



ALLOWANCES SURVEY 2009/10

REPORT AND ANALYSIS

Introduction

This year, the majority of the information was gleaned from web-site research, with clarification of issues being sought direct with key contacts where required. This is the most comprehensive survey yet, capturing data from all the authorities in the region.

A general point is that Councils do not appear readily to update their website material – and even if there is no change from the previous year’s figures, there is no annotation to say that.

In the majority of cases, the allowances scheme is shown as part of the Council’s constitution (usually Part 6). The information is easily found by searching on “constitution” from the home page, although this route might not be the most obvious to the public. A search on “members allowances” does not always bring direct results.

In only a very few cases did the home page (or the “Council and Democracy” home page) contain a clear link to allowances information.

Panel recommendations and Council decisions

A significant number of Councils report that their Members resolved not to increase allowances, not even as a cost of living increase, despite a recommendation to do so from the Independent Panel. In one known case, the Leader of the Council took a conscious decision to delay submission of the allowances report of the Panel to the budget setting meeting in February. This was the same meeting that was being asked for significant service reductions in setting its budget.

It gave a clear platform for members to renounce increases while at the same time cutting services – they were portrayed as the good guys!

The danger here is that Panels might be cast in a poor light and slightly out of touch when they recommend increases. In some cases, the Panels had been persuaded by evidence that there was a significant, historical under-valuing of councillors’ roles that needed rectifying - hence the recommended increases.

Panels have to bear in mind the correlation of allowances with ability to perform the roles now expected of councillors. In some cases the role simply could not be sustained without a meaningful responsibility award. A number of Councils did however increase allowances in line with the % increase in the LGA daily rate or in line with other indices agreed for allowances upgrades.

Some Councils have resolved (with or without Panel support) to freeze allowances for a number of years – making the review role of the Panels questionable during the freeze period.

Issues for consideration:

- ***Timing of consideration of Panel reports***
- ***Relevance of structured annual reviews when no change contemplated***
- ***How influenced should Panels be by the argument for barriers to be removed to enable more people to serve as councillors or to hold certain councillors' roles?***
- ***To what extent should Panels accept economic pressures as a primary influence on their recommendations?***
- ***Managing in-year requests for specific reviews***

Special Responsibility Allowances (SRA)

In the past, surveys have revealed wide-ranging disparities in the recommended allowances for the same role.

This year's survey shows a more uniform approach to certain allowances which have featured in earlier considerations, but still issues for other allowances.

1. Chair of Standards Committee

Some Councils have implemented significant increases in the award for this role. This is most likely in recognition of the new local assessment procedures for Standards Committees and the role of the Chair in leading that important local control. The majority however still appear to place this allowance at the lower banding of responsibility when compared to other chairing roles, particularly Chair of "Audit" Committee.

The survey revealed the following averages for Standards Committee chairs:

- £3,449 – all Unitaries
- £1,203 – all 4th option authorities
- £4,346 – all Counties
- £1,684 – all executive Districts

2. Chair of Scrutiny Committee

It has to be recognised that the scrutiny function is performed in different ways in each authority. Panels have to be satisfied as to the nature of the role and perhaps of most significance here is the extent to which a scrutiny chair exercises functional leadership or merely presides over a meeting. This is one area in particular where the theoretical model of leadership of scrutiny is often not matched by the evidence on the ground.

The survey revealed that overall, Chairs of Scrutiny had fared better in terms of the level of allowance awarded, with the averages showing as follows:

£5,642 – all authorities
£8,341 – all Unitaries
£3,941 – all 4th Option authorities
£9,440 – all Counties
£4,459 – all executive Districts

It is to be hoped that this reflects some positive consideration by Panels of the importance of scrutiny as a legitimate function of the authority. Hitherto, it appeared that many Panels/Councils had not valued the role highly since it did not have decision making powers and, to be fair, some Councils had not developed their scrutiny to its full potential.

Issues:

The emerging agenda for scrutiny members in calling partner public bodies to account, and in supporting local councillors and community engagement development.

Multiple SRA Rule + % total of SRA allowances

Included this year is an indicator of the view taken within allowance schemes of entitlement to claim more than one SRA. The majority of responses indicate that schemes permit only one SRA to be claimed, and some schemes specify that this shall be the higher/highest amount awarded.

Where there is permitted an entitlement to receive more than one, the range of provisions is:

- 50% only of a second
- 50% only of the second and subsequent
- 100% but only if the total received in SRAs does not exceed 20% of the Leader's allowance

The survey did not ask the question about the number of councillors in an authority who received an allowance but Panels are reminded of the general rule relating to "raised eyebrows" if more than 50% of councillors receive such an allowance.

Basic Allowances

This sheet of the survey records the level of increases applied for 2009/10 and where councils have decided to implement a freeze, at least for one year.

There are still councils who award a separate allowance to cover broadband or general IT costs and this is shown separately from the basic allowances.

The averages for the basic allowance alone, shown up by the survey, are as follows:

£9,324 – Unitaries
£4,608 – 4th option authorities
£9,856 – Counties
£4,294 – Executive Districts

Issues:

The extent to which the basic allowance continues to recognise the full role of the locally elected councillor, as is and as anticipated.