



**INDEPENDENT REMUNERATION
PANEL**

REPORT TO

TENDRING DISTRICT COUNCIL

April 2009

Recommendations on the Level of Members'

Allowances to Be Paid in the Municipal Year 2009/2010

Tendring
District Council



SECTION	CONTENT	PAGE
	Contents	1
1	Introduction / Background / Panel Members	2
2	Brought Forward And New-Year Specific Review Matters	5
3	Review Methodology / Evidence / Technique / Acknowledgement	9
4	Preamble To Conclusions / General Recommendations	10
5	Panel Conclusions / Recommendations	14
6	Schedule of Recommended Allowances	18
7	Summary of Allowance Changes	19
APPENDIX	Other Authority Comparative Allowance and Other Data	
A	Essex Authorities' Allowances	21
B	Other East Anglian Authorities' Allowances	22
C	Subsistence & Care Allowances	23
D	Car Mileage, Motor Cycle & Cycle rates	24
E	Co-opted Member Allowances	25
F	ICT Allowances	26
G	Indexation / IRP Arrangements	27

The requirement for an Independent Remuneration Panel [IRP], how it operates, and regulations governing the payment of Members' Allowances all continue to be subject to the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003.

Part 4 regulation 19(1) states that "*Before an authority.....makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel*"

This report has been prepared in accordance with those regulations to enable the Authority to meet its statutory responsibilities when reviewing / amending its Scheme of Allowances.

The Political Structures and the Roles of Members

The political structure of the Council and the roles of its members remain unchanged since the previous review.

- **Full Council** consisting of 60 elected Members;
- At the time of preparing this report the Administration Group provides a power-sharing collaborative arrangement, with the Conservative group continuing to be the main opposition;
- **An Executive Cabinet** of 9 Members plus an Executive Leader. The 9 portfolios remain the same as at the last review, with the Leader continuing to have overall responsibility for corporate and political strategy and leadership of the authority;
- **An Overview and Scrutiny** function based on 4 quite separate committees (Community Leadership and Partnerships, Service Development and Delivery, Corporate Management, and Scrutiny), each comprising of 8 members, each committee having very separate and defined responsibilities;
- **An Audit Committee** comprising 5 members whose duties include provision of independent assurance on the adequacy of the risk management framework, independent scrutiny of the Council's financial and non-financial performance and overseeing the financial reporting process;
- **A Standards Committee** that consists of 11 Members. 6 of the 11 are elected Members of Tendring District Council (including 1 Executive Member). There are 3 independent members of the public who are considered to be of good standing within the community and 2 members of Parish Councils. The Chairman of the Standards Committee continues to be an independent non-elected, person who is not able to receive a Special Responsibility Allowance, but who may be paid a co-opted member allowance. Following a Regulation change in early 2008 there are also 3 substitute independent members and 2 substitute parish members. Since September 2008 the Committee has established 3 sub-committees to handle Referrals, Reviews and Hearings;
- **A Development Control Committee** with 18 members appointed on a politically proportional basis. This committee meets every 3 weeks, to handle the significant volume of planning applications that officers cannot determine under delegated powers;
- **A Regulatory Committee** with 14 members appointed on a politically proportional basis. It continues to discharge a range of regulatory functions for which the Council is responsible, including health and safety enforcement, pollution control, statutory nuisance and licensing (delegated);

- **A Licensing Committee** that undertakes the quasi-judicial determination of personal licensing matters including Hackney Carriage, Private Hire, Public Entertainment and Liquor and, more recently, Gaming licences. It has 15 members appointed on a politically proportional basis. It operates 4 specific licensing sub-committees;
- **A Human Resources Committee** that deals with general staffing matters. Part of its work is conducted by an Appeals Sub Committee. It has 14 members.

Political Composition of the Council

Following a number of inter-party movements in late 2008 and further changes during January 2009 the Council comprised the following political groups and numbers at the point the Panel was concluding its review:-

	Seats
Community Representative	3
Conservative	27
The Administration Group	<u>30</u>
	<u>60</u>

Independent Remuneration Panel Meetings

In line with established practice, the Panel began its deliberations with a formal meeting, and then held a number of informal meetings, concluding with a second formal meeting at which it presented this report containing its recommendations to the Council.

Independent Remuneration Panel Members

- ▽ **Frederick M. Abbott** - 40 years industrial experience with large international companies in senior management positions related to supply chain matters;
- ▽ **Moya Godfrey** –Having been a Panel Member since 2006, Moya chose to resign from the Panel early into the latest review process.
- ▽ **John H Hall** - Retired head teacher with many years' experience of voluntary financial and community work nationally, and in a multicultural borough;
- ▽ **John H. Lange** - Vice-Chairman of former Tendring Primary Care Trust and retired Fundraising Consultant, with over 30 years' experience with multinational companies, and governor to several schools;
- ▽ **Andrew Schooler** - Worked for 38 years in the Public Sector. Currently a Chairman both in the Criminal Court and the Essex Family Court. Also a member of the Employment Tribunal Service.

Fred Abbott was re-elected Chairman of the Panel at the first formal meeting.

Following the mid-term resignation, the review process was concluded by the remaining 4 members of the IRP. The vacancy will be filled when 2 of the remaining 4 Panel Members' terms of office expire in 2009.

All Panel Members are local Council Tax payers.

Acknowledgement for Officer and other Support Provided to the Panel

The Panel would like to express its gratitude to Mike Cole (Assistant Head of Financial Services), Brenda Collins (Senior Members' Officer) and Jennifer Eames (Finance Administrative Assistant) for their assistance in providing guidance regarding the relevant regulations, the collection of comparative data and associated information regarding Council service and operational issues, and the arrangement of accommodation and hospitality for the numerous meetings.

It would also like to thank the Members and Council officers who attended its meetings and provided up-to-date information relating to current issues and operational arrangements within the Authority.

A number of issues raised in the report submitted to Annual Council in May 2008 require follow-up Panel action in the latest review:-

PREVIOUS REVIEW - BROUGHT FORWARD ITEMS

Follow-up Review Item	Follow-up Action Required
Hourly Rate Used In Basic Calculation	Review hourly rate in the light of comparable 'Essex White Collar pay rates
Councillors Weekly Time Commitment	Check that the hours used in the Basic Allowance calculation remain appropriate
Pensionability Of Allowances	To send a simple confidential survey questionnaire to all members seeking their views as to whether, and if so which, allowances should be pensionable.
ICT For Members – Review 'consumables' provision within Basic Allowance	Assess a "reasonable cost" for ICT consumables for general members and for those receiving a SRA.
Licensing / Development Control Committee general members	Review the SRA paid to general members of both committees having regard to current workloads and other LA practices.
Co-opted Member Allowances	Workload / committee frequency to be examined after Standards Boards referrals commence. Consider linking payment to a multiplier like all other SRA's.

Hourly Rate Used in Calculating basic Allowance

Having increased the hourly pay rate used in the calculation of Basic Allowance by an inflationary factor for the last two years the Panel wished to see statistical evidence to ensure that the rate being used fairly reflected rates of pay in comparative occupations.

The Office for National Statistics [ONS] publishes the results of an Annual Survey of Hours and Earnings [ASHE] which provides detailed earnings information over a number of employment groups by county areas then by individual local authority area. The Panel noted the low earnings levels for Tendring generally, compared with the rest of the county.

Councillors Weekly Time Commitment

The Panel last sought data from members some years ago regarding their time commitments to Council / Ward activity. In order to ensure that it understands the current situation, the Panel decided it should update the knowledge previously obtained by sending a questionnaire to all members requesting details of time spent on various elements of Council activity for a single fixed weekly period. Return of completed questionnaires was requested by no later than 28th November 2008.

The questionnaire also sought members' views on the rate of "Public Service Discount" [PSD] taken into account when calculating Basic Allowance. The figure of 40% has been used for several years to represent the element of a member's duties that are undertaken in order to 'serve the community' PSD is referred to in the DETR Guidance on Members Allowances April 2001 (reissued in 2007) which states:-

“It is important that some element of the work of members continues to be voluntary – that some hours are not remunerated. This must be balanced against the need to ensure financial loss is not suffered by elected members, and further to ensure that, despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained”

Analysis of the time commitments recorded by those members who responded and the Panel's views and comments are set out in Section 4.

Pensionability of Allowances

When the Panel produced its report for Annual Council in May 2008 one of the recommendations was that it should undertake a confidential survey of members' views regarding the pensionability of allowances before reaching any final conclusion to recommend to Council in the current review process.

To achieve this, a brief survey form was also sent to all members requesting their co-operation in gathering relevant information. The forms were sent out on 28th November 2008 requesting return no later than 12th December 2008. A total of 12 forms were returned.

Responses have been analysed and the outcome, along with the Panels' comments, is reported in Section 4.

ICT Element of Members' Basic Allowance

The previous report also included a recommendation that the ICT element of Basic Allowance should be identified and in an attempt to encourage electronic efficiencies in Council Business and that it should only be paid to those members who actively participate in the Council's formal ICT arrangements.

A small number of other authorities apply the same general principles and recently collected comparative data has identified an annual element of ICT allowance within Basic Allowance varying between £250 and £615 but in only 3 of the comparator authorities. Those that make specifically identifiable ICT allowances are listed in Appendix F. All 3 authorities' Schemes of Allowances' indicate that such sums are only paid to those members who have formally joined their respective authority's Information and Communication Technology Scheme.

At the time of preparing this report some 34 members were formally committed to Tendring's ICT Member Scheme and had taken TDC laptops and / or ancillary equipment. Some members already have broadband and ICT equipment through other elected-member roles (i.e. County Councillors) and others prefer to continue to use their own personal connections and / or equipment. Some have broadband connections and /or equipment provided by this Authority. Those with TDC provided broadband make personal payment but have the full cost reimbursed monthly with their Members' Allowance. The Panel was advised that take-up had been in line with expectations and that it was hoped that this would continue to grow to enable further access to TDC's secure network.

Development Control / Licensing Committee General Members

Previous reviews had indicated workloads that were changing or that had not been finalised as a result of existing and /or changing legislation so the Panel felt it should seek up-to-date information regarding the workloads and commitments of the general members of the Development Control and Licensing Committees and look at comparable authorities to see what arrangements they have in place for their equivalent members. The views of senior members (i.e. Group Leaders) were also sought. The comparative data-gathering exercise revealed that **very few other authorities make SRA payments to these members but those that do pay at significantly lower levels.**

Co-opted Members Allowance

In line with the recommendations in the IRP's previous report, Annual Council in May 2008 brought co-opted members' allowances in line with the regulations and other authority practice by introducing an annual allowance rather than the previous payment per meeting. It also agreed the Panel's recommendation that the allowance set at that time should be reviewed in the light of actual activity of the Standards Committee including its expected increased activity resulting from referrals from the Standards Board for England.

Equivalent payments made by comparator authorities are listed in Appendix E. Only 3 of the authorities, whose Scheme data includes co-opted member payments, specifically relate Standards Committee chair allowance to a multiplier. Schemes received from other authorities reveal Standards Committee chair annual allowances ranging from £564 to £2,763 per annum which equate to 'equivalent' multipliers (of Basic Allowance) from 0.15 to 1.00.

NEW ISSUES – ISSUES ARISING DURING THE 2009/2010 ALLOWANCES REVIEW

New Issues Raised	Comment / Narrative
Suggestion that Indexation of Allowances might be recommended by the IRP	Following an initial enquiry by the Executive Leader the IRP invited Councillors Bucke and Dew, Portfolio Holders for Finance and Resources respectively (who had been nominated by the Executive Leader) to one of its informal meetings to hear the case for possible indexation of allowances
Further Member Performance Assessment and Development and Training Programme	It was suggested to the Panel that members' allowances might be more appropriately related to performance in a member's particular role having regard to ongoing training and development opportunities.

Suggestion that Indexation of Allowances might be recommended by the IRP

At the request of the Executive Leader, Councillors Robert Bucke and Michael Dew, Portfolio Holders for Finance and Resources respectively, attended an informal meeting of the Panel to discuss the issue of Indexation of Allowances. The views of Group Leaders generally were also obtained by invitation to attend an informal meeting of the IRP to enable the Panel to hear a wide range of opinions and thoughts on this subject.

Part 4 of the 2003 Regulations at 21(1) state *“An independent remuneration panel shall produce a report relating to the authority or authorities, in respect of which it was established, making recommendations:-*

(e) “as to whether adjustments to the level of allowances may be determined according to an index and if so, which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed”.

The Panel has considered the various representations and views and has discussed the subject in great detail, having had regard to the requirements of the Regulations, and has then drawn what it considers to be appropriate conclusions.

Its recommendations and reasons behind those recommendations to Council on the subject are set out in Section 4.

Member Performance and Development and Training Issues

The Panel also noted comments made regarding member “performance” and commitment to training opportunities, a matter that has been raised during previous year review discussions.

As on the previous occasions that the issue of performance has been raised, the Panel was again mindful that its duty is to make recommendations regarding allowances - the current Regulations include no provision in respect of performance-related allowances.

Therefore, if the Council wishes to consider making members’ allowances payments dependent on performance or otherwise look generally at member-performance this would need to be considered outside of the process involving the IRP and its strictly limited responsibility to make recommendations on the nature and amount of allowances that should be paid.

Interviews with Members

An invitation was extended to all Group Leaders to attend one of the Panel's informal meetings (2 separate dates were initially offered, although this was later extended to 3 dates to accommodate group leader availability) to express their views on allowance matters, and in particular, those relating to the concept of indexation of allowances and what might provide a fair and equitable way of determining opposition allowances.

In the absence of any changes in the portfolio or committee structures since last year no interviews were arranged with either Portfolio Holders or Committee Chairs.

Also, following very poor general member interest / attendance in recent years, open meetings with members were not offered during the current review.

Other Local Authority Comparative Data

The Panel decided that it would again collect data in respect of 2 groups of authority for this year's review, namely: -

Essex authorities; and
Other East Anglian authorities.

A copy of the newly collected data, relating to allowances, travel and subsistence, is attached to this report at Appendices A, B, C and D.

Comparison with Other Local Authority Schemes of Members Allowances

Existing 2008/2009 levels of allowances and those being considered were compared with the equivalent allowances being paid by other Essex and East Anglian authorities. Care needs to be exercised when undertaking simple comparison between authorities, due to the fact that there may be significant differences in population, revenue-raising capabilities and type and levels of service provided to the public.

During the past year there has been no significant change in the volume or range of services provided by Tendring. Based on this fact and the comparative data collected, the Panel has once again reached the broad conclusion **that there is no obvious reason or justification for significant individual or across-the-board increases in allowance levels.**

Officer Updates on Development Control and Licensing Committee Workloads

The responsible officers were invited to attend informal meetings to provide the Panel with an update on current activities and workloads of the Development Control and Licensing Committees so that the Panel could assess any changes that may affect their views on the associated SRA's. The Panel has also looked at similar SRA's paid by other authorities.

Development Control Committee workloads and activity information was provided by the Development Control Team Leader. Licensing Committee information was provided by the Assistant Head of Lgal Services (Administrative Services).

In respect of the items brought forward from the previous review and the new items raised during the current review, the Panel has considered the respective information and has reached the following conclusions:-

Hourly Rate Used in Calculating basic Allowance

An hourly rate of £12.48 was used to calculate Basic Allowance for 2008/2009. Based on the ASHE information the equivalent rate applicable for 2009/2010 would be £12.59 per hour. However the Panel noted that due to general economic circumstances the published statistics indicated current earnings figures only marginally (0.88%) above the rate used to calculate Basic Allowance last year.

Councillors Weekly Time Commitment Survey (including Public Service Discount)

A total of 13 completed questionnaires were ultimately returned.

From the questionnaire responses returned, recorded time in respect of Council activity varied significantly and between such large extremes that the Panel had to consider whether the responses received provide a fair reflection of member activity Council-wide. It concluded that the information returned came from too small a number of members to be statistically meaningful and provided such extremes that it would not be reliable information on which to consider recalculation of Basic Allowance.

It concluded that for the current review the previous figure of 12.75 hours should remain as the hours used in the calculation of Basic Allowance

The questionnaire also asked whether the Public Service Discount [PSD] (currently at 40%) was about right and if not what might be a more appropriate level. Some 62% of the respondees to the members' time survey felt that PSD was correct at the current 40% level.

Pensionability of Allowances

Given the very small number of replies to its request for information regarding the pensionability of allowances the Panel's first and overriding conclusion is that the subject is not a matter of strong concern or interest Council-wide.

Of the replies received some 58% "strongly disagreed" that allowances should be pensionable or expressed "no interest". The remaining 42% expressed varying degrees of support for making allowances pensionable.

In view of the low response overall and the fact that 58% of respondees disagreed with the principle, the Panel has concluded that there is no basis on which to recommend that any posts or allowances should be pensionable, consistent with its earlier years' views.

Unless specifically requested to do so, or in the event of their becoming aware of significant future member interest or concern in this subject, the Panel proposes not to review this subject in detail in its next review.

ICT Element of Members' Basic Allowance

In 2001 when New Political Management Arrangements were introduced in Tendring, Basic Allowance at £3,100 was deemed, by the consultant who helped devise and implement the original Scheme of Allowances, to include an ICT / Telephone 'consumables' allowance of £240 (7.74%). The equivalent proportion of current Basic Allowance (£4,965) amounts to £384.

After considering the take-up from members on the existing ICT scheme and the current absence of detailed evidence of efficiency savings or overall benefits the Panel was unable to make any valid determination as to what would be a reasonable annual figure for consumables in order to make this a separate allowance from Basic Allowance. It also acknowledged that the needs of Cabinet Members and Committee Chairs may be significantly greater than those of general members.

For that reason the Panel recommends **that for 2009/2010 there should be no attempt to separate an ICT element of Basic Allowance or make its payment dependent on membership of the Council's ICT Scheme.**

Development Control Committee and Licensing General Members

In respect of the activity of the Development Control Committee, the Panel was informed that workloads remained significantly high with continuing full agendas and an ongoing need for site visits, hence the 3-weekly meeting cycle with intermediate site visits. It was also advised that the Vice-Chair of this Committee is now regularly required to chair all or part of meetings and so clearly has responsibilities over and above those of the general members of the Committee. Despite previous recommendations to cease payment of a SRA to the Vice-Chair of this Committee, the Panel decided that it would not repeat such recommendation at the current time, and proposes **leaving the Vice-Chair multiplier unchanged.**

In respect of the general members of Development Control Committee the Panel was advised that members of several other committees have equally frequent and substantial commitments without special responsibility allowances being paid. It was also reminded that when a substitute member attends either Development Control or Licensing Committee he / she receives no allowance thus creating an unacceptable anomaly.

Advice regarding the activities of the Licensing Sub-Committees has been that member workloads never really reached the anticipated initial levels, are now relatively small, and in the absence of any known legislation are unlikely to increase again in the medium term. Gambling licences have been minimal and largely handled by officers under delegated powers.

With hindsight the Panel acknowledges that it was appropriate to pay the additional SRA's to members of these committees during the initial set up periods, but in view of the various arguments now put forward it has concluded **that it would not be appropriate to continue payment of Special Responsibility Allowance to the general members of the Development Control and Licensing Committees.**

Co-opted Members Allowance

Standards Committee information was provided by the Assistant Head of Legal Services (Democratic Services). The Panel was advised that in practice the significant increase in cases referred for review by the Standards Committee has not yet materialised as anticipated.

3 specific sub-committees created in September 2008 have yet to complete an annual cycle of meetings, so the Panel has concluded that **activity of the sub-committees should be reviewed in 12 months time and that in the meantime allowances should remain as at present but with inflationary increases. The possibility of determining future allowances by use of a multiplier should also be re-examined at that later time.**

Indexation of Allowances

The main issues considered by the Panel included the following:-

- The 2003 Regulations state that indexation is restricted to no more than 4 years at a time, which means the Panel would still need to review matters including the on going suitability of indexation every fifth year. During this period there could be significant administrative changes for both legislative and political reasons making intermediate variation desirable, but unachievable without reconvening the IRP to make recommendations (in order to enable the Council to fulfil its legal obligations under the Regulations);
- Since October 2001 when the New Political Management Arrangements were introduced at Tendring there have been 2 administrations, both of which have been wholly dependent on collaboration between very different political groups. The Panel feels that such finely balanced Council arrangements do not provide the best environment in which to consider indexation, since any new administration would be unable to undo that decision in the shorter term;
- If indexation were to be introduced it would be more appropriate to introduce it at the commencement of a new administration following the four yearly elections and not half way through a 4 year term;
- Under the 2003 regulations the IRP is also defined as the Parish IRP so the Panel would still need to be active looking at allowance issues in order to fulfil its responsibilities to the Parishes within the District;
- If Indexation were to be applied there would, in compliance with regulations, be no scope for other scheme adjustments (without review and recommendation from the IRP) which could result in inequalities;
- There are potential complications and administrative inefficiencies depending on the payment rate to which any scheme is index related and any resulting backdated payments could create tax and National Insurance complications for some Members depending on their personal circumstances;
- Annual allowance increases below the true rate of inflation, holding allowances at artificially low levels may deter existing councillors from continuing in their current roles and may discourage potential new councillors from wishing to stand for election in future.
- The Panel heard evidence from more than one source relating to the wish to see Members' allowances mirror Officers' salary awards and commends this approach in unifying the organization as a whole, but does not consider that formal indexation is the most appropriate way to achieve the desired outcome.

The conclusion of the Panel is therefore that it is **not appropriate to recommend indexation of allowances at the present time.**

Member Performance and Development and Training Issues

The matter of member performance is one for the Council to refer to its Head of Human Resources and Customer Services as any such scheme would necessarily need to be subject to some formally agreed competency-based process which would inextricably be linked to a related training and assessment programme to enable member-performance improvement to be measured in a methodical and fair way. The Panel therefore recommends **that the Council refers this matter for further consideration / report if it so wishes.**

Methodology for Determining Opposition Allowances

Opposition allowances have proved to be a contentious subject matter for many years, during which times a number of different formulas have been recommended and tried only to be changed again at Annual Council in subsequent years. The purpose of raising the subject with Group Leaders was to try to establish any collective or common ground from which to begin examination of the subject for 2009/2010 in the hope of finding a formula that would provide a flexible solution both for the immediate future and longer term.

One common recurring theme was expressed to the Panel during its evidence gathering, that being that there should be an allowance based on a fixed sum attributable to the responsibilities of being a Group Leader plus a variable element paid according to the number of members in the respective opposition groups(s).

The Panel concurs with this particular line of thought as it provides consistency for future years should political balance and group sizes change in the future.

The Panel therefore **recommends a fixed element of £1,512 payable to each opposition Group Leader plus a variable element of £198 for each of the members within the group** (a group being 3 or more members in total). (The £198 is calculated based on the portfolio multiplier of 2.35 x Basic Allowance £5,088 / the total number of members 60 – rounded for payroll purposes).

IRP Recommendations – Transparency of Annual Council decisions

The Panel noted that the minutes of the Annual Council in May 2008 accurately reflected the variations from its recommendations as discussed and agreed at that meeting, but was surprised that from a public transparency viewpoint no reasons were recorded explaining why those changes had been considered necessary and subsequently made.

Whilst it acknowledges that the Council has met its statutory requirements under the Regulations to have “due regard to the recommendations of its Independent Remuneration Panel” the Panel **recommends that, in the interests of public transparency, the reasons for any future variations from its recommendations should be fully and clearly minuted.**

1 Chairman and Vice Chairman Allowances

Annual Council in May 2008 approved a Panel recommendation that these allowances should be increased each new municipal year by reference to the previous December's RPIX index level increase as published in mid-January each year. The RPIX index for December 2008 was 2.8% so in accordance with that previously agreed formula the Panel **recommends Chairman and Vice-Chairman Allowances of £6,000 and £2,110 respectively.**

It is acknowledged that the percentage increase is marginally above that being recommended for general allowances but recognises that there are additional and one-off expenses incurred in respect of these important civic positions and concludes that the agreed formula should be applied.

2 Basic Allowance

In considering the appropriate level of Basic Allowance to recommend for 2009/2010 the Panel engaged in extensive discussion regarding a number of different factors. These included:-

- existing levels of remuneration to members at Tendring compared to similar-sized authorities;
- the local, national and international financial crisis and associated recession;
- the arguments for and against indexation of allowances;
- strong and repeated views that members allowances should be closely related to officer salary increases;
- views expressed during the previous review period that allowances should be frozen in periods of financial difficulties; and
- comparison of the hourly rate against the Office of National Statistics Annual Survey of Hours and Earnings survey information for the Tendring District.

In light of the above points the Panel has concluded, as detailed elsewhere in this report, that indexation was not appropriate for Tendring at the current time, and **that an increase of 2.45% in the hourly rate should be** used to calculate Basic Allowance. If any member consider it wrong to receive increased allowances in the current economic conditions provision exists within the Scheme of Allowances for him / her to forgo all or part of the allowance(s) concerned.

The Panel **recommends a Basic Allowance of £5,088.**

SPECIAL RESPONSIBILITY ALLOWANCES

Multipliers remain as previously determined

3 Executive Leader

Multiplier 4.00 - The Panel **recommends an annual allowance of £ 20,352.**

4 Portfolio Holders

Multiplier 2.35 – The Panel recommends an annual allowance of £ 11,958.

5 Opposition Leaders

Using the formula set out in Section 4 above the Panel recommends the SRA's calculated using:-

Allowance For being a Group Leaders	£1,512
Plus for each member in the Group	£198.

6 Chairmen of Overview and Scrutiny Committees (all 4 Committees)

Multiplier 0.80 - The Panel recommends an annual allowance of £ £4,071.

7 Chairman of Audit Committee

Multiplier 1.00 – The Panel recommends an annual allowance of £ 5,088.

8 Chairman of Development Control Committee

Multiplier 1.36 – The Panel recommends an annual allowance of £ 6,921.

9 Vice-Chairman of Development Control Committee

Multiplier 0.44 – The Panel recommends an annual allowance of £ 2,238

10 Members of Development Control Committee

The Panel recommends that the allowance currently made to the members of this Committee be discontinued for 2009/10 onward.

11 Chairman of Licensing Committee

Multiplier 1.36 – The Panel recommends an annual allowance of £ 6,921.

12 Chairmen of Licensing Sub-Committees (all 3 Sub-Committees).

Multiplier 0.44 - The Panel recommends an annual allowance of £ 2,238.

13 Members of Licensing Committee

The Panel recommends that the allowance currently made to the members of this Committee be discontinued for 2009/10 onward.

14 Chairman of Human Resources Committee

Multiplier 0.80 - The Panel recommends an annual allowance of £ 4,071

OTHER ALLOWANCE RECOMMENDATIONS**15 Childcare Allowance**

The Panel recommends an increase to £ 5.89 per hour for a maximum of 15 hours per week.

16 Dependent Carer Allowance

The Panel recommends an increase to £ 8.38 per hour for a maximum of 15 hours per week.

17 Co-opted Member Allowance

In line with increases applied to other allowances the Panel recommends the following revised annual allowances

Chairman of the Standards Committee	£924
Other Members of the Standards Committee	£465
Substitute Members of the Standards Committee	£231

18 Conference Allowance

After comparing the currently approved rate of conference allowance with Essex and East Anglian authorities, the Panel recommends that the existing rate should continue to be paid.

19 Travel and Subsistence Allowances

After comparing travelling and subsistence allowances with Essex and East Anglian authorities, the Panel recommends that the existing rates continue to be paid, but that in the event of any changes announced by HMRC or the Joint National Committee [JNC], during 2009/2010, the Head of Financial Services in consultation with the Head of Legal Services and Monitoring Officer be authorised to implement such revised rates and amend the Scheme of Allowances accordingly.

20 Pensionability of Allowances

The Panel recommends that no posts or allowances be eligible for pensionability in relation to the Local Government Pension Scheme.

21 Indexation of Allowances

The Panel recommends that indexation of allowances should not be introduced at the present time.

22 Reasons for Changes to IRP Recommendations

The Panel recommends **that whilst not required by the Regulations, it would add to the transparency of the overall making of a Scheme of Allowances if the reasons for changes to its recommendations made at Annual Council were to be minuted.**

REVIEW OF ALLOWANCES FOR 2010/2011

The Panel recommends **a further review of allowances commencing in late summer / early autumn 2009 in respect of the municipal year 2010/2011.**

Allowance	Panel Recommendation	Relevant Section 5 Paragraph Number
Chairman & Vice-Chairman of the Council	Increased in line with previously agreed RPIX formula. Revised Chairman & Vice-Chairman Allowances of £ 6,000 and £ 2,110 respectively.	1
Basic (all 60 members)	Proposed inflationary increase to £5,088	2
Executive Leader	Proposed inflationary increase to £20,352	3
Portfolio Holder	Proposed inflationary increase to £11,958	4
Opposition Leaders	Recommended based on the proposed new formula:- For Being A Group Leader £ 1,512 For each member of the Group £ 198	5
Chair - Scrutiny Committee	Proposed inflationary increase to £4,071	6
Chair - Corporate Management Committee	Proposed inflationary increase to £4,071	
Chair - Service Development & Delivery Committee	Proposed inflationary increase to £4,071	
Chair - Community Leadership & Partnerships Committee	Proposed inflationary increase to £4,071	
Chair - Audit Committee	Proposed inflationary increase to £5,088	7
Chair – Development Control	Proposed inflationary increase to £6,921	8
Vice-Chair – Development Control	Proposed inflationary increase to £2,238	9
Members – Development Control	Recommended that this allowance be withdrawn	10
Chair – Licensing Committee	Proposed inflationary increase to £6,921	11
Chairs – Licensing Sub-Committees	Proposed inflationary increase to £2,238	12
Members – Licensing Committee	Recommended that this allowance be withdrawn	13
Chair – Human Resources Committee	Proposed inflationary increase to £4,071	14
Childcare Allowance	Inflationary hourly rate increase to-£5.89	15
Dependent Care Allowance	Inflationary hourly rate increase to-£8.38	16
Co-opted Member Allowance	Proposed inflationary increase: Chairman £ 924 Other Members £ 465 Substitute members £ 231	17
Conferences		18
Travelling & Subsistence Rates	The Panel recommends that the current rates continue to be paid, and the Head of Financial services in consultation with the Head of Legal Services and Monitoring Officer be authorised to increase rate(s) if subsequently increased by the Inland Revenue or JNC, amending Part 7 of the Constitution as necessary.	19

Allowance	Panel Recommendation	Relevant Section 5 Paragraph Number
Membership of the LGPS	The Panel has determined that membership of the LGPS should not offered at Tendring	20
Indexation of Allowances	The Panel has determined that, taking account of all relevant factors it is not appropriate to recommend indexation of allowances for this Council at the present time.	21
Reasons for Changes to IRP Recommendations	The Panel recommends that the reasons for changes to its recommendations made at Annual Council should be fully and clearly minuted.	22

Council	Basic Allowance	SRA - Leader	SRA - Deputy Leader	SRA Portfolio Holder	Chairman - O&S	Vice Chairman - O&S	Chairman - Dev't Control Committee	Vice Chairman - Dev't Control Committee	Chairmen - Other Committees		Vice Chairmen - Other Committees		Opposition Leader(s)		Opposition Deputy Leader(s)	
									Max	Min	Max	Min	Max	Min	Max	Min

Brentwood	Alternative Arrangements Adopted															
Castle Point	Alternative Arrangements Adopted															
Harlow	Alternative Arrangements Adopted															
Maldon	Alternative Arrangements Adopted															
Uttlesford	Alternative Arrangements Adopted															
Basildon	5,484	16,452		10,968	8,226	2,742	8,226	1,371	8,226	1,371			4,113	1,371		
Braintree	4,224	12,672	10,560	8,448	4,224		4,224		4,224				4,224	1,056		
Chelmsford	5,380	21,100	13,926	10,550	5,275		6,963		6,963	1,055			6,963	1,055		
Colchester	6,000	18,000	11,340	10,800	6,300		6,300		6,300	3,600			7,200	1,440		
Rochford #4	4,250	21,250	12,750	8,500	3,125		2,125		2,125				2,125			
Epping #1, #2 & #3	3,650	7,875		6,300	3,150	2,150	2,362		2,362	270						
Tendring	4,965	19,860	0	11,667	3,972		6,753	2,184	6,753	3,972			6,972	2,490		

Minimum	3,650	7,875	0	6,300	3,125	2,150	2,125	1,371	2,125	270			2,125	1,055		
Average	4,850	16,744	9,715	9,605	4,896	2,446	5,279	1,778	5,279	2,054			5,266	1,482		
Maximum	6,000	21,250	13,926	11,667	8,226	2,742	8,226	2,184	8,226	3,972			7,200	2,490		

- #1 - For budgetary reasons Full Council agreed rates lower than IRP recommendations
- #2 - Basic Includes a first year "ICT Connectivity Allowances" of £500 reducing to £250 pa thereafter
- #3 - Group Leader payments. Removed from Scheme.
- #4 - Recently moved to Executive style arrangements (April 2008)

Council	Basic Allowance	SRA - Leader	SRA - Deputy Leader	SRA Portfolio Holder	Chair - O&S	Vice Chair - O&S	Chair - Dev't Control Committee	Vice Chair - Dev't Control Committee	Chair - Other Committees		Vice Chair - Other Committees		Opposition Leader(s)		Opposition Deputy Leader(s)	
									Max	Min	Max	Min	Max	Min	Max	Min

Babergh	Alternative Arrangements Adopted															
Broadland #1	3,810	7,662		5,100	2,565	0	2,565	0	2,565	0			5,097	1,699		
Mid Suffolk	3,684	9,210	4,146	3,684	3,684	921	3,684	921	1,842	462			1,842	462		
Suffolk Coastal	4,000	12,000	8,000	4,000	4,000	0	2,000		4,000	1,500			4,000	800		
South Norfolk	4,350	8,700	0	4,350	3,480	870	4,350	0	2,175				2,175	0		
Tendring	4,965	19,860	0	11,667	3,972		6,753	2,184	6,753	3,972			6,972	2,490		

MIN	3,684	7,662	0	3,684	2,565	0	2,000	0	1,842	0			1,842	0		
AVERAGE	4,162	11,486	3,037	5,760	3,540	448	3,870	776	3,467	1,484			4,017	1,090		
MAX	4,965	19,860	8,000	11,667	4,000	921	6,753	2,184	6,753	3,972			6,972	2,490		

#1 - Includes £318 IT Allowance

Authority	Breakfast	Lunch	Tea	Evening Meal	Overnight Stay	Overnight London	Conference Expenses	Child Care	Care of Dependents
Basildon	5.57	7.70	3.04	9.52	79.82	91.04	30.39	4.00	4.00
Braintree	5.88	8.13	3.21	10.06	79.82	91.04		6.00	6.00
Broadland	6.07	8.39	3.31	10.38			#2	6.00	6.00
Chelmsford	6.45	8.91	3.52	11.03	79.82	91.04		5.74	11.48
Colchester #1	4.77	6.57	2.59	8.13	77.43	88.31		#1	7.00
Epping Forest #3	6.07	8.39	3.31	10.38					
Mid Suffolk	6.07	8.39	3.31	10.38	79.82	91.04		11.00	13.00
Rochford	6.24	8.62	3.40	10.67	120.00	180.00		6.00	15.00
Suffolk Coastal	6.20	8.50	3.40	10.50	79.82	91.04		13.00	13.00
South Norfolk	6.24	8.62	3.40	10.67	79.82	91.04		5.00	5.00
Tendring #4	6.00	7.50		12.00	120.00	140.00	90.00	5.74	8.18
Minimum	4.77	6.57	2.59	8.13	77.43	88.31	30.39	4.00	4.00
Average	5.96	8.16	3.25	10.34	88.48	106.06	60.20	6.94	8.87
Maximum	6.45	8.91	3.52	12.00	120.00	180.00	90.00	13.00	15.00

#1 - Varying hourly childcare rates - £7 for the 1st child, £5.25 for the 2nd, £3.50 for the 3rd and £1.75 for the 4th.

#2 - Overnight conference (hotel) costs paid direct - otherwise normal allowances

#3 - Council accepted IRP report but set lower allowances across the board - pay officer subsistence rates

#4 - Conference rate = all inclusive daily rate

National Officer rates increased during 2008/2009 but agreed new rates being below TDC current allowance levels no changes were made to the Scheme of Allowances

Authority	Engine Size			Single Rate	Motor Cycle	Cycle Rate
	To 999 cc	To 1199 cc	> 1199 cc			
Basildon	38.60	40.00			20.00	
Braintree #1				40.00	24.00	20.00
Broadland #2	40.50	44.20	55.80			
Chelmsford	42.90	46.90	58.70		16.50	
Colchester				40.00	24.60	20.00
Epping Forest	42.90	46.90	58.70			48.50
Mid Suffolk				40.00		27.50
Rochford				40.00	24.00	20.00
South Norfolk				40.00	24.00	20.00
Suffolk Coastal				40.00		
Tendring				40.00	24.00	24.00
Minimum	38.60	40.00	55.80	40.00	16.50	20.00
Average	41.23	44.50	57.73	40.00	22.44	25.71
Maximum	42.90	46.90	58.70	40.00	24.60	48.50

#1 - Pay a daily "walking" allowance of £1 for walking to / from an approved duty
 #2 - Motor cycle & cycle allowances available but not published in scheme

Authority	Standards Chair	Other Co-opted	Authority Basic	Equiv. Multiplier	Use Multiplier
Basildon	1,645	1,097	5,484	0.30	Y
Braintree	1,056	264	4,224	0.25	Y
Broadland	564		3,810	0.15	
Chelmsford	1,055		5,380	0.20	
Epping Forest	1,000	350	3,650	0.27	
Mid Suffolk	2,763	1,842	3,684	0.75	
Rochford	2,125	425	4,250	0.50	
South Norfolk	870	435	4,350	0.20	
Suffolk Coastal	2,000	400	2,000	1.00	Y
Tendring	903	453	4965	0.18	
Minimum	564	264	2,000	0.15	
Average	1,398	658	4,180	0.38	
Maximum	2,763	1,842	5,484	1.00	

Local Authority	Basic Allowance	Identified ICT Element		% of Basic
Basildon	6,099	615		10.08%
Broadland DC #1	3,810	318		8.35%
Epping Forest	3,650	250	#2	6.85%
Tendring	4,965	0		
Minimum	3,650	250		6.85%
Average	4,631	296		7.60%
Maximum	6,099	615		8.35%

#1 - Both Increased annually in line with officers pay award

#2 - £500 Connectivity Allowance for year 1 in office
thereafter £250 p.a

LOCAL AUTHORITY	INDEXATION / OTHER ARRANGEMENTS
Basildon DC	Annual review by Independent Remuneration Panel
Braintree DC	Annual review by Independent Remuneration Panel
Broadland DC	Basic indexed annually by officer pay award – Remainder annual review by Independent Remuneration Panel
Chelmsford BC	Indexation of Basic Allowance, SRA's and Carer Allowances indexed to NJC agreed percentage pay award from national implementation date. Subsistence items based on Officer rates
Colchester BC	Annual review by Independent Remuneration Panel
Epping Forest DC	Annual review by Independent Remuneration Panel
Mid Suffolk DC	Annual review by Independent Remuneration Panel
South Norfolk DC	Annual review by Independent Remuneration Panel
Suffolk Coastal DC	Indexation of Basic and SRA's based on NJC officer award, arrangements commencing April 2009.