

The Welland Partnership Members Remuneration Panel

Final Report to Harborough District Council : February 2009

Introduction

- 1.1 In May 2008, the Welland Partnership Members Remuneration Panel was reconstituted. Its membership now comprises Steve Leach, Professor of Local Government at De Montfort University, who is the chairman, Kay Driver, Colette Eames, Professor John Greenwood, Dr James Veitch and Gordon Wells.
- 1.2 This report is the third of a series, following earlier reports to Melton BC and East Northants DC (September 2008). The whole of the Panel was present at this meeting and are signatories to the report. The Panel met in Market Harborough on 14th November 2008. At its meeting the Panel heard evidence from the Deputy Chief Executive officer Kamal Mehta (who also provided helpful contextual information about the council), and from four councillors (including the leader). Written or phone evidence was also received from a further seven councillors. The Panel is grateful to all those who provided input and also to Pat Puxley for setting up the meeting and providing information to the Panel before, and on the day of its meeting.
- 1.3 The principles agreed, and the general approach adopted by the Panel for the Melton BC and East Northants DC exercises were replicated in Harborough. However attention was also paid to the authority's distinctive local circumstances and priorities, which means that there is some variation in the recommendations made for the three authorities.

The Panel's Approach

- 2.1 **The Panel considered the approach adopted in the previous Harborough Panel report (2007) and concluded that the methodology used in that report remained appropriate. In particular the following starting points were re-adopted.**
 - ❖ 50% of a councillor's time commitment should be regarded as voluntary, inspired by a public service ethos. 50% should be regarded as eligible for remuneration.
 - ❖ The Basic Allowance should be calculated on the basis of the average hourly pay rate for all adult workers in the counties covered by the Welland Partnership.¹
 - ❖ Only one SRA should be payable to any one member, and this should be the highest to which the member is entitled to.²

¹ The Panel subsequently became aware that there had been disquiet in another Welland partnership authority about the use of an 'average hourly pay rate' on the basis that the authority's view was that the nature of the work carried out by councillors was such that an above-average hourly rate was more appropriate. The Panel had some sympathy with this view.

² The Panel did reconsider the arguments for and against retaining this particular principle. The 2003 regulations do permit the payment of more than one SRA to an individual councillor. It was acknowledged that, all other things being equal, if a councillor held two responsible positions, then he or she should be recompensed

- ❖ Where feasible, SRAs should be calculated as multiples (or fractions) of the basic allowance.

2.2 The Panel did however decide that it was appropriate to clarify the principles which it felt should underpin all schemes of member's allowances in the Welland Partnership area. These are set out in Appendix 1. These principles will be referred to in the report wherever they are relevant to the argument which is being made. However the following are worth emphasising at this stage.

- ❖ **Transparency and accountability.** There should be established proper processes for holding councillors to account in the performance of their duties. Transparency and accountability are essential components of an allowances system.
- ❖ **Comparability.** Levels of remuneration in the Welland Partnership should bear comparison with those agreed in comparable authorities.
- ❖ **Expenses to be treated separately.** All forms of expenses received by councillors incurred in the course of their duties should continue to be dealt with separately and should not be incorporated within the basic allowance.

2.3 The Panel also noted the view expressed in the Guidance document on Local Authority Allowances (ODPM, 2003, p 16) that 'if the majority of members of a council receive an SRA, the local electorate may rightly question whether this was justified'. Currently the majority of the 37 Harborough Council members receive an SRA.

2.4 As a result of the 'comparability' principle (see 2.2 above) the Panel reviewed the allowances currently paid by comparable (shire district) authorities in the East Midlands region.

2.5 The Panel's task in Harborough DC was complicated to some extent by the fact that as recently as 2007, the Welland Partnership Members Remuneration Panel (at the time before it was reconstituted under a new Chairman) had produced a report with a set of recommendations, which had been largely rejected by the council in January 2008. The current Panel looked carefully at the 2007 recommendations and found itself in agreement with many, (although not all) of them. However it also needed to ensure that its recommendations were compatible with those it made for Melton BC and East Northants DC.

There are thus three 'reference points' which influenced the Panel's considerations:

for both. But it was also recognised that to permit multiple allowances could give rise to anomalies, for example a council leader receiving less than another councillor who could claim two SRAs. On balance the Panel decided to retain the principle of 'one SRA only'.

- (1) The current allowances scheme for Harborough DC.
- (2) The previous Panel's recommendations for Harborough DC (2007).
- (3) The current Panel's recent reports for Melton BC and East Northants DC.

2.6 There is a further consideration which results from the differences which are apparent in these two sets of recommendations and the current Harborough scheme. In both Melton and East Northants, the recommendations of earlier reports by the previous Panel had largely been accepted (with some modifications). As a result their allowances schemes were broadly compatible with other comparable authorities in the East Midlands. The overall level of increase recommended by the Panel in September 2008 was in each case relatively modest, and could in principle be taken on board with a relatively small impact on the council's overall expenditure. In Harborough DC the situation is different. Because the authority has on a number of occasions since 2001 decided not to implement recommendations from the Panel, it has now fallen well behind other comparable authorities in the region. The basic allowance is roughly half the local average for shire districts as is the leader's SRA. (SRAs for cabinet members and scrutiny chairs are closer to the regional average).

2.7 This disparity means that, if Harborough were to implement recommendations which brought their allowances more into line with those of other authorities, they would need to impose a much higher percentage increase than was required in Melton or East Northants, with a greater impact on the council's overall budget. In the context of the credit crunch, and its likely constraining impact of local government finances (not to mention the likely reaction of the local media) this would not be an easy step for the council to take.

2.8 However the Panel wishes to emphasise that there would be real costs (of a non-financial nature) in not taking this step

- ❖ The principle of **natural justice**. It is unfair on existing (and future) councillors in Harborough if they continue to receive substantially less by way of allowances than councillors in other similar authorities.
- ❖ The problems of **attracting a more representative group of councillors**. All recent reports on councillor recruitment (including Government White Papers) have stressed the importance of seeking to attract a more representative cross-section of the population to serve as councillors. The 2007 local elections in Harborough resulted in the election in a number of relatively young businessmen and women (some of them self-employed) who have proved proactive and able members of the council. Several of the submissions made to the Panel drew our attention to the financial loss that had been experienced by such members in carrying out their council responsibilities (particularly those on the executive). It would be a pity to lose members of this quality.
- ❖ The **commitment of the members allowances Panel**. Although the council is of course within its rights to reject the recommendations of its independent members allowances Panel, it is most unusual for an authority to reject a whole series of such reports, as has been the case in Harborough DC.

Panels devote a good deal of careful thought in responding to the submissions made, drawing on comparative evidence, and developing their recommendations. It is possible that the authority might have difficulty in recruiting a Panel if this sequence of rejections were to continue.

- 2.9 The Panel acknowledges that there is an 'affordability' issue, given the present financial climate. But there are also issues of fairly recompensing members for the important job which they do. Even if the council felt unable to implement the Panel's list of recommendations in full, there would be possibilities of doing so on a **phased** basis, with an acceptance that **in principle** the allowances recommended are justified.

The Basic Allowance

- 3.1 In September 2008, the Panel recommended a basic allowance of £4,770 for both Melton BC and East Northants DC councils (using 2007-08 as a base). It sees no reason why this recommendation is not equally appropriate to Harborough DC. Like the two other authorities, Harborough DC is a proactive council which has embraced partnership working, and which has set up a relatively wide-range of member roles to reflect both internal and external priorities (the interesting 'member champion' roles represent one example).
- 3.2 For consistency, the basic allowance should be adjusted on an index-linked basis to reflect the NJC salary award for staff for 2008-09, and back dated to May 2008. However the council may wish to exercise some flexibility over these adjustments.
- 3.3 The average basic allowance in shire districts in the East Midlands was £4,200. However the increased demands on the time of all members over the past 3-4 years has been widely recognised in national and local reports, and it is likely that for 2008-09, our recommendation will be very close to the average.
- 3.4 It should also be made clear that the basic allowance should forthwith exclude all expenses **except** telephone expenses and travelling expenses to meetings not authorised in the allowances scheme (e.g. local constituency work). This recommendation reflects one of the panel's principle (see 2.1 above) and can be justified as follows:
- (i) For councillors who do not claim their basic allowance (because to do so would result in a corresponding reduction in some form of benefit), the inclusion of ancillary expenses as part of the basic allowance means that they would suffer financial disadvantage through being a councillor.
 - (ii) Evidence suggests that there is significant variation in the extent to which different councillors incur these ancillary expenses. Hence by including them as part of the basic allowance, some councillors are penalised more than others.
 - (iii) Many councils have chosen to separate out expenses (in the way proposed in this report) arguing that the basic allowance should be seen purely as an acknowledgement of the time and effort members expend in their role as councillors.

- 3.5 The Panel's recommendation represents an increase of 50% on the current basic allowance. However if a further recommendation of the Panel is taken into account, the increase is a good deal less than this. At present an SRA of £1,292 is paid to all members of the planning and licensing committee, executive task panels and scrutiny panels. This practice goes well beyond the recommendation made in the earlier (2007) report, namely that only members of the planning committee should receive such an allowance (recommended at £904).
- 3.6 This recommendation was certainly not intended to apply to members of the other committees and panels who have since benefited. To do so stretches the concept of 'special responsibility' beyond a reasonable interpretation, and also results in the vast majority of the council receiving an SRA, a situation which is in clear breach of the government guidance (see 2.3 above). In these circumstances, the Panel recommends that the SRA currently paid to all members of the planning committee, licensing committee, standards committee (excepting non-councillors), executive task panels and scrutiny panels should cease (it knows of no other authority where Harborough DC's current practice operates – even in relation to planning). The Panel's recommendation for a basic allowance of £4,770 should provide ample compensation for the time demands of planning committee, task panel or scrutiny panel membership (as well as a range of other minor responsibilities). If this recommendation is accepted (as it should be) its impact would be that the 'de facto' increase in the basic allowance would be from £3,445 to £4,770 per annum – an increase of 25% rather than 50%.

Special Responsibility Allowances

The Leader of the Council

- 4.1 The role of council leader has become a much more demanding one over the past few years, not least because of the Government's emphasis on the benefits of strong individual leadership, and the increasing scope and complexity of the partnerships arrangements (at local sub-regional and regional level) in which the leader is expected to play a major part.
- 4.2 The leader in Harborough confirmed that he operated on a full-time basis. Whilst it may not be necessary to do so (his predecessor was not a 'full-time' leader) the increasing demands of the role mean that it is not unreasonable for a leader if he or she chooses and is able to do so, to operate on a full-time basis.
- 4.3 In Melton the recommended leader's SRA was £11,900. In East Northants it was £11,000 (reflecting the more significant role played by the deputy leader). The Panel was clear that a figure within this range was appropriate also for Harborough DC. Using the 'multiples' principle (see 2.1 above) it felt that a multiple of 2.5 should be applied to the basic allowance to calculate the leaders SRA, which gives a figure of £11,925. This recommendation is consistent with that of the 2007 Panel which was for an SRA of £10,840. The proposed basic

allowance combined the recommended basic allowance of £4,770, would give the leader an overall allowance of £16,695, which, although by no means over-generous, does equate to 50% of the salary of a white collar job with a reasonable level of responsibility. This seems to the Panel a reasonable comparator.

Executive members

- 4.4 The current leader's time commitment to his role is close to a full-time one. In these circumstances, the responsibilities of the deputy leader may be fairly limited in scope. However circumstances change and a future division of responsibilities between the two positions may be different. The panel felt it was appropriate to allocate an SRA of £5,950 (half the leader's SRA) to the deputy leader. If there were to be major changes in the divisions of responsibilities in the future, the council should feel free to consider a re-allocation of the total proposed 'leadership' SRA (£17,875) between the two positions.
- 4.5 In East Midlands (and probably elsewhere) the level of SRA paid to executive members is higher than that paid to committee chairs who operate in 'fourth option' authorities (of which Melton and East Northants both provided examples). The recommendation made by the Panel for chairs of the more important committees in these two authorities averaged at around £3,750. On the basis of comparative 'data in the East Midlands, an SRA significantly higher than this for executive members in Harborough might be anticipated. Indeed the report of the 2006 Panel was for an SRA of £7,288 (which was well above the regional average of £5,000*).
- 4.6 The evidence the Panel heard did not result in a consistent picture. The leader and the executive members who presented evidence emphasised the demands and responsibilities of the executive role and the proactive way they interpreted it. However an officer with a long experience of working in Harborough argued that Committee Chairs³ actually had more individual responsibility involved, especially in relation to their delegated power to allocate resources within agreed budgets. There is certainly no equivalent power for current executive members, given that the constitution specifies that executive decision-making should be wholly **collective** in nature.
- 4.7 In these circumstances, the Panel did not feel it had a justification to support the 2007 Panel's recommendation for a SRA of £7,228 for cabinet members. However it felt that given that their responsibilities were more clearly defined than those of committee chairs in Melton and East Northants, an SRA greater than those recommended there was appropriate. Using the 'multiples' principle, it recommends that an SRA of 1 x the basic allowance – i.e. £4,770 – should be allocated to cabinet members.

* excluding a few major anomalies!

³ a system which operated until 2004

- 4.8 The combined allowance received by cabinet members would thereby increase from £6,029 to £9,540, an increase of nearly 60%. It would result in a figure which provided some degree of compensation for some of the 'loss of earnings' estimates provided, (although by no means full compensation).

Chairs of Scrutiny Panels

- 4.9 It is only in relation to scrutiny that Harborough have been relatively generous in their allocation of SRAs. The chair of the Scrutiny Commission currently receives an SRA of £5,168 – 80% of that received by the leader. The chairs of the three scrutiny panels currently receive £2,584 which is close to the regional average for shire districts (rather than well below the average, as is the case for most other positions of responsibility in Harborough).
- 4.10 Whilst it is important that the contribution of scrutiny to the democratic viability of the executive system of local government is properly recognised and rewarded, it would normally be seen as unjustified to pitch the SRA of a Scrutiny Commission Chair at close to the level received by a council leader. Under the terms of the 2000 Local Government Act, overview and scrutiny has no power to take decisions; its role is rather to exert influence on decision makers as and when it can. This is important, but arguably not as important a responsibility as that of deciding how to spend council taxpayers money (which is what the executive does – amongst other things).
- 4.11 It is appropriate that the Chair of the Scrutiny Commission should receive a substantial SRA, particularly in the current circumstances where the role is carried out with great enthusiasm and diligence and involves a major time commitment. The panel felt that an SRA equivalent to half that recommended for the council leader - £5,950 – was an appropriate reflection of the way the position was currently interpreted.
- 4.12 The chairs of the scrutiny panels have much more clearly-defined and – focused responsibilities for particular aspects of the council's work – 'people', 'places' and 'finance' respectively. The third of these panels also acts as an audit committee and accounts committee. The panel felt that an SRA of £3,575 (0.75 of the basic allowance) would be appropriate for these positions, particularly given the extent to which the council justifiably takes the overview and scrutiny role seriously.

Political group leaders

- 4.13 The current Harborough scheme allocates £1,292 as the SRA for a leader of any political group not involved in the administration. The 2007 Panel report recommended that the main Opposition Group leaders be entitled to receive an allocation from a maximum total of £2,710 (0.75 of the basic allowance). Using a multiple of 0.75 of the basic allowance of £4,770, the Panel recommends that this figure be raised to £3,575 (which is closer to the East Midlands shire districts average). Given the current political balance in Harborough, this sum should be allocated to the leader of the sole opposition party. In the event of

any future changes, the sum should be divided amongst party group leaders in proportion to the respective strengths of their groups on the council.

Chair of Planning Committee

4.14 As in all shire districts, local planning and development control is a key function, which elicits considerable public interest and proves time-consuming for the councillors involved in it. It is appropriate, in the Panel's view, that the SRA paid to the chair of the Planning Committee should be equivalent to that recommended for executive members, viz £4,770.

Chair of Licensing Committee

4.15 In line with the recommendation of the 2007 Panel, the current SRA allocated to the Chair of the Licensing Committee in Harborough is £538. This recommendation reflected the widespread view that after an initial period of intensive activity related to its new liquor licensing responsibility, the workload of such committees had significantly reduced. Whilst there are no grounds for reassessing this conclusion, the panels in Melton and East Northants were made aware that the chair of the Licensing Committee typically chaired the individual panel meetings to decide on specific licence applications, which could be very time consuming. The Panel's recommendation for Harborough is that the SRA be pitched at £1,195 (0.25 of the recommended basic allowance) which is similar to what was proposed in East Northants*.

Standards Committee

4.16 The current SRA allocated to the chair of the Standards Committee in Harborough - £2,850 – is much higher than the sum recommended by the Panel in Melton and East Northants. It does reflect the recommendation of the 2007 Panel in Harborough, but experience of the workload involved in other authorities (we received no evidence as to the Harborough situation) suggests that it has proved less demanding than initially anticipated. The Panel feels it would be consistent to recommend in Harborough the same SRA as it recommended in Melton and East Northants, viz £1,590.

4.17 Whilst it is appropriate that the non-councillor members of the Standards Board should continue to be paid a small SRA, the Panel was clear that it was **not** appropriate to pay an equivalent SRA to Harborough councillors who were members of the Board, for the reasons set out in 3.5 – 3.6 above. The SRA for non-councillor members should be £398 to give consistency with the Melton and East Northants recommendations (if this were to be updated for 2008-09 on an index-linked basis and backdated to May 2008, it would give a figure similar to the current SRA of £480).

4.18 It will be apparent from the analysis already presented that the Panel is clear that all the small SRAs paid to individual members of the Planning Committee,

* a move to the higher level recommended in Melton could not be justified, given that the Panel in Harborough was presented with no evidence on the demands of the position.

Licensing Committee, Executive Task Panels, Scrutiny Panels and councillor members the Standards Committee should cease. They are not compatible with the 2003 guidance provided by the (then) ODPM regarding allowances schemes, nor with the schemes of **any** other authority of which the Panel is aware.

- 4.19 The Panel did consider whether it was appropriate to allocate a small SRA to the recently-created role of member champions, but decided that as this development was at an early stage, it would be better to wait until it was possible to assess its real significance. It did however recognise the imagination and potential benefits involved in this initiative.
- 4.20 The panel received a representation which argued that an SRA should be paid to the Chair of the Council in respect of his or her responsibility for chairing council meetings (in addition to the allowance paid for civic responsibilities). Some councils (although not many) do allocate an SRA for this purpose. On balance the panel felt that it should not recommend an SRA for this position (although this was not a unanimous view). It was however clear that the allowance made by the council to cover the Chair of the Council's civic responsibilities should meet in full the expenses involved. It would be unfair if a chair ended up 'out of pocket' as a result of carrying out his or her duties. If this were the case one consequence could be that possible candidates were deterred from taking on the role.

Other Considerations

Travel and Subsistence Allowances

- 5.1 The Panel felt that it was appropriate to endorse the recommendation on this topic made by the 2007 Panel, namely:

'The Panel therefore, **recommends** that the travel and subsistence allowances for elected and non-elected co-opted members be the same as the allowances enjoyed by staff employed under the NJC national conditions of services. The mileage rates should be the same rates as paid to casual car users. The nationally agreed mileage and subsistence rates applicable in 2006/07 and for each year thereafter should be available within the Council as notified to it by the Employer's Organisation.

The Panel also **recommends** that the Council pays a Bicycle Allowance to members who use this mode of transport to make journeys in respect of their Council duties. This allowance should be the same as that available to staff'.

- 5.2 The principle of reimbursing expenses on the production of receipts should be adopted and applied except in circumstances where this was not feasible.
- 5.3 In any situation where a member does not claim the basic allowance (for reasons discussed in 3.4 (i) above), it would be appropriate for all expenses

(including phone and constituency-based travel) to be reimbursed, so that the councillor concerned does not end up 'out of pocket' as a result of being a councillor.

Carers allowance

5.4 The Panel noted that the Childcare and Carers Allowance which had been recommended in 2007 (£5.35 per hour) was now significantly less than allowances paid by most other authorities. Although there is considerable variation, figures of £10-£11 per hour are now not uncommon. Some authorities differentiate between childcare and dependent carers allowances, with the latter usually being 60-70% higher than the former. In the Panel's view the simplest solution is to raise the maximum carers allowance to £10 per hour, with an overall ceiling of £1,500 per annum (as proposed in Melton BC and East Northants DC). The allowance should be subsequently updated on the same basis as councillor allowances.

Pensions

5.5 The Panel felt it was appropriate to confirm the recommendation of the 2007 Panel as follows:

'The Panel **recommends**, having had regard to the time commitment of members and particularly those with special responsibilities, and there being no justification for discriminating between elected members that all elected members should be given the option of joining the LGPS and pensionable pay should be based on both basic and special responsibility allowances'.

Indexation

5.6 The Panel recommends that the current basis for indexation – the annual NJC salary award for staff – should be continued, not least because it ensures parity between annual increases received by officers and members respectively, and should continue to be applied (if necessary retrospectively) from the date of the Annual General meeting in May.

Backdating

5.7 In principle, the Panel feels that it is appropriate that any changes introduced in the 2008-09 municipal year as a result of this report should be backdated to May 2008. However it would not be unreasonable for the council to use its discretion on this issue.

Accountability and Training

- 5.8 The Panel recognised from the evidence presented to it that there was significant variation in the time commitment and effort which non-executive councillors in Harborough were prepared to give to their council responsibilities. This disparity is understandably a matter of some concern to those councillors who show high levels of commitment.
- 5.9 It is not possible to vary the basis allowance to take account of these differences. However the Panel did feel that accountability mechanisms in Harborough should be strengthened, so that these disparities can be recognised and where possible acted upon (although any disciplinary action required is arguably the responsibility of the party groups involved). The case for strengthening accountability mechanisms also applies to those holding posts which qualify for SRAs. As a 'quid pro quo' for increased allowances, there should be a parallel emphasis on seeking to ensure effective performance of the roles concerned.
- 5.10 Some councils have introduced job descriptions for the various roles (leader, committee chair, ward councillor). Others have identified a series of personal targets, linked to Personal Development Plans. At the very least, details of regularity of attendance at meetings, and the range of involvement in council activities (working parties, external representation etc) could be published on an annual basis. The Panel felt that it was a good idea for Harborough BC to investigate these alternatives, and to develop some set of accountability mechanisms which is felt was appropriate to its particular circumstances.
- 5.11 It is also apparent that training should be a requirement for many of the council responsibilities involved. Appropriate training for all members of the planning and regulatory committees should be obligatory. Chairing skills should also be a training priority, with an understanding that chairing overview and scrutiny committees requires specific skills, in some way similar to, but in other ways different from chairing other types of committees.
- 5.12 Attendance at relevant conferences should also be encouraged. One councillor drew the Panel's attention to the fact that to attend such conferences or training sessions meant that he had to take a day off work, and asked whether an allowance could be paid (in addition to travel and subsistence expenses) to compensate. Unfortunately there does not appear to be a mechanism to cover this, nor is the Panel aware of any authority which has found a way of doing so. Hopefully the increased basic allowance may provide a modicum of compensation.

Conclusion

- 6.1 To reiterate a key point made earlier, the Panel acknowledges, that there is an 'affordability' issue involved in implementing its recommendations in the present financial climate. But there are also issues of fairly recompensing members for the important job which they do. The recommendations set out in this report are based on the premise that 50% of the time commitment of councillors should be seen as a voluntary unpaid contribution. Even if the council felt unable to implement the Panels list of recommendations in full, there would be

possibilities of doing so on a **phased** basis, with an acceptance that **in principle** the allowances recommended are justified. Otherwise Harborough DC will fall further behind comparable councils in the East Midlands in respect of its allowances scheme.

Summary of Recommendations

1. The Basic Allowance should be increased to £4,770 and should be updated for 2008-09 to reflect the NJC staff pay award (and backdated to May 2008).
2. The Basic Allowance should exclude all expenses contingent upon councillors carrying out their functions except for phone expenses and local travel on constituency business.

3. The following Special Responsibility Allowances (SRAs) should be paid, and in each case updated for 2008-09 to reflect the NJC staff pay award (and backdated to May 2008)

Leader of the Council	£11,925
Deputy Leader of the Council	£ 5,950
Executive Members	£ 4,770
Chair of Planning Committee	£ 4,770
Chair of Scrutiny Commission	£ 5,950
Chair of Scrutiny Panel	£ 3,575
Opposition group leader	£ 3,575
Chair of Licensing and Regulating Committee	£ 1,195
Chair of Standards Committee	£ 1,590
Co-opted Member of Standards Committee	£ 398

4. SRAs paid to individual members of the Planning, Licensing and Standards Committee* and of Scrutiny Panels and Executive task panels should be discontinued.
5. Current arrangements for reimbursing travel and subsistence expenses should be retained, payment being made (wherever feasible) on the production of receipts.
6. The current basis for indexation the annual NJC salary award for staff – should be retained.
7. The carers allowance should be increased to £10 per hour, with an annual ceiling of £1,500, and subsequently updated in the same index as other councillors allowances.
8. In any situation where a member does not claim the basic allowance, because to do so would mean losing an equivalent amount of benefit, all expenses (including phone and constituency-based travel) should be reimbursed.

* co-opted members excepted

- 9. The option for all elected members to join the Local Government Pension Scheme should be provided with pensionable pay being based on both basic allowance and SRA.**
- 10. The council should investigate the applicability of various accountability mechanisms (see 5.10) to strengthen accountability processes on the council.**
- 11. Appropriate training should be compulsory for members of the Planning and Licensing committees, and is strongly recommended in relation to chairing skills.**

APPENDIX 1

Underlying Principles of the Review

- ❖ **Reorganising the 'public service' principle**
The voluntary public service principle should be **one** of the factors influencing the allowances scheme but not the only one.
- ❖ **Transparency and accountability**
There should be established proper processes for holding councillors to account in the performance of their duties. Transparency and accountability are essential components of a new system.
- ❖ **Comparability**
Levels of remuneration should bear comparison with those agreed in comparable authorities.
- ❖ **Public Comprehensibility**
The system of members' allowances should be as uncomplicated as possible; easy for councillors and members of the public to understand.
- ❖ **Non-eligibility of party political activities**
Internal political roles and activities (party group leadership excepted) should not be eligible for allowances.
- ❖ That Councillors should not suffer **financial disadvantage** through their membership of the Council.
- ❖ That allowances should be **a recognition of the time, and the commitment and the need to work unsociable hours.**
- ❖ That allowances should be designed to **encourage recruitment from a large variety of backgrounds**
- ❖ That allowances should recognise the **increase in the complexity and the range of the responsibilities** of Councillor' roles.
- ❖ In addition; all forms of expenses received by councillors incurred in the course of their duties, should continue to be dealt with separately and should not be incorporated within the basic allowance.
- ❖ No councillor should be permitted to receive more than one SRA