

# ***Report to the Independent Remuneration Panel***



**Epping Forest  
District Council**

***Date of meeting: 25 January 2012***

**Subject: Members' Allowances Scheme - Review**

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1. Attached is the last Report of the Panel to the Council and an extract from the minutes of the Council meeting on 28 June 2011 at which the Panel's report was considered.

2. Following that Council meeting, the Constitution and Members' Services Scrutiny Panel and the Overview and Scrutiny Committee considered the Remuneration Panel's report and recommended adoption of the Panel's proposal regarding removal of first class rail return fare from the scheme. The Council adopted this recommendation at its meeting on 1 November 2011.

3. The Scrutiny Panel and the Overview and Scrutiny Committee also resolved that the Panel be asked to consider the following aspects during their next review of the Members' Remuneration Scheme:

- (a) the SRA payable to the Chairman of the Overview and Scrutiny Committee in the light of proposed changes to reporting at Council meetings;
- (b) the IT Connectivity Allowance; eligibility and payment levels; and
- (c) review of the wording in respect of an assessment of hours worked by councillors as a basis for calculating the Basic Allowance by reference to the National Minimum Wage.

## **(a) SRA – Chairman of the Overview and Scrutiny Committee**

4. The SRA for this position has traditionally been the same as the basic allowance (£4300 per annum in the approved scheme with implementation currently being an amount of £3150 per annum). This compares with the SRA for a Portfolio Holder of £6450 in the approved scheme with implementation currently being £6300 per annum.

5. The SRA for the Chairman of the Overview and Scrutiny Committee was queried at the Constitution and Members' Services Panel. This was in the context of recent changes to the Council's Constitution providing for Scrutiny Panel Chairmen, rather than the Overview and Scrutiny Committee Chairman, to present the reports from their Panels at full Council meetings. The report considered by the Council on 13 December 2011 which led to this change in the Constitution is attached.

6. If this SRA is reduced it will imply a reduction in the status/responsibilities/time commitment of the Overview and Scrutiny Chairman. The SRA for the Chairmen of Standing Scrutiny Panels is £2150 in the approved scheme and this is the amount currently being implemented. Chairmen of Task and Finish Scrutiny Panels do not receive a SRA.

**The Panel is asked to review the SRA for the Chairman of the Overview and Scrutiny Committee**

**(b) IT Connectivity Allowance**

7. The current IT Connectivity Allowance provisions are attached.

Members queried why the Council should continue to pay this sum. Members felt that the amounts concerned (£500 in the first year for a new member, £250 per annum thereafter) were arbitrary. The link between these payments and initial training courses was also queried.

8. It should be mentioned that Members are expressing an interest in electronic (rather than paper) agenda despatch linked to handheld mobile computers (tablets) for meetings. The capital investment required may be linked to the need to redirect the IT Allowance to other kinds of provision.

**The Panel may wish to defer consideration of this issue pending the outcome possible electronic agenda despatch.**

**(c) Basic Allowance**

9. The basis for calculating of the Basic Allowance was queried by some members of the Constitution and Members' Services Scrutiny Panel. When the Remuneration Panel first considered the Members' Remuneration Scheme several years ago there was a lack of data available on which to base recommendations. As a result one of the indicators taken into account was the hourly National Minimum Wage multiplied by an average number of hours worked per week (15 per councillor). The 15 hours per week reflected the nationally held view that time spend by members on Council business should be "discounted" by between 25% and 50% in recognition of the public service element.

10. Members of the Scrutiny Panel expressed concern about the average number of hours used for the calculation and how this assessment would compare with those of other councils. The use of the National Minimum Wage itself was also questioned as an elected member is not an employee.

**The Panel may wish to re-visit its calculation for the Basic Allowance although it must be said that the Panel's figure (£4300 per annum in the adopted scheme) now takes account of comparative data available from other councils. The average amount paid by similar councils in the region is £4500 per annum which compares with (a) this Council's Basic allowance of £4300 per annum with implementation currently £3150 per annum) and (b) a figure of £4742 achieved by applying the current National Minimum Wage of £6.08 per hour to a 15 hour week.**

**In 2010, members of all local authorities were invited to complete a census questionnaire which included a question – how many hours do you spend on Council business each week. Twenty four of this Council's 58 members completed the national questionnaire and the average number of hours for those members in relation to that question was 16.3 per week.**