SRAs; and
- (4) consider whether any further changes were required to ensure that the Members Allowances Scheme was robust and fit for purpose

4.2 It was envisaged that the recommendations arising out of this review would be submitted to Cabinet and for consideration by the Independent Remuneration Panel to be held in 2019.

## **5. Methodology**

5.1 The Panel met in August, September and October 2019. Panel meetings were held in private session to enable the Panel to interview Members in confidence.

5.2 The Panel approved a project plan which is set out in the Background Papers

5.3 Although the Panel was not required to follow the statutory guidance relating to the Independent Remuneration Panels (IRPs), it considered that it would be appropriate to follow this guidance to ensure that the recommendations of this report are robust and based on nationally recognised processes.

5.4 The Panel considered that changes to SRAs should be evaluated using the role evaluation scheme adopted during the last review. The Panel is satisfied that this scheme has produced a hierarchy of SRAs role based on the responsibilities, skills and workloads of each SRA post which is free from discrimination and perception and provides a fair system which can be used to evaluate any new SRAs or changes to existing SRAs. Full details of the scheme, relevant documents and final score sheet are included in the Background Papers.

5.5 The Panel's activity fell into 6 parts:

### **(a) Review of background information**

This included, the current councillor allowance scheme, key documents relating to the previous Councillor Allowances Review, and details of the background to the Special Responsibilities Allowances ("SRAs") and changes made to these SRAs over previous reviews, number of meetings held, allowances paid in comparator authorities and copies of the regulations and statutory guidance. A full list of information considered by the Panel is reiterated in the Background Papers.

### **(b) Benchmarking survey**

A benchmarking exercise was undertaken to find out whether Havant Borough Council's allowances had fallen behind that paid by peer authorities.

The results of this exercise are set out in the Background Papers.

### **(c) Meeting with the Leader of the Council**

The Panel wished to gain an insight into the role and responsibilities of the Leader and his views on increasing the Leader's SRA.

**(d) Evaluation of the Post of the Mayor**

The Panel considered whether to recommend an SRA for the position of Mayor and undertook a role evaluation exercise using the scheme referred to in 5.5 above.

**(e) Interview with the Chief Finance and Monitoring Officers**

To discuss the legal and financial implication of the proposed recommendations

**(f) Arriving at recommendations**

## **6. Principles of the Review**

6.1 Before the Panel arrived at its recommendations it decided that its deliberations should be underpinned by the following principles; namely that:

- (i) the recommendations would seek to minimise barriers to public service without allowances becoming a motivating factor in serving the Council;
- (ii) the recommendations should be based on a transparent and logical construct that is understandable and justifiable;
- (iii) all recommendations should be based on evidence
- (iv) any scheme recommended should be simple to administer.
- (v) Recommendations should seek to reflect the responsibilities, skills and workload held by Members in Havant Borough Council
- (vi) the scheme should separate those allowances that are taxable from those where a Councillor may be eligible for a tax deduction.

6.2 As noted in the preamble the Panel has sought to address the SRAs within the present financial and local framework.

6.3 The Panel has set out its deliberations in this report to assist Members and the public to understand its approach. The Panel has considered the worth of Members' roles and at the same time the issues of public perception and affordability. While the Panel's recommendations are not mandatory it is hoped that if the Council disagrees with the actual figures recommended that it would accept the Panel's logic. The recommendations presented in this report at the present represent the view of the Panel and not the official view of Havant Borough Council.

## **The Evidence Considered**

### **7. Key Messages and Observations**

#### **7.1 The Issue of Member Performance**

7.1.1 The issue of Member performance is often raised when undertaking a review of the Members' Allowances Scheme. Ultimately, the final arbiter on Member performance is the electorate, with the group system acting as the intermediate influence. The arbiters for the performance of the SRA holders are the person and/or body responsible for appointing the members to these posts i.e. the Leader of the Council and Council.

## **7.2 Members and Recognition, they are "Doing More with Less"**

7.2.1 While the Council is seeking further savings in expenditure, it does not mean Members are doing less. The Council continues to address the range of issues that affect all councils. This has increasingly meant an enhanced partnership working that accompanies this agenda, particularly affecting senior Members. Indeed, it also affects the top tier of management as Havant Borough Council now has a shared Chief Executive and Executive Paid Officers with East Hampshire District Council. This sharing of senior Officers has reduced the top three tiers of management in both.

7.2.2 This has had an impact on senior members and the operation of the scrutiny function in Havant Borough Council; not least the reduction in the numbers in the Havant Borough Council within the Cabinet, reducing by 2 to five Cabinet Members (+ the Leader)

## **7.3 The Role of the Panel and Current Economic Context**

7.3.1 The prime role of the Panel is to assess what it judges the roles and posts under review are worth based on the evaluation of the evidence. Yet, the Panel has to be aware of the current economic climate both generally, where many residents of Havant Borough Council are facing uncertain economic future and internally, where the Council is seeking further efficiencies.

7.3.2 This has led the Panel to take the view that it would be reluctant to significantly increase the total spend on allowances, and even a marginal increase in total spend would require strong evidence for the Panel to make such a recommendation.

7.3.3 On the other hand, the economic context has to be balanced against the demands that continue to be placed upon Members who cannot be expected to undertake the roles required of them on a voluntary basis – unless by individual choice. It is unrealistic not to at least provide a degree of support and recognition through the allowances' scheme to ensure proper democratic representation and fulfilment of the duties that they are required to carry out.

## **7.4 Appeal of the Allowances**

7.4.1 The 2018 review had established that although allowances are important and an emotive issue, the level of these allowances were not the driving force in becoming a Councillor or an SRA post holder.

## **7.5 A Robust Scheme**

7.5.1 The 2018 Review introduced a role evaluation system which produced a robust and transparent scheme for calculating SRAS,

7.5.2 The Panel agreed to the principle established by the 2018 Review that changes should only be made to allowances if there was an overwhelming justification for such changes.

## **8. Basic Allowance**

### **8.1 Statutory Guidance**

8.1.1 The Panel took into account the statutory guidance to which it must pay regard before arriving at its recommendations. In particular, the Panel was made aware that the authority's scheme of allowances must include provision for a Basic Allowance that is payable at an equal flat rate to all Members. The statutory guidance on arriving at the Basic Allowances further states:

***Having established what local Councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, Councillors ought to be remunerated.<sup>1</sup>***

8.1.2 The Panel based its underlying approach to setting the recommended Basic Allowance on the statutory guidance and the Inland Revenue and Customs (HMIR&C, par. 67). Based on the above statutory guidance the Panel was under a duty to arrive at answers for the following three variables:<sup>2</sup>

- \* What time is necessary to fulfil the role of the ordinary Member?
- \* What amount of that time should be viewed as given as public service, known as the public service discount (PSD)?
- \* At what rate of pay should be the remunerated hours?

## **9 Recalibrating the Basic Allowance**

9.1 The Panel decided to revisit the original variables to test whether they were still appropriate. It recalibrated the original formula utilised to establish whether the current Basic Allowance was still valid and how robust it remains.

## **10 Setting the Basic Allowance –**

### **10.1 Expected Time Inputs**

10.1.1 The Members Allowances Survey indicates that Councillors work a minimum average of 16 hours a week and a maximum of 18 hours per week for Basic Allowance work.

### **10.2 The Voluntary Principle – Or Public Service Ethos**

10.2.1 The statutory guidance requires the maintenance of the principle of public service when setting an appropriate Basic Allowance. This is the notion that an important part of being a Councillor is serving the public and, therefore, not all of what a Councillor does should be remunerated; a portion of a Councillor's time should be given voluntarily.

10.2.2 The Members' Allowance Survey undertaken in 2018 indicated that the Public Service Discount should be set at 46%

### **10.3 The Rate for the Job**

10.3.1 Previous Independent Remuneration Panels utilised the Havant mean gross hourly wage rate as the rate for the job. In other words, to establish a rate for the job, it was recommended

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<sup>1</sup> Department of Communities and Local Government and Her Majesty's Revenue and Customs, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, par 67

<sup>2</sup> See *Consolidated Guidance* July 2003 paragraphs 68-69 for further details.

that a Member's hourly worth be on a par with the average hourly wage in Havant. The Panel notes that the average hourly wage in Havant for which latest figures are available was £13.28 per hour. This the Panel accepted as the optimum rate for the job in Havant Borough Council in arriving at the recommended Basic Allowance.

#### **10.4 Calculating the Basic Allowance**

10.4.1 If the Panel was simply to use the original variables from this review with an up dated rate for the job, which is £13.16 per hour it would result in the following recalibrated Basic Allowance:

Minimum

- = [832 hours per year minus 46 per cent] X £13.16 per hour
- = 449.28 hours X £13.16 = £5912 (rounded down to nearest £10)

Maximum

- = [936 hours per year minus 46 per cent] X £13.16 per hour
- = 430.56 hours X £13.16 = £6652 (rounded down to nearest £10)

**The Council current rate of £5430 is below the recalibrated calculated basic allowances**

#### **10.5 Benchmarking the Basic Allowances**

10.5.1 The Benchmarking exercise showed that the Council is lower than the mean average for Basic Allowances paid by the benchmarking Councils. On the face of things, a recalibrated Basic Allowance to this mean average would represent an increase of over 14% on the current Basic Allowance of £5430.

#### **10.6 Changes Made to the Basic Allowance Following the 2018 Review**

10.6.1 The 2018 Review recommended that the payment of £461 per year given to all members in recognition of the out of pocket expenses Councillors incur for telephone calls, line rentals, IT and internet costs be separated from the Basic Allowance to make the scheme more transparent.

10.6.2 The 2018 Review also recommended that the Basic Allowance be increased in line with any NJC increase agreed each year from 2020/21. The current budget assumes that such an increase will be 5% which would raise the current allowance to £5702 (£490 below the mean average of the benchmark Councils)

#### **10.7 Conclusions of the Panel**

10.7.1 The Panel recognises that the Basic Allowance is currently lower than the other benchmark Councils and the basic allowance calculated using the government guidance.

10.7.2 However, there had been no overwhelming changes to the basic responsibilities, skills and workloads of members. Therefore, the Panel is content that taking into account the modest values placed on the variables utilised to arrive at the Basic Allowance and when placed in a comparative context the current index linked Basic Allowance of £5,430 is both equitable and appropriate. The Panel is even more convinced of its appropriateness when it notes that Havant Borough Council pays a limited range of expenses and SRAs compared to other comparable authorities.

## 11 Testing the Leader's SRA

11.1 The Panel noted that the post of Leader is a substantial role, while not required to be full time it does require a significant commitment that precludes employment in the normal sense. Moreover, the Panel also noted that the Leaders have not accepted the increases recommended by the Independent Remuneration Panels since 2011.

### 11.2 Comparing the Leader with the Benchmarked Councils

11.2.1 The Panel compared the Leader's SRA of £14800 with Leaders in comparable authorities. Currently the Council is ranked 5<sup>th</sup> out of the six benchmark Councils in the level of special responsibility allowance for the Leader of the Council. This special responsibility allowance is considerably lower than the mean and median averages for the benchmark councils.

<b>Council</b>	<b>Leader SRA for 2019/20 (£)</b>
Test Valley	12,982
Havant Borough Council	14800
Winchester City Council	16734
East Hampshire District Council	18000
Eastleigh Borough Council	20765
Fareham Borough Council	21251
<b>Total</b>	<b>104532</b>
<b>No. of Councils</b>	<b>6</b>
<b>Mean Average</b>	<b>17422</b>
<b>Median Average</b>	<b>17367</b>

11.2.2 A comparison of changes to the Leader SRA across the benchmark councils since 2016 shows the Council together with Winchester City Council have not increased this allowance since 2016. The mean and median average increases during this period were 2% and 1% respectively.

<b>Council</b>	<b>2016/17 (£)</b>	<b>2017/18 (£)</b>	<b>2018/19 (£)</b>	<b>2019/20 (£)</b>	<b>% Increase</b>
Test Valley	12355	12355	12,982	12,982	5
Havant Borough Council	14800	14800	14800	14800	0
Winchester City Council	16734	16734	16734	16734	0
East Hampshire District Council	18000	18000	18000	18000	0
Eastleigh Borough Council	19959	19959	20765	20765	4
Fareham Borough Council	20426	20426	21251	21251	4
<b>Total</b>	<b>102274</b>	<b>102274</b>	<b>104531.8</b>	<b>104531.8</b>	<b>13</b>
<b>No. of Councils</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Mean Average</b>	<b>17046</b>	<b>17046</b>	<b>17422</b>	<b>17422</b>	<b>2</b>
<b>Median Average</b>	<b>17367</b>	<b>17367</b>	<b>17367</b>	<b>17367</b>	<b>1</b>

### 11.3 As a Multiple of the Basic Allowance

11.3.1 The statutory guidance points out one particular approach to arrive at the Leader's SRA. In particular it states (July 2003 paragraph 76):

*One way of calculating special responsibility allowances may be to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance for either the elected mayor or the leader.*

11.3.2 Increasingly, the 'factor' approach is becoming more popular due to its simplicity and the emergence of a commonly accepted multiplier, which is in the range of 2.7-3.45. If the Leader's SRA was increased by the mean average multiplier of the benchmark councils (2.84) for 2019/20 (see above), the SRA would rise to £15220, which would be lower than the mean and median averages for the benchmark councils.

<b>Council</b>	<b>Leader SRA for 2019/20 (£)</b>
Test Valley	12,479
Havant Borough Council	15220
Winchester City Council	16734
East Hampshire District Council	18000
Eastleigh Borough Council	19959
Fareham Borough Council	20833
Total	103225
No. of Councils	6
Mean Average	17204
Median Average	17367

### 11.4 Key Message

11.4.1 The Panel consider that the current allowance does not reflect the roles, responsibilities or workload of the post of Leader of the Council and that this allowance should be increased to the mean average for the benchmark Councils (£17,204).

### 11.5 The Panel recommends that:

**11.5.1 The Leader's Allowance be increased to £17,204 (the mean average for Benchmark Councils) with effect from 1 April 2020;**

## 12 Arriving at Other SRAs

12.1 In arriving at the other SRAs the Panel took cognisance of the 2003 Statutory Guidance (paragraph 76) which states

*A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance.*

- 12.2 This approach assesses the Leader's post (SRA) as 100% and relates all other posts as a percentage of the Leader's SRA, e.g., 70%, 60%, 50%, 40% and so on. The advantages of this approach are that the Panel is able to maintain current differentials between SRAs (unless in any particular case there is reason to alter a differential), is transparent and relatively simple to understand as it assesses posts in a hierarchical fashion based on the council political structures. The pro rata approach simply expresses the current differentials and the main issue is to consider if there is a case to alter them. Generally, where a Havant post holder receives a comparatively high SRA then the IRP has rounded it downwards and rounded it up where a SRA is comparatively low.
- 12.3 The 2018 Review found there was inconsistency in the calculation and level of allowances for SRAs below the level of the Leader of the Council. To correct these anomalies the 2018 Review undertook a Role Evaluation exercise to provide a hierarchy of roles that was free from discrimination.
- 12.4 The Panel considered a suggestion by the Leader that following proposed method of calculating SRAs:
- (i) Leader's Allowance  
3 x Basic Allowance
  - (ii) Deputy Leader  
2.5 x Basic Allowance
  - (iii) Cabinet Leads  
2 x Basic Allowance
  - (iv) Chairman of Governance, Audit and Finance Board  
1.5 x Basic Allowance
  - (v) Chairman of DMC and Scrutiny Boards  
1 x Basic Allowance
  - (vi) Chairman of Joint Human Resources Committee  
0.5 x Basic Allowance
  - (vii) Chairman of Licensing Committee  
0.25 x Basic Allowance
  - (viii) Leaders of the Opposition
    - Band A 0.25 x Basic Allowance
    - Band B 0.5 x Basic Allowance
    - Band C 0.75 x Basic Allowance

Band D 1 x Basic Allowance

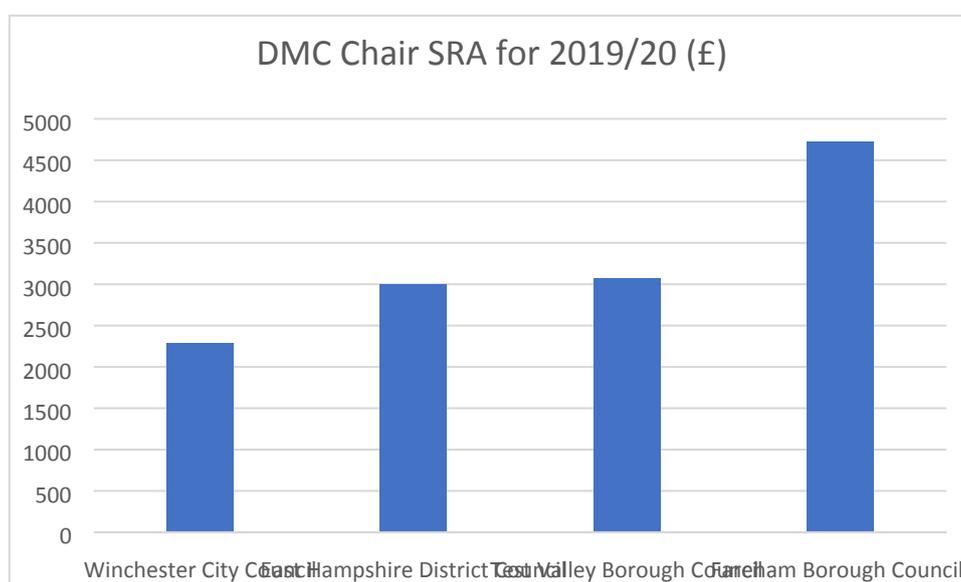
The Panel considered that such a method would reintroduce inconsistencies into the scheme and felt that the current role evaluation scheme was more robust. Furthermore, the Panel considered that the budgetary implications of an additional £43,291 (see Appendix A) could not be justified.

12.5 The Panel consider that there have been no overwhelming changes to the responsibilities, skills and workloads of the existing SRAs below the level of the Leader of the Council. Therefore, the Panel is content that any increase in the Leader's Allowance recommended in this review should not lead to an increase in the other SRAs but the differentials for this scheme should be amended to accommodate the increase in the Leader's Allowance.

## 12.6 The Mayor

12.6.1 Currently the Mayor does not receive an SRA.

12.6.2 Only 4 of the six benchmark Councils currently have a special responsibility allowance for the post of Mayor/Chairman of the Council.



The mean and median averages for this allowance is £3268 and £3000 respectively.

<b>Council</b>	<b>DMC Chair SRA for 2019/20 (£)</b>
Winchester City Council	2280
East Hampshire District Council	3000
Test Valley Borough Council	3067
Fareham Borough Council	4723
<b>Total</b>	<b>13070</b>
No. of Councils	4
Mean Average	3268
Median Average	3000

12.6.3 The Evaluation Exercise found that the percentage differential of the Leader's Allowance should be 37% which represented an allowance of £5,465 (see Appendix B”).

12.6.4 Although this allowance is higher than the mean (£3268) and median averages (£3000) for the benchmark councils the Panel is satisfied that the evaluation exercise accurately reflects the responsibilities and skills needed for the first citizen of the Borough and justifies this higher allowance.

**12.7 The Panel recommends that:**

**12.7.1 the Mayor's SRAs is % of the recommended SRA for the Leader, which equates to £5,465**

**12.7.2 the Members' Allowance structure be amended to read as follows**

	Adopted Structure	Band
Leader of the Council	Basic Allowance x 3.17	Band 1
Deputy Leader of the Council	57.5% of the Leader's Allowance	Band 2
Cabinet Leads	48.36% of the Leader's Allowance	Band 3
Chairman of Governance, Audit and Finance Board	39.21% of the Leader's Allowance	Band 4
Mayor	37% of the Leader's Allowance	Band 5
Scrutiny Board Chairman	33.98% of the Leader's Allowance	Band 6
DMC Chairman	28.75% of the Leader's Allowance	Band 7
Joint Human Resources Committee	20.91% of the Leader's Allowance	Band 8
Licensing Committee	6% of the Leader's Allowance	Band 9

**13 Confirmation of Implementation and Indexing**

13.1 The Panel recommends that the recommendations contained within this report (with any amendments) are implemented from the 1<sup>st</sup> April 2020.

13.2 The 2018 Review resulted in the scheme providing for the Basic Allowance to be increased in line with any NJC increase as agreed each year from 2020/21. The Panel also consider that all SRAs (including the Leader) should be increased in line with any NJC increase from 1 April 2020. This should ensure that the allowances do not fall further behind the benchmark councils.

**13.3 The Panel recommends that:**

### 13.3.1 all SRAS be increased in line with NJC increases from 1 April 2020

## 14 Limits on SRAs

14.1 The Panel recommends that as per current practice Members can draw one SRA only regardless of number of remunerated posts they may hold.

## 15 Design of the Current Scheme

15.1 The Panel considers that the current scheme is not particularly user friendly. Any Councillor or member of public wishing to consult the scheme would currently find it difficult to understand. The Panel consider that there is an urgent need for the scheme to be revised to overcome this issue and improve the transparency of the members' Allowances Scheme

15.2 The Panel recommends that:

15.2.1 the scheme be update and made more user friendly.

## 16 Budgetary Implications

Post	Current Number of SRAs	Basic Allowance	SRAs	SRA Totals
<b>Basic Allowance</b>				
All Members (38)		£5,702 <sup>3</sup>		
<b>SRAs</b>				
Leader	1	£0	£17,422	£17,422
Deputy Leader	1	£0	£10,018	£10,018
Cabinet Leads	4	£0	£8,425	£33,700
Chairman of Governance, Audit and Finance Board	1	£0	£6,831	£6,831
Chairman of Scrutiny Board	2	£0	£5,692	£11,384
Chairman of Development Management Committee	1	£0	£5,009	£5,009
Chairman of Joint Human Resources Committee	1	£0	£3,643	£3,643
Chairman of Licensing Committee	1	£0	£1,116	£1116
Mayor	1	£0	£5,465	£5,465
<b>Opposition SRAs</b>				
Band A	2	£0	1068	2136
Band B	0	£0	£2,136	0

<sup>3</sup> The Basic Allowance has been increased in line with the budget provision of a 5% increase in salaries.

Band C	0	£0	£3,204	0
Band D	0	£0	£4,272	0
<b>Sub Totals</b>		<b>£216,676</b>		<b>£96,724</b>
<b>TOTAL</b>				<b>£313,400</b>

### Impact on Budget

	<b>Basic Allowance</b>	<b>Modernisation Expenses</b>	<b>SRAs</b>	<b>Total</b>
<b>Budget Allocation 2019/20</b>	£206,340.00	£17,518.00	£82,510.00	£306,368
<b>Estimated Additional Expenditure (Excluding Modernisation Allowance)</b>				£7,032
<b>Add Modernisation Expense</b>	= £461			£17,518
			Total Additional Expenditure	£24,550



# **Havant**

## **BOROUGH COUNCIL**

### **Members' Allowances Scheme**

## **Members Allowances Scheme 2020-2024**

### **1.0 Introduction**

1.1. All Councils are required to form a scheme of allowances that:

- Determines how much individual Councillors receive for being a Councillor; (the basic allowance)
- Determines how much those Councillors who have additional responsibilities should receive (special responsibilities allowances)
- Determines the circumstances under which Councillors may claim expenses for costs they have incurred because they are a Councillor

1.2. The Council must set the scheme in accordance with the requirements of the Local Authorities (Members Allowances) (England) Regulations 2003. The Scheme has been produced having due regard to the recommendations of an Independent Remuneration Panel, a group of individuals who are entirely separate from the Council who have considered how much Councillors should receive.

### **2.0 The Scheme**

2.1 The Havant Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, hereby makes the following scheme:

1.0 This scheme may be cited as the Havant Borough Council Councillors' Allowances Scheme, and shall have effect from 1st April 2020 until such time as it is amended.

1.1 In this scheme:

"Councillor" means a councillor of the Havant Borough Council.

"Year" means the twelve months ending with 31st March.

"Chief Executive" is the most senior Officer, with overall responsibility for the management of the Council; also known as the Head of Paid Service.

"Chief Finance Officer" means the officer responsible for the administration of the financial affairs of the Council; also known as the Chief Finance Officer

"Monitoring Officer" means the officer charged with ensuring that everything the Council does is fair and lawful

### **2. Basic Allowance**

2.1. Each Councillor shall receive a basic allowance as set out in Schedule 1 of this scheme ("Schedule1") shall be paid to each Councillor. This is an annual flat payment to all Councillors, intended to recognise the time devoted by our Councillors to work in their wards and political groups, recognising the out of pocket expenses Councillor incur in carrying out their functions. It is also recognises that Councillor undertake their Council work for the sake of public service and not private gain.

2.2. The basic allowance shall be uplifted each year (including the year 2020/21) by the same rate as the Annual Pay Award provided to the majority of Council staff.

### **3. Special Responsibility Allowances**

- 3.1. Councillors shall receive a payment in line with Schedule 1 for any special responsibilities posts that they are appointed to by the Council.
- 3.2. A councillor may hold more than one special responsibility post, but may only be paid one special responsibility allowance.
- 3.3. All special responsibility allowances shall be uplifted each year (including the year 2020/21) by the same rate as the Annual Pay Award provided to the majority of Council staff.
- 3.4. No more than 50% of the number of Councillors can receive a special responsibility allowance.
- 3.5. All special responsibility allowances or amendments to these allowances must be evaluated using the role evaluation scheme set out in schedule 3 of this scheme before being approved by the Council, who must have due regard to the recommendation of the Governance, Audit and Finance Board.

**4. Travel, Subsistence and Dependents/Caring Allowances**

- 4.1. Members are allowed to claim travel, subsistence and dependents / caring allowances when carrying out official duties as listed within Schedule 2 of this scheme (“Schedule 2”).
- 4.2. Members must submit claims within 2 months using any approved forms / IT systems. For claims to be processed within the month submitted, they must be submitted in accordance with stated deadlines provided to members.

***Transport Allowances***

4.3. Where Councillors are undertaking official duties, claims for transport allowances will be paid at the following rates:

The rate for travel by a councillor's own <u>private vehicle</u> , or one belonging to a member of his family or otherwise provided for his use shall not exceed	45p per mile
The rates specified for travel by car may be increased in respect of the carriage of each passenger, not exceeding 3, to whom a travelling allowance would otherwise be payable under any enactment by not more than	5p per mile
Travelling by own private Bicycle, or one belonging to a member of his or her family or otherwise provided for his or her use	20p per mile
Public Transport	Standard Fare incurred; Councillors are expected to use any discount / concessionary fare entitlements

Taxis	Actual Fare, as evidenced by receipt; this should be pre-approved by the Chief Executive or Monitoring Officer and only in exceptional circumstances.
Car Parking, ferries and Toll Fares	Actual Fare incurred, as evidenced by ticket / receipt / statement

- 4.5. Travel on approved duties shall be at the most cost-effective method that meets the needs of the member, normally car, bus, aeroplane or train at standard rates. In particular, members who have to travel by train would be expected to travel second class unless exceptional circumstances require otherwise. In such a situation, first class travel must be given prior approval by the Chief Executive or Head of Organisational Development. If other types of journeys need to be taken by members on out of authority business (e.g. taxis) then these modes of transport must first get prior approval by the relevant Director. Furthermore, receipts must be provided for the reimbursement of any claims.
- 4.6. Should HMRC adjust the standard rates for car, motorbike or bicycle travel, then the Council may adjust the rates in 4.4 accordingly.
- 4.7. Rail tickets are available from Democratic Services for all rail journeys provided three days' notice is given.
- 4.8. The Council has made no provision for travelling to meetings from outside the UK.
- 4.9. The Monitoring Officer (or in his or her absence the Chief Executive or the Chief Finance Officer) is authorised to approve the payment of travelling and subsistence for tours, visits etc initiated by an Cabinet Lead subject to a maximum of £300 per annum for payments initiated by each Cabinet Lead.
- 4.10. Where two or more councillors are attending the same event car transport should be shared wherever practicable.

### ***Subsistence Allowances***

- 4.11. Wherever possible a member shall organise their meals and accommodation through the Council who will pre-book and pre-pay.
- 4.12. Where it is not practicable for the Council to pre-book accommodation a member shall be allowed up to 3 star accommodation which will be reimbursed on production of a receipt.
- 4.13. Where meals cannot be pre-booked and pre-paid reasonable costs will be paid on production of receipts, normally up to the same limits as apply to employees of the council.

Breakfast	up to £5.73
Lunch	up to £7.92
Dinner	up to £9.80

- 4.14. The daily maximum subsistence rate shall be increased in line with the percentage increase in the casual users mileage rate as laid down by the NJC for Local Government Services.
- 4.15. No subsistence allowances are payable for attending approved duties within the Borough.

## ***Dependents / Caring Allowances***

- 4.16. A Dependant Carers Allowance may be paid where a councillor has to employ a person over 16 years of age (other than a member of their own family) to care for a child under age 14, disabled person or elderly person who is a member of the councillor's family living with the councillor and in need of full time care.
- 4.17 The rate of payment will be up to eight hours or two approved duties if less in any one week for:
- (a) child care – at the relevant national minimum wage applicable to the age of the carer; and
  - (b) elderly and/or disabled dependents – at the hourly rate chargeable by Hampshire County Council Adult Services for provision of a Home Care Assistant up to a maximum of £14.20 per hour.
- 4.18 Payment will be made on production of evidence of payment i.e. a receipt bearing the name and address of person employed to provide cover, the date, and number of hours and amount paid.
- 4.19 There may be exceptional circumstances where, instead of employing a carer, other care arrangements are more appropriate e.g. paying for taxi fares to school for a disabled child where a councillor is attending a meeting outside the Borough. Payment up to the maximum at 4.171 may be allowed exceptionally with the agreement of the Chief Finance Officer.
- 4.20 Relevant meetings for this purpose are all approved duties in Schedule 2.

## **5.0 Attendance at Conferences**

- 5.1 Subject to budget provision being available, approval of attendance at conferences or meetings is delegated to the Service Manager Legal and Democratic Services (or in his/her absence the Chief Executive or Chief Finance Officer) in consultation with the relevant Cabinet Lead(s); relevant travelling and subsistence also being payable
- 5.2 Selection of members should be on the basis that:
- (a) Normally no more than two Members (preferably from more than one political party) attend – normally one from the Cabinet and one from the Scrutiny Boards;
  - (b) Selection for conferences and meetings will take account of the expertise relating to the subject and member responsibility within the Council; and
  - (c) Members attending will report back through the Members' Newsletter.
- 5.3 The conference fee will be booked directly by Council officers following approval of attendance by the Council.

- 5.4 Travelling and subsistence allowances shall be paid in accordance with Section 5 above

## **6.0 Expenses**

6.1 Councillors shall receive a payment of £461 per year to recognise the level of out of pocket expenses Councillors incur for telephone calls, line rentals, IT and internet costs.

## **7.0 Attendance Allowance**

7.1 No attendance allowances are payable.

## **8.0 Payment and Foregoing of Allowances**

8.1. Claims for travel, subsistence co-optees' or dependant carers allowance under this scheme shall be made in writing and will not be paid if submitted more than four months after the date of a meeting for which the entitlement arises.

8.2 A Councillor shall be paid any allowances from their date of appointment, so that:

- (a) in an ordinary election year, basic allowances are payable from 4 days after the date of election;
- (b) in the event of a by-election, basic allowances are payable from the date of the by-election; and
- (c) In the event appointment to a special responsibility post, from the date the appointment was made

8.3 Payments shall be made

- (a) in respect of basic and special responsibility allowances, subject to paragraph 9, in instalments of one-twelfth of the amount specified in this scheme monthly in arrears at the end of the month
- (b) in respect of travel, subsistence or dependant carers allowance, at the end of each month in respect of claims received up to the 8th day of that month.
- (c) in respect of expenses relating to telephone calls both land and mobile, line rental costs, IT and internet access to be paid automatically in instalments of one-twelfth of the month of the amount specified in this scheme in arrears at the end of each month

8.4 Where an amount has been paid in respect of a period for which the allowance is not due (e.g. for a period of suspension) the Council may require repayment of the amount overpaid.

8.5 Where a member is also a member on another authority that member may not receive allowances from more than one authority for the same duties.

8.6 A Councillor may write to the Chief Finance Officer to notify of their intention to forego any allowance, or part of any allowance, payable to them under this scheme.

8.7 In the event that the Council agrees that a Councillor may be granted a leave of absence of more than 6 months, then the Councillor will not be entitled to receive a basic allowance after they have been absent for more than 6 months. Their allowance payment will be resumed after they have attended a Council meeting.

8.8 Where an amount has been paid in respect for which the allowance is not due (e.g. for a period of suspension) the Council may require repayment of the amount overpaid.

8.9 Where a member is also a member on another authority that member may not receive allowances from more than one authority for the same duties.

## **9.0 Part-Year Entitlements**

9.1 The provisions of this section shall have effect to regulate the entitlements of a councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

9.2 If an amendment to this scheme changes the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods

- (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
- (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

9.3 Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.

9.4 Where this scheme is amended as mentioned in sub-paragraph 9.2, and the term of office of a councillor does not subsist throughout the period mentioned in sub-paragraph 9.2(a), the entitlement of any such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a councillor subsists bears to the number of days in that period.

9.5 Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.

9.6 Where this scheme is amended as mentioned in sub-paragraph 9.2, and a councillor during part, but does not have throughout the whole, of any period mentioned in sub-paragraph 9.2(a) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that

period during which he or she has such special responsibilities bears to the number of days in that period.

## **10 Claims**

- 10.1 Claims for allowances that are not automatically paid should be made using the MyView system. Enquiries about all councillor's allowances should be made in the first instance to the Democratic Services Team.
- 10.2 Payment will be made monthly direct to a bank or building society unless a councillor certifies that they do not have such account.
- 10.3 Tax will be deducted from basic and special responsibility allowances in accordance with the instructions of H.M. Inspector of Taxes. Councillors are advised that certain expenses (e.g. use of homes and private telephones) may be justifiable as claims against their allowances; this is a matter for direct negotiation between the councillor and H.M.R.C. Any subsequent change in the level of expenditure will be the subject of the normal arrangements for the under and over deduction of tax in relation to the councillor's final tax position. National Insurance Contributions will be deducted where appropriate.
- 10.4 Councillors are reminded that they are responsible for keeping accurate records of approved duties and certifying claim forms accordingly. While the staff will always help councillors in any way possible, it is a requirement that councillors must personally submit all claims, including times and amounts claimed.
- 10.5 Completed claims will be paid at the end of the month, provided they have been submitted by the 8th day of that month.

### Publication of Claims

- 10.6 As soon as is reasonably practicable after the end of a year to which a scheme relates, the Council shall make shall publish on the Council's website the total sum paid by them in the year to each councillor in respect of each of the following
- (a) basic allowance;
  - (b) special responsibility allowance;
  - (c) dependant carers allowance; and
  - (d) travelling and subsistence allowance.

## **11.0 Insurance**

- 11.1 The Council provides cover for councillors (which includes co-opted members) as follows:
- 11.1.2 Third Party Cover

Councillors are indemnified, if the claim could have been made against Havant Borough Council, up to a maximum of £30,000,000 in respect of all sums (including costs and expenses) which they are legally liable to pay as compensation arising out of

- (a) Accidental bodily injury or illness to any Third Party; and

- (b) Accidental loss or damage to property arising out of the Council's function as a local authority.

#### 11.1.3 Employers' Liability Cover

Councillors are indemnified, if the claim could have been made against Havant Borough Council, for an amount up to £30,000,000 in respect of sums (including costs and expenses) that they are legally liable to pay as compensation for bodily injury or disease suffered by an employee of the Council arising out of their employment.

#### 11.1.4 Motor Insurance

If a councillor drives a Council vehicle he/she is required to be covered by comprehensive insurance (a good example might be driving the Mayor's official car).

#### 11.1.5 Personal Accident

The amounts shown below are payable for accidents while on official duties in the U.K. or Europe or on activities which are complementary to the duties of a councillor e.g. Ward Surgeries, Caucus Meetings, Site Viewing, Addressing Public Meetings and Meeting of Council Tax payers.

Death or permanent total disablement  
£100,000

Permanent partial disablement Percentage of this sum dependent on disablement

Temporary total disablement £175 per week for up to 2 years.

Temporary partial disablement £150 per week for up to 2 years.

Where temporary disablement occurs the period will be limited to the time when a councillor is prevented from engaging in his normal profession or occupation. If the councillor is not in remunerative employment the period is limited to the time in which he cannot carry out his activities as a councillor.

Cover is also given for assault committed on the person insured because he is a councillor, even if he is not on Council business at the time.

There is unlimited cover for damage to clothing/personal effects at the same time as the accident.

#### 11.1.6 Slander and Libel

In defence of an action brought against them, councillors are indemnified if the claim could have been made against Havant Borough Council. The indemnity is subject to a maximum of £1,000,000 in respect of all sums (including costs and expenses) they are legally liable to pay as compensation for slanders in the course of official Council business. Generally, this covers Committee Meetings and duties where the councillor is representing the Council on Management Committees of local organisations.

It does not extend to involvement in the operation of an organisation other than as stated above, nor to a councillor who holds a position on another body where a factor in the appointment has been that he is a councillor but he is not representing the Council in that position (e.g., Chairman of a voluntary body). It is for the organisation to hold their own

insurances and councillors are recommended to enquire of the organisation about the cover held.

There is also a very limited indemnity for libel providing the text of the prepared statement is previously approved by the Council's legal department.

Statements made on radio and television are in practice not covered as they are within the definition of libel and thus would have had to be previously approved.

Councillors must bear 10% of the cost of any claim met by the insurers under the slander and libel policy (this is to encourage councillors to be accountable for their actions).

## **11.2 No insurance cover is held by the council for the following activities of councillors:**

- (a) No cover exists for costs awarded against councillors in actions against them for alleged dereliction of duty (e.g., mandamus, etc.).
- (b) Councillors using their own private vehicles for Council business must arrange their own insurance. Use on Council business will probably not be classed as "social, domestic and pleasure". Councillors are advised to contact their insurers to ensure that their insurance provides cover while on Council business.
- (c) There is no cover for money in the possession of councillors. An example is the Mayor's Appeal Fund.
- (d) In any case where an individual councillor suffers physical injury, financial or other loss, or is defamed in circumstances arising out of their proper involvement in a matter as a councillor of the Borough Council and without any culpability on their part, where no insurance held by the Council offers compensation to the councillor concerned, the Council will lend reasonable and appropriate support to the individual councillor affected in pursuing whatever remedies and compensation are properly available to him/her in consequence of the injury suffered, subject to advice from the Monitoring Officer on the merits and strength of the case of the affected councillor and upon there being a reasonable and realistic prospect of them succeeding in whatever course of action is appropriate by way of remedy.

## **12. Independent Remuneration Panel**

- 12.1. When setting its Members Allowances Scheme, the Council shall have due regard to the recommendations of an independent remuneration panel.
- 12.2 An independent remuneration panel shall consist of at least three members none of whom is also a member of an authority in respect of which it makes recommendations.
- 12.3 A person may not be a member of an independent remuneration panel if they are disqualified from being or becoming a member of a district, county or London borough council.
- 12.4 the independent remuneration panel shall produce a report making recommendations in accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003.
- 12.5 Where the Council receive a copy of a report made to them by the independent remuneration panel they shall, as soon as is reasonably practicable:

- (a) ensure that copies of that report are available for inspection by members of the public at the principal office of the authority at all reasonable hours; and
- (b) publish in one or more newspapers circulating in their area a notice which:
  - (i) states that they have received recommendations from an independent remuneration panel in respect of their allowance scheme;
  - (ii) describes the main features of that panel's recommendations and specifies the recommended amounts of each allowance mentioned in its report in respect of that authority;
  - (iii) states that copies of the panel's report are available at the principal office of the authority for inspection by members of the public at such times as may be specified by the authority in the notice; and
  - (iv) specifies the address of the principal office of the authority at which such copies are made available.

12.6 The Independent Panel must review the allowances scheme at least every four years.

## Rates of Allowances

Post	£
<b>Basic Allowance</b>	
All Members (38)	£5,430
<b>Special Responsibility Allowances (SRAs)</b>	
Leader	£17,422
Deputy Leader	£10,018
Cabinet Leads	£8,425
Chairman of Governance, Audit and Finance Board	£6,831
Chairman of Scrutiny Board	£5,692
Mayor	£5,465
Chairman of Development Management Committee	£5,009
Chairman of Joint Human Resources Committee	£1,116
Chairman of Licensing Committee	£3,643
Leaders of any political group, other than the ruling group, comprising two or more members:	
Band A      2-5 Members	£911
Band B      6-10 Members	£1822
Band C      11-15 Members	£2732
Band D      16+ Members	£3643

**Approved duties for the purpose of payment of transport, subsistence and carers / dependents allowances**

The following are specified as approved duties for the purpose of travel allowances:

- (a) Attendance as an appointed member at meetings of the Council, Cabinet, Committees and Sub-committees.
- (b) Attendance at Presentations, Seminars and Workshops to which all councillors are invited by the Head of Customer and Support Services shall count as an approved duty.
- (c) Meetings convened by the Council including:
  - (i) Opening of tenders;
  - (ii) Weekly business meetings and agenda setting meetings;
  - (iii) Working Parties set up by the Council;
  - (iv) Annual Tours of the Borough;
  - (v) Committee briefing meetings;
  - (vi) Attendance at bodies to which the Council makes appointments or nominations;
  - (vii) Attendance at conferences and meetings to which Section 175 of the Local Government Act 1972 applies where attendance is agreed in advance;
  - (viii) Visits by councillors to Wesermarsch or other twin towns do not qualify as an approved duty;
  - (ix) Attendance by councillors serving on the Portchester Crematorium Joint Committee will qualify for travel allowances payable by this Authority, where such allowances cannot be claimed from the Portchester Crematorium Joint Committee;
  - (x) Attendance by the Chairman or Vice-Chairman of the Development Control Committee at the Civic Offices at the request of the Corporate Director to take any step on planning applications where the Committee have empowered them to act;
  - (xi) Attendance by a councillor at the written request of the Mayor, Chief Executive or Director for the purpose of furthering Council business;
  - (xii) Attendance of a councillor before any representative of the Commission for Local Administration, at the latter's written request, in connection with any investigation under Part III of the Local Government Act 1974;
  - (xiii) Attendance of a councillor before the Council's external auditor at the latter's written request in connection with a matter being considered at audit other than a payment to or a pecuniary claim by that councillor;

- (xiv) Attendance of a councillor, at the written request of the Head of Customer and Support Services, in connection with a public inquiry or legal proceedings to which the Council is a party;
- (xv) Attendance of a councillor at public inquiries where the councillor is called by the Monitoring Officer as a witness to represent the Council's position and the attendance is approved by the Chairman of the Development Management Committee for that purpose;
- (xvi) Attendance by the Mayor or Deputy Mayor at the Civic Offices to attend to mayoral duties not more than once a day;
- (xvii) Attendance at up to three pre-arranged meetings per week with officers; and
- (xviii) Any other approved duty agreed by the Council, Cabinet, Committees or Sub-Committees.

## Special Responsibility Role Evaluation Scheme

### Section 1 - Statement of Intent

- 1.1 This procedure sets out how the Council provides an internal framework to determine the appropriate level of special responsibility allowances paid to Councillors. This framework enables consistent decisions to be made on allowances paid to Councillors who have additional responsibilities. This procedure ensures that the integrity of the current Councillor Allowance structure is preserved.
- 1.2 For the purposes of this scheme “Special Responsibility Allowance” means an allowance as defined in regulation 5 of The Local Authorities (Members' Allowances) (England) Regulations 2003.

### Section 2 - Scope

- 2.1 This procedure applies to all posts that receive a special responsibility allowance.
- 2.2 The aim of the system is to provide a hierarchy of Councillor roles and allowances that are free from discrimination.

### Section 3 – Responsibilities

#### Role Evaluation Panel

- 3.1 Where it is proposed to create a new or amend an existing special responsibility allowance, the Governance, Audit and Finance Board (“the Board”) will establish a Members’ Remuneration Panel (The Panel) to undertake a role evaluation exercise.
- 3.2 The Panel will comprise of at least 3 members of the Board. The Panel shall be assisted by an officer from the Democratic Services Team, the Chief Finance Officer or his or her representative, and the Monitoring Officer or his or her representative.
- 3.2 The Panel will ensure that the role evaluation is fair, transparent and robust.
- 3.3 The Panel will review all relevant information relating to the role and check factor levels (points) to ensure that the levels are technically correct, consistently applied and equitable. The Panel shall consider all sources of evidence including the outputs from the role evaluation discussion, any changes to existing roles that receive a special responsibility allowance, role descriptions, and scoring notes. To ensure that the Panel has a full understanding of the role, the Leader of the Council or proposer for the new allowance must also be prepared to present a business case for the change to the Panel and answer any queries the Panel may have. Where considered appropriate, factor levels (points) can be manually adjusted to remedy any accuracy or consistency issues.
- 3.4 Before submitting its recommendations, the Panel shall consult the Chief Finance Officer or his or representative, the Leader of the Council and the Monitoring Officer or his or her representative.
- 3.5 It is not the role of the Panel to amend role descriptions
- 3.6 Where the Panel’s members have an interest in a role, they are responsible for declaring so prior to the panel meeting.

3.7 The Panel are responsible for:

- (a) considering the role and not the person who may currently hold that role;
- (b) considering the role as it would be done at fully acceptable performance; and
- (c) considering the role as it is defined in the documentation and supporting information presented to the Panel by the Democratic Services Team – not the role as it was nor as it might be at some future date.

#### **Chief Finance Officer**

3.8 The Chief Finance Officer shall advise on the financial implications of changes to the special responsibility allowances.

3.9 The Chief Finance Officer may appoint a representative to undertake the duties set out in 3.8 above.

#### **The Monitoring Officer**

3.9 The Monitoring Officer shall advise on the financial implications of changes to the special responsibility allowances.

3.10 The Monitoring Officer may appoint a representative to undertake the duties set out in 3.9 above.

#### **Democratic Services Team**

3.11 A representative of the Democratic Services Team shall provide administrative support to the Panel including attending and minuting all meetings of the Panel, undertaking research for the Panel and drafting the final report and recommendations of the Panel.

### **Section 4 – Procedure**

#### **When to evaluate**

4.1 All new special responsibility roles must be evaluated.

4.2 A review of the grading of an existing special responsibility role may occur when there are substantial changes to the role. This must be discussed first with the Leader of the Council who will provide advice on whether the changes are substantial enough to warrant a re-evaluation.

4.3 For each role to be evaluated the Panel must be provided with an up to date description of the responsibilities, skills and workload of the role to be evaluated. The Leader of the Council or proposer for the new allowance must also be prepared to present a business case for the change to the Panel.

### **Section 5 - The Outcome**

5.1 The Panel may make one of the following recommendations

- a) increase or decrease an existing special responsibility allowance
- b) create a special responsibility role together with the level of the allowance for this role
- c) to make no changes to an existing special responsibility role

d) not to establish a new special responsibility role/allowance

5.2 The recommendations of the Panel will be submitted to the Governance, Audit and Finance Board, who will consider them in accordance with Standing Order 77.4 and submit its recommendations to Full Council for a final decision.

**APPENDIX B**

<b>Implications of Leader of the Council's Proposals</b>	<b>Multiplier</b>	<b>Number of Post holders</b>	<b>Allowance</b>	<b>Projected Cost Based on Projected Basic Allowance</b>
Leader's Allowance	3	1	£17,106	£17,106
Deputy Leader	2.5	1	£14,255	£14,255
Cabinet Leads	2	4	£11,404	£45,616
Chairman of Governance, Audit and Finance Board	1.5	1	£8,553	£8,553
Chairman of DMC and Scrutiny Boards	1	4	£5,702	£22,808
Chairman of Joint Human Resources Committee	0.5	1	£2,851	£2,851
Chairman of Licensing Committee	0.25	1	£1,426	£1,423
<b>Leaders of the Opposition</b>				
Band A	0.25	2	£1,426	£2,851
Band B	0.5	0	£2,851	£0
Band C	0.75	0	£4,277	£0
Band D	1	0	£5,702	£0

Total SRAs			£115,466
Total Basic Allowance	38	£5702 <sup>4</sup>	£216,676
Total Allowances			£332,142
Plus Modernisation Allowance	17518		£349,660
Less Current Costs			£306,368
Total Additional Expenditure			<u>£43,292</u>

<sup>4</sup> Assuming NJC