

Appendix 1

REPORT FROM SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL INDEPENDENT REMUNERATION PANEL

This report is submitted by the Independent Remuneration Panel (IRP) following its review of the Council's Members Allowance Scheme and its assessment of the Basic Allowance (BA), Special Responsibility Allowances (SRAs) and other expenses and allowances currently being paid under the Scheme. In producing this report the IRP has considered both the allowances currently being paid by other comparable councils and councillors' views expressed in surveys and in interviews with the IRP.

1. BASIC ALLOWANCE (BA)

The implementation in 2018 of Local Government Boundary Commission recommendations on changes to the number and boundaries of SCDC wards has resulted in a reduction in the number of councillors from 57 to 45. This has had the effect of increasing the number of electors per councillor and with some councillors being required to attend a greater number of Parish Council meetings than hitherto.

Given the impact of these changes on the time commitment required of councillors **the IRP has concluded that it is appropriate to recommend an increase of 9% in the Basic Allowance to £5,300 for the 2018-9 financial year.** Ref Appendix A, the effect of this would be to bring SCDC's Basic Allowance to the same level as the BA paid to East Cambridgeshire DC councillors in 2017/18 and ahead of that paid by adjoining councils and councils in SCDC's benchmark audit group, (other than Cambridgeshire County Council and Peterborough City Councils). The IRP cannot find a justification for increasing the SCDC Basic Allowance beyond £5300 in 2018/19.

- a) **This increase in the Basic Allowance is recommended as a one off adjustment for the 2018/9 Municipal Year and for the 2019/20 Municipal Year the IRP recommends that, as in previous years the BA should be increased by the same percentage increase as is awarded to SCDC staff.**

2. SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)

- a) **The IRP recommends that SRAs should be specified as percentages of the BA, (rather than the current practice of periodically determining fixed amounts) and with SRAs being increased in proportion to future increases in the BA.** This will provide a more coherent and consistent framework for determining the distribution and level of SRAs whilst being adaptable to future changes.
- b) The IRP has reviewed the roles for which SRAs are paid and have taken account of the new structure proposed following the May 2018 election. The IRP has consulted with councillors on the relative importance of roles attracting SRAs and of the commitment required of office holders. **The IRP's recommendations on SRAs calculated as percentages of the recommended BA of £5300 are set out in Appendix B. It is recommended that:**
 - i. The SRAs paid to the Leader, Deputy Leader, Cabinet Members and the Planning Chair and Vice Chair should be proportionately increased.
 - ii. Payment of SRAs to Vice Chairs other than to the Council and Planning Vice Chair be discontinued.
 - iii. A new SRA be paid to members of the Planning Committee recognising that significantly greater demands are placed on members of this

- committee than on other committees, (and bringing SCDC in line with the practice of other Councils in their benchmark group)
- iv. SRAs to be paid to the Chairs of the new Grant Advisory and Climate Change and Environment Committees
- c) The IRP considered whether SRAs should be paid to Councillors taking on representative roles on the Cambridgeshire and Peterborough Combined Authority, Greater Cambridge Partnership and other external partnership bodies. These are new roles and evidence as to the time commitment involved and impact on Councillors roles is still emerging as is the approach being taken by other Councils to the remuneration of their representatives on these bodies. Cambridge City Council have agreed time limited SRAs to be paid to their Councillors taking on the roles of Combined Authority cabinet member and Greater Cambridge Partnership executive board member because it is established that both of these important roles involve significant additional time commitment. Consultation by the IRP with previous SCDC representatives on these bodies provided evidence of the additional workload involved. **The IRP recommends that:**
- i. An SRA is paid to the Combined Authority cabinet member and to the SCDC representative on the Greater Cambridge Partnership board with these payments being reviewed by no later than April 2019 to ensure that there is clear and substantive evidence confirming the justification for continuing these payments.
 - ii. This review should encompass the impact of SCDC Councillors taking on other representative roles e.g. as members of the Combined Authority's Audit and Governance and Overview and Scrutiny committees and of the more substantive evidence that there will be available at that time as to the levels of commitment involved and other Councils' remuneration practice.
- d) **The IRP recommends** that in line with good practice in other Councils the number of SRAs that any councillor may hold be limited to two and that Paragraph 4 (2) of the Members Allowance Scheme be amended to read "No councillor may receive more than two special responsibility allowances".

3 OTHER ALLOWANCES AND EXPENSES

Councillors asked for travel and subsistence expense allowances to be reviewed. Having considered paragraphs 12 and 13 of the Members Allowance Scheme 2017/18 the IRP does not propose making any recommendations to change the current provisions.

4 IMPACT ON TOTAL COSTS

- a) Attachment B includes a comparison of the total costs payable under the current scheme and those which would be payable under the new scheme recommended by the IRP. The summary shows that the total cost of BA and SRAs under the new scheme would be £350,595 in 2018/9 compared with £377,331 in 2017/8 under the current scheme. This represents a saving of £26,736 or 7.1% of the current budget whilst providing both for an increased Basic Allowance to reflect increased requirements on Councillors and also providing a more rational and coherent basis for paying SRAs.

The following factors reduce the total costs under the new scheme:

- i. the reduction in the number of councillors
 - ii. the reduction in the number of Cabinet Members;
 - iii. the removal of the allowance for the Scrutiny and Overview Vice-Chair;
- and

iv. the elimination of the Partnership Committee.

The impact of each of these factors is identified in the comparison included in Attachment B.

b) The total costs for the Current Scheme shown in Appendix B constitute the budget for Councillors' Allowances for 2017-8 Municipal Year. The IRP is aware that SCDC did not use the whole budget in 2017-8 due to (1) one councillor resigning part way through the year and (2) no SRA being paid to the Civic Affairs Chair.

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