

Independent Review Panel 2019

Members' Special Responsibility Allowances (SRA)

Epsom and Ewell Borough Council

Background and Scope of the Report

1. The Council is required, under the Local Authorities (Members' Allowances) (England) Regulations 2003, to establish and maintain an Independent Remuneration Panel (IRP/Panel) to review and make recommendations to the Council on the range and levels of remuneration for elected Members. This report has been prepared in accordance with those regulations, to enable the Council to meet its statutory responsibilities when reviewing and amending its allowances.
2. The IRP was asked, in August 2019, to undertake a review of members' allowances. The scope of that review included:-
 - **Receipt of one SRA only.** To consider the current position whereby an individual councillor may only receive one Special Responsibility Allowance (SRA) if they undertake more than one role that would attract an SRA;
 - **Licensing (Hearing) Sub-Committee members' SRA.** Planning Committee members receive an SRA due to the frequency of meetings and large volume of committee papers requiring considerable preparation. However, Licensing (Hearing) Sub-Committee members, whose sittings can last most of the day and for which the papers can be lengthy, do not receive an SRA;
 - **IT provision.** Whether (following the removal of the phone, broadband and computer allowance) the provision of a tablet and a one-off compensatory allowance is sufficient;
 - **Standards Committee SRA.** The Standards Committee Chairman does not receive an SRA;
 - **Majority Group Chairman's SRA.** The level of the Majority Group Chairman's SRA, bearing in mind the additional hours, responsibility and wider representative role that attaches to this post.
3. In October 2019, the IRP was asked to consider whether or not an SRA should be recommended for Vice Chairmen.
4. This report sets out the IRP's recommendations on the above matters. The report also comments on issues which fell outside the terms of reference set out in paragraphs 2 and 3 above, but which were raised by Members in the course of our review.

Membership of the Panel

5. The IRP comprises:

Liz Lawrence

Lynne Martin

Shaun Mundy

6. Each Panel member has considerable experience of leadership and management roles within the public sector. None has previously been a member of Epsom and Ewell's IRP.

Acknowledgements

7. Panel members would like to express their appreciation to officers Clive Moore and Alex Awoyomi for the excellent support which they have provided during this review.

Guiding principles

8. In developing its recommendations, the Panel adopted the following guiding principles:
 - Relativities between different SRAs should, so far as practicable, reflect the breadth of the role and the time required to undertake it.
 - SRAs should be of a sufficient level that they should allow most Members to consider taking on a role without suffering undue financial hardship, while not being at such a level that allowances would become a primary reason for seeking a role.
 - SRAs should (where relevant) reflect career progression within the roles undertaken by Members.
 - A proportion of Members' time should be regarded as voluntary (public service discount).
 - The cost of the SRAs should be affordable.
 - The scheme should be transparent – including to residents – simple and easy to administer.
9. The criteria set out above do not necessarily all point in the same direction. In particular, there may well be a conflict between affordability and some of the other criteria.

Methodology

10. The IRP developed a questionnaire, which addressed the five issues on which the Panel had initially been asked to make recommendations. It also invited Members to provide any other comments. The Interim Solicitor sent the questionnaire to all Members, with a covering letter, on 14 August.
11. The Interim Solicitor's letter invited Members to submit any observations to him by 5 September and gave Members the opportunity to meet the IRP on 9 September. The IRP received responses from 25 out of the 38 Members; and four Members discussed their responses with the IRP.
12. Appendix A provides a copy of the questionnaire, together with a summary of the written responses received.

13. At the Panel's request, the Interim Solicitor wrote to Chairmen and Vice Chairmen on 31 October to ask them:

- To keep a diary for the month of November and note, on a daily basis, the length of time spent on Chair / Vice Chair duties.
- To provide any comments, in addition to those they might have provided in response to the Interim Solicitor's letter of 14 August, about whether Vice Chairmen (for those Committees for which the Chair receives an allowance) should receive an allowance.

Recommendations

Overall level of SRAs

14. The questionnaire asked for Members' views on whether the overall level of SRAs (which currently total about £27,000 per year) should remain about the same, be increased or be reduced. Opinion was evenly divided among Members between the first two options, with eleven Members indicating support for each of those options, while one Member said that the overall level should be reduced. The Member responses and additional comments lead the Panel to conclude that Members consider that any increase in the total amount of SRAs which are payable should be modest.

15. The Panel does not consider it appropriate to reach its own view on affordability, as this is the role of Members. **In drawing up recommendations on the five issues which the Panel was invited to address, the Panel has proceeded on the assumption that any overall increase in costs should be modest.**

Should a Member receive more than one SRA if they qualify for more than one?

16. 15 respondents to the questionnaire said "yes" and 10 said "no".

17. Members currently cannot be paid for more than one SRA, even if they would otherwise qualify for more than one. The Panel understands that this limitation may have been introduced in order to discourage the appointment of any Member to more than one key post (e.g. to be Chairman of more than one Committee which attracts an SRA) and instead to encourage the sharing out of these positions. However, the Panel does not consider it equitable for a Member to be limited to only one SRA – except that the Chairman of the Planning Committee should not also receive an allowance as a member of that Committee. The Panel considers instead that a Member who (for example) chairs more than one Committee, or who is a member of the Planning Committee as well as being a Chairman, should receive an SRA for each of those roles.

18. The Panel takes the view that if it is a policy objective to seek to avoid appointing any one Member to more than one key post, this should be achieved by more direct means – including through the process of selecting Members to positions which attract an SRA; and through providing training, coaching and development opportunities to Members who are not currently Chairmen or Vice Chairmen, but who would be interested in potentially putting themselves forward for such roles in future.

19. **The Panel recommends that a Member should receive more than one SRA if they qualify for more than one.**

Does the Council's provision of a tablet together with the current level of Basic Allowance make adequate provision for the use of phones, broadband, other IT costs and printing?

20. 12 respondents to the questionnaire said "yes" and 13 said "no".

21. Among the comments were that: it is not possible to print or to prepare documents such as letters from a tablet; some Members may use a family laptop, in which case it is not appropriate to download sensitive documents onto a shared laptop; there should be more provision (such as additional printers) for Members in the Members' room. It was suggested that there should be a significant revamp of the Council's IT to reflect value and practical solutions for Members.

22. The Panel assumes that some Members will already have a phone, broadband, a laptop and printer for their personal use. For them, any extra costs associated with their responsibilities as a Member are likely to be limited to the costs of using the equipment (for example, the costs of any phone calls which are not free of charge and ink cartridges for a printer – and possibly costs associated with having to replace an item earlier than would otherwise have been the case). So, any additional allowance payable to Members generally is likely to over-compensate these Members, while probably under-compensating those Members who do not currently have access to relevant equipment.

23. It is beyond the remit of the IRP to advise on how the Council could achieve such access; but, for example, if it were to be concluded that the provision of a tablet is not sufficient to meet Member' needs, consideration should be given to alternative solutions.

24. The Panel notes that its predecessor IRP recommended that the IT allowance should be subsumed within the general allowances for Members. The current Panel endorses that recommendation.

25. The Panel recommends that the Basic Allowance should not be increased to cover costs associated with the use of phones, broadband, other IT costs and printing. The Panel suggests that – if the Council were to conclude that current arrangements are inadequate – more direct arrangements are made to give Members access to the necessary equipment.

Should the Chairman of the Standards Committee be given an SRA?

26. 14 respondents to the questionnaire said "yes" and 11 said "no".

27. The Panel considers that it is anomalous that the Chairman of the Standards Committee, unlike the Chairs of other Committees and Panels, is not eligible for an allowance. A number of Members pointed out that the workload tends to be very light, compared with Chairmen of other Committees/Panels, and that the actual workload could vary significantly from year to year. Some Members accordingly suggested that the Chairman of the Standards Committee should receive a daily allowance, rather than a fixed sum. While the Panel sees merit in that suggestion, it considers, on balance, that the administration of a system involving daily payments for work undertaken is liable to consume undue administrative effort. It recommends instead that the Committee Chairman should receive a small fixed allowance.

28. The Panel recommends that the Chairman of the Standards Committee should receive an SRA equivalent to 10% of the Basic Allowance.

Should Licensing (Hearing) Sub-Committee members receive an SRA?

29. 14 respondents to the questionnaire said “yes” and 11 said “no”.
30. The Panel has received mixed responses on whether or not Licensing (Hearing) Sub-Committee members face equivalent workloads to Planning Committee members. The Panel has not received compelling evidence that the workload of Licensing (Hearing) Sub-Committee members is as great as that of Planning Committee members and is therefore unpersuaded that this is the case. The Panel has considered whether it should recommend that Licensing (Hearing) Sub-Committee members should receive an allowance which is lower than Planning Committee members, but is not attracted to the ad hoc introduction of another tier of allowances.
- 31. The Panel recommends that Licensing (Hearing) Sub-Committee members should not receive an SRA.**

Is the level of SRA for the Chairman of the Majority Group sufficient?

32. 9 respondents to the questionnaire said “yes” and 16 said “no”.
33. It seems to be common ground among Members that Chairmanship of the Majority Group involves a substantial workload. While the Panel has not carried out research to determine precisely what this workload amounts to, it is satisfied that this is at least the equivalent to that of the Chair of the Strategy & Resources Committee and the Chair of the Planning Committee – each of whom is entitled to an SRA equivalent to 100% of the Basic Allowance (compared with the SRA payable to the Chairman of the Majority Group which is equivalent to 70% of the Basic Allowance). The Panel therefore considers that it would be reasonable to increase the SRA for the Chairman of the Majority Group to 100% of the Basic Allowance.
- 34. The Panel recommends that the Chairman of the Majority Group should receive an SRA equivalent to 100% of the Basic Allowance.**

Should Vice Chairmen receive an SRA?

35. In response to the questionnaire issued by the Interim Solicitor on 14 August, the Panel received strong representations that Vice Chairmen of policy Committees – in particular, where those Vice Chairmen take lead responsibility for specific substantial issues and undertake associated representational roles – should receive an SRA. The Chief Executive subsequently asked the Panel to consider this issue.
36. The diaries for November which were submitted by Chairmen and Vice Chairmen of Committees showed a wide disparity in the reported ratios of the hours put in by the Vice Chairman of a Committee compared with the Chairman of that same Committee. For one Committee, the Vice Chairman reported very little work compared with over 20 hours reported by the Chairman (so the ratio was close to zero); and in the case of another Committee, the reported ratio was around 75%. For the two other Committees where both the Chairman and Vice Chairman submitted diaries, the ratio was a little over 50%.
37. The Panel recognises that the workloads in any particular month will be affected by a range of factors and that there will be no month which can be viewed as typical across all Chairmen and Vice Chairmen. Nevertheless, it takes the view that the diaries which were submitted provide compelling evidence that Vice Chairmen undertake a substantial volume of work in their capacity as Vice Chairmen. The Committee therefore considers that Vice Chairmen ought to receive an allowance.

38. The Panel does not consider it appropriate to seek to differentiate between different Committees as regards the ratio of allowance between the Chairman and Vice Chairman, since this would imply a degree of precision which, in the Panel's view, is not justifiable on the basis of the limited data it has available. Instead, it recommends that a Vice Chairman should receive 50% of the allowance which is payable to the Chair of that Committee. This includes the Vice Chairman of the Planning Committee, who currently receives 30% of the allowance received by the Chairman. The Panel considers that this recommendation both is equitable and reflects career progression from a member of a Committee, to the Vice Chairman, to the Chairman.

39. The Panel recommends that each Vice Chairman should receive an SRA equivalent to 50% of the SRA payable to the Chairman of that Committee.

Summary of recommendations

40. A summary of the Panel's recommendations is at Appendix B. If the Panel's recommendations were accepted, it would lead to an increase in the overall annual cost of SRAs from £27,214 to £44,015.

Additional issues raised with the IRP

41. A number of additional issues were raised with the IRP. In particular:

- It was suggested to the Panel that the relativities between the SRAs payable to Chairmen of different Committees and Panels no longer reflected actual workloads or the complexity of business.
- Some respondents suggested that Members who are Council representatives on certain outside bodies should receive an SRA.
- It was suggested to the Panel that a Member who attends a Planning Committee meeting as a substitute should receive a daily allowance.

42. The above three issues were not covered by the scope provide to the IRP so the Panel has not undertaken the research which would be necessary to underpin any recommendations at this stage. The Panel would be pleased to investigate the issues thoroughly and make recommendations, if requested to do so.

43. The Panel is satisfied that the complexity of issues and associated workloads of Members has increased substantially in recent years. So, it envisages that, if it were to be asked to consider the additional issues set out above, it is likely to make recommendations that would result in a significant increase in the current overall cost of SRAs. The Panel suggests that there would be little or no point in asking it to review the additional issues set out above unless there was a willingness to contemplate a significant further increase (i.e. an increase over and above the increase implied by the recommendations in this report) in the current overall cost of SRAs in the event that a sufficiently compelling case were to be made.

Epsom and Ewell District Council Independent Remuneration Panel

December 2019