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## LEEDS CITY COUNCIL

### Report of Panel on Members' Allowances

June 2013

#### INTRODUCTION

1. The Independent Panel on Members' Allowances was appointed by the Council to make recommendations on Members' Allowances in accordance with the relevant Regulations and the Government's statutory guidance. The Panel now consists of Sir Rodney Brooke CBE DL (Chair), Dave Fortune, Matthew Knight and Carolyn Lord.
2. The Panel issued its first report in May 1999. It updated its recommendations in October 2002 following new Government guidance. The Council adopted those recommendations with modifications. In subsequent reports the Panel has made further recommendations which again have been accepted, in some cases with modifications.
3. In the current financial crisis, the Council has applied financial discipline to the members' allowances scheme. Since 2010 there have been restrictions on increases in members' allowances. During the Municipal Years 2011-12 and 2012-13, Members approved a proposal to take a 3% reduction on all Special Responsibility Allowances over the value of £7k pa. The Council intends this reduction to continue for the year 2013/14.
4. There are a number of changes to the political structure of the Council and other issues, as a result of which it now seeks the advice of the Independent Remuneration Panel on the following matters, viz
  - a review of the allowance paid to the chair of the Standards and Conduct Committee;
  - a review of the allowance paid to the Independent Person on the Standards and Conduct Committee
  - a more flexible approach for appointments to the positions of Deputy and Support Executive Members;
  - a review of the Special Responsibility Allowance paid to the Chief Whip; and
  - payment for the future workloads expected to be undertaken by Licensing Sub Committees.

## **SPECIAL RESPONSIBILITY ALLOWANCES**

5. The reduction in members' allowances takes place at a time when the burden on councillors is increasing. The Localism Act 2011 has prompted the need for greater engagement with their communities, as has the transfer of responsibility for public health to the Council. New means of communication increase the pressures on members: constituents expect an instant response. The scale of welfare reform poses a significant challenge to councillors as they grapple with the problems of their constituents. We recognise the financial pressure which has prompted the council to reduce Special Responsibility Allowances of over £7,000 pa and do not suggest that that decision be reconsidered. But we believe that the amounts we have previously recommended are entirely appropriate to the responsibilities carried and we hope that they can be restored when the nation has emerged from the current financial crisis. Accordingly **we note the proposed continued reduction of 3% to Special Responsibility Allowances of over £7,000 pa.**

## **CHAIR OF THE STANDARDS AND CONDUCT COMMITTEE**

6. In our report of June 2012 we considered the new jurisdiction of the Council's Standards and Conduct Committee, then to be established with effect from 1 July 2012. In the absence of experience of its functioning we recommended a Special Responsibility Allowance for its Chair of £7,190.80 pa. We recommended that the allowance be reviewed in the light of a year's experience.
7. There has now been a full year of functioning of the Committee. The Committee has reviewed the relevant codes and protocols to ensure that they are fit for purpose and consistent with the provisions of the new Members' Code of Conduct. As a result it has shortened and simplified them. In the case of the Codes of Practice for Planning and Licensing Matters, responsibility for updating these codes has been transferred to the relevant Committees (Plans Panels and Licensing Committee), with the emphasis on ensuring sound decision making rather than placing additional conduct burdens on Members of those Committees.
8. In addition to chairing meetings, the Chair does have specific responsibilities in respect of dispensations. If members with a disclosable pecuniary interest wish to apply for a dispensation to allow them to take part in a meeting, they must submit a written application to the Monitoring Officer. Applications are then decided by the Head of Paid Service. However, in deciding whether to grant a dispensation the Head of Paid Service must consult the Chair of the Standards and Conduct Committee. The Chair is also regularly consulted by the Deputy Monitoring Officer on standards-related matters and undertakes a liaison role with the Council's appointed Independent Person.
9. Now that the work of reviewing the codes and protocols has been completed, it is clear that the workload of the Chair of the Standards and

Conduct Committee has diminished. Having regard to equivalences, we believe that **an appropriate Special Responsibility Allowance for the Chair of the Standards and Conduct Committee be reduced from £7,190.80 to £4,793.58 pa.**

## **INDEPENDENT MEMBER FOR THE STANDARDS AND CONDUCT COMMITTEE**

10. Under the Localism Act 2012, the authority is required to appoint at least one Independent Person in an advisory role to give an informal view to a member who is the subject of a complaint and, where needed, to provide a formal view to the Standards and Conduct Committee prior to its reaching a finding as to whether a member has failed to comply with the Council's Members' Code of Conduct.
11. In our 2012 report, we made a recommendation that a retainer of £2,500 be paid to the Independent Person and that the matter be reviewed in 12 months' time. Following consideration of the evolving nature of the role by the Standards and Conduct Committee, the term of office for the Council's appointed independent person was extended by four years by the Council on 27 February 2013. The committee also considered the level of the retainer paid to the Independent Person and concluded that no amendment to the figure paid was needed. This view was endorsed by the Council. We see no reason to disagree and recommend that **a retainer of £2,500 pa continue to be paid to the Independent Member of the Standards and Conduct Committee.**

## **DEPUTY AND SUPPORT EXECUTIVE MEMBERS**

12. Each year the Panel has considered changes to the number, distribution and responsibilities of Deputy and Support Executive Members. We accept that the City Council operates within a rapidly changing and complex environment which requires the Authority to act swiftly in order to react to the demands placed on its services, the changing legislative environment and its financial constraints. We do not think that it is sensible for every change in Deputy and Support Executive Members to require consideration by the Panel, provided that there is overall control on the numbers. There is, of course, a budgetary constraint on members' allowances and a strong recommendation that not more than 50% of the members of the Council should receive a Special Responsibility Allowance.
13. To allow sensible flexibility, we therefore recommend that **in the Members' Allowances Scheme, the limit on the numbers of posts of Deputy and Support Executive Members be removed and the Leader be authorised to determine the overall number of Deputy and Support Executive Members, provided that the overall cost does not exceed the equivalent payment to four Deputy and nine Support Executive Members.**

## CHIEF WHIP

14. The current Members' Allowances Scheme makes provision for a payment of £8,988.19 to the Whip in each group with 10% or more of the membership of the Council. The allowances were set when the Groups were of a more even size than is currently the case. The current ruling Administration Group holds more than 63% of the membership of the Council and does not rely on another group for approval of its policies. The Chief Whip of the Majority Group has additional responsibilities above and beyond those expected of the opposition group whips (but it should be noted that the Panel has not at this time reviewed the responsibilities or allowances of the opposition Whips). The Chief Whip chairs the Member Management Committee which has responsibility for areas such as appointments to outside bodies and issues connected with support to Members (such as IT support and Member training and development). The Chief Whip also chairs the meeting of Group Whips which has the overall responsibility for procedural management of the meeting of the full Council.
15. Given the substantial change in the responsibilities, the Panel agrees with the Administration that the workload of the Chief Whip position equates to approximately 90% of that expected of a Deputy Executive Member (currently £11,386.98). Accordingly we recommend that **the Special Responsibility Allowance paid to the Chief Whip of a Party with an overall majority should be £10,248.28.**

## FUTURE WORKLOADS FOR LICENSING SUB-COMMITTEES

16. In our report of June 2012, we recognised the workloads which had to be assumed by members of Licensing Sub-Committees. Five sub-committees of three members were created to sit on a Monday morning on a rota basis to consider such matters as applications for sexual entertainment venues and large casinos. From time to time additional meetings are required. These duties are additional to those required by members in dealing with the ordinary business of the Committee and Sub-Committee. If there continues to be a requirement for such sub-committees to meet on a regular basis, then we recommend **the continuance of the current Special Responsibility Allowance of £578.12 for members of Licensing Sub-Committees.**

## RECOMMENDATIONS

- (a) **the proposal to continue the 3% reduction to Special Responsibility Allowances over the value of £7,000 pa for the 2013/14 year be noted.**
- (b) **the Special Responsibility Allowance for the Chair of the Standards and Conduct Committee be reduced from £7,190.80 to £4,793.58 pa.**
- (c) **a retainer of £2,500 pa should continue to be paid to the Independent Member of the Standards and Conduct Committee.**

- (d) the limit in the Members' Allowances Scheme on the numbers of posts of Deputy and Support Executive Members be removed and the Leader be authorised to determine the overall number of Deputy and Support Executive Members, provided that the overall cost does not exceed the equivalent payment to four Deputy and nine Support Executive Members.**
- (e) the Special Responsibility Allowance paid to the Chief Whip of a Party with an overall majority should be £10,248.28.**
- (f) the continuance of the current Special Responsibility Allowance of £578.12 for members of Licensing Sub-Committees.**

**Rodney Brooke (Chair)**  
**Dave Fortune**  
**Matthew Knight**  
**Carolyn Lord**

**17 June 2013**