

Sunderland City Council

This Notice is published in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003

The Council has received recommendations from its Independent Remuneration Panel in respect of its Allowances Scheme for 2019/2020. The Panel has recommended that no changes be made to the Scheme. The main provisions are summarised below.

	£
Basic Allowance	8,369
Special Responsibility Allowances as follows:	
Leader	37,667
Deputy Leader	25,111
Cabinet Secretary	25,111
Leader Majority Party in Opposition	12,556
Leader Minority Party in Opposition	6,277
Deputy Leader Majority Party in Opposition	8,369
Deputy Leader Minority Party in Opposition	4,184
Cabinet Member	20,716
Deputy Cabinet Member	12,556
Chairman of:	
Scrutiny Co-ordinating Committee	12,556
Thematic Scrutiny Committee	5,179
Area Committee	10,350
Regulatory Committee	8,369
Licensing Committee	8,369
Planning and Highways Committee	6,277
Development Control Sub Committees	6,277
Vice Chair of:	
Scrutiny Coordinating Committee	6,277
Area Committee	6,277
Thematic Scrutiny Committee	2,590
Adoptions and Permanency Panel	4,184
Fostering Panel	4,184
Mayor	17,205
Deputy Mayor	5,735
Co-opted Members:	
Port Board	15,000
Audit and Governance Committee:	
Chair	6,277
Independent Member	3,139

Councillors and co-optees are eligible to recover travel and subsistence costs.

Carer's allowance: up to the national living wage or minimum wage hourly rate, as appropriate.

Where the same person chairs the Licensing and Regulatory Committees only one allowance will be payable but increased by a factor of 50%.

Travel, Accommodation and Subsistence Allowances

Travel

Car Allowance	45p per mile for first 10,000 miles and 25p thereafter
Bicycle Allowance	20p per mile
Motor Cycle Allowance	24p per mile

The above rates match Her Majesty's Revenue and Customs authorised mileage rates and will be updated when HMRC publishes revised allowances.

Subsistence Allowances

In the case of absence from the usual place of residence for a continuous period which exceeds 4 hours but does not involve an overnight absence, subsistence is payable as follows:

Breakfast	£6.22
Lunch	£8.55
Tea	£3.37
Evening Meal	£10.59

Overnight Accommodation

The allowance will not be claimable as an allowance as such, rather reasonable costs of an overnight stay (including breakfast) will be met for business class accommodation (3 star or 4 star) within and outside of London. Unless there are exceptional circumstances the Council will book the accommodation direct selecting the most economic option available and utilising the established procurement arrangements in place. Where exceptional circumstances exist, these will be approved in advance by the Executive Director of Corporate Services.

The Council's Cabinet will consider the Panel's report on 27 March 2019 and will make recommendations to Council which will also be considered on 27 March 2019.

Copies of the Independent Remuneration Panel's report can be inspected at the Civic Centre, Burdon Road, Sunderland (the Council's principal office) and also at the Customer Service Centre, Fawcett Street, Sunderland, during office hours.

Copies are available free of charge. The report can also be viewed on the Council's website www.sunderland.gov.uk

Patrick Melia
Chief Executive
Sunderland City Council

15 March 2019

**MEMBERS' ALLOWANCES SCHEME
REPORT OF THE INDEPENDENT REMUNERATION PANEL
REVIEW OF MEMBERS' ALLOWANCES FOR THE FINANCIAL YEAR 2019/2020**

1. Purpose of Report

- 1.1 To advise Council of the recommendations of the Independent Remuneration Panel in respect of the Members' Allowances Scheme for 2019/2020.

2. Background / Review of the Allowances Scheme

- 2.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council must make a new Scheme before 1st April each year. Before making or amending a Scheme, the Council must have regard to the recommendations of its Independent Remuneration Panel. The Panel has undertaken a review of the Scheme and this report sets out its recommendations for the Scheme for the year 2019/2020.
- 2.2 In undertaking its review, the Panel had regard to guidance issued by the former Office of the Deputy Prime Minister. It also considered information regarding the allowances paid by other authorities in the region.
- 2.3 The Panel received an overview of the Council's executive and committee structure from officers and was also informed of the approval of a parental leave policy by the Council at its meeting in November 2018.
- 2.4 As interviews had previously been held with members when the revised arrangements in respect of Areas, Scrutiny and Deputy Cabinet members were still relatively new, it was timely to meet with members again, to understand how the roles had developed. The Panel, therefore, interviewed a number of those who held positions within the Council's executive and committee structure to obtain information regarding their particular roles and responsibilities and the demands placed on their time. The Panel found these interviews to be extremely informative and wishes to express its thanks to those members who participated.
- 2.5 The Panel received information from both a Cabinet member and Deputy Cabinet member regarding their roles, including the tasking of Deputies to lead on individual projects and "information gathering" for policy development, which fed to the portfolio holder and ultimately to Cabinet decision making.
- 2.6 In respect of Scrutiny, it was noted that the role had continued to develop. In addition to the contribution to policy development, there was increasing involvement by individual members in the wider region with the North East Combined Authority. Controversial, sensitive and important issues were considered by Scrutiny, with examples given including proposals in respect of health provision and the role of Scrutiny following the Ofsted report in respect of children's safeguarding.

- 2.7 With regard to the Area arrangements governance structure, the Boards were described by one member as the “hub of everything” and the importance of the devolution of decision making was highlighted, together with the role of seeking to resolve conflicts and achieve the best outcomes for wards.
- 2.8 In all cases, it was clear that as well as the more “visible” work undertaken in the formal meeting setting, significant work was undertaken “behind the scenes”, for example in background reading, preparatory work and meetings with partner organisations and officers.
- 2.9 The Panel also invited the leaders of the political groups or their representatives to meet with it. This opportunity was taken by the leader of the majority group and the majority group in opposition. The Panel found it very helpful to receive their views and also to receive information regarding the role and responsibilities and demands on time of the leadership roles of one of the opposition groups.
- 2.10 When asked about the level of allowance, the majority of those interviewed were of the view that the Special Responsibility Allowances (SRAs) were set at about the right level. No one expressed the view that the level for the role they undertook warranted an increase. It was recognised that employment in the private sector would generally pay at a higher level, however the point was made that most members do not become councillors because of the allowance paid. At the same time, the Panel was mindful of the benefits of attracting a wide range of people to the role of councillor and considered that it would be unfortunate if the level of allowance dissuaded individuals from undertaking the relevant roles and responsibilities.
- 2.11 Members of the Council were also offered the opportunity to submit written representations to the Panel. In summary the representations received were as follows:
- 2.11.1 It was suggested that if a member was driven to, or collected from, a place in order to connect to or from public transport, the driver’s journey should be claimable as an expense. The view was expressed that this would be a saving to the Council and an example was given of a journey reimbursed at the mileage rate, as opposed to the cost of the taxi fare. The Panel was not, however, minded to recommend a change to the current practice in this regard, which it understood reflected the approach commonly taken by businesses and other organisations in respect of mileage claims. It considered it appropriate that individuals only be able to claim reimbursement for the cost of mileage they had incurred personally themselves, the rates paid normally being taken to reflect the fuel and running costs of a car for which the claimant was responsible.

- 2.11.2 A representation was also received to the effect that the deputy leadership SRA for the minority party opposition group should be removed. While the Panel noted that, under the Council's Scheme, this allowance was payable even when, at a particular point in time, there were only two members in the minority opposition group, it did not consider that it was appropriate to recommend a change at this time.
- 2.11.3 Two representations were received from political groups which effectively presented a package of proposals. One representation recommended an across the board reduction in allowances, to save £250,000 per annum. The proposals included a significant reduction in the number of SRAs to no more than 25; the removal of allowances to the Deputy Cabinet members and Committee Chairs; the Mayor and Deputy Mayor allowances to be scrapped entirely in favour of having an elected chair person; the removal of travel and subsistence expenses, except where they are related to trips outside of the City of Sunderland area and that members pay for parking and food at Council meetings.
- 2.11.4 The other group representation was to the effect that the basic allowance should remain at the same rate; the SRAs from all leadership positions should be reduced by 25%; the allowance for the Deputy Leader of the Minority party in Opposition should be reduced by 90%; the Committee Chairs should be reduced by 50% and the Deputy Cabinet members should not receive an SRA. The point was made that the Mayor should be retained.
- 2.11.5 The Panel did not consider that its role included the determination of the budget allocated to the Allowances Scheme. It was to consider the roles and responsibilities of members and form a view as to whether the allowances attributed to those roles remained appropriate. Whilst the Panel was not concerned with the actual budget allocated for allowances, it noted that when looking at the total cost of allowances with regard to either the number of members on the Council or by population size, Sunderland was around the middle regionally. The Panel remained of the view that the level of allowances was appropriate and did not consider that there was any reason to recommend changes to the Scheme at this time.
- 2.12 The Panel did, however, note that there had been no increase in the allowances for members for a number of years, while there had been increases in staff pay. When meeting with members, the Panel took the opportunity to ask for their views regarding the level of basic allowance. A number of members expressed the view that the demands on the time of a ward councillor could be significant in themselves, without the councillor holding any further special responsibility. It was apparent from the benchmarking information that a number of other authorities paid a higher level of basic allowance and it was noted that some authorities applied indexation to their allowances scheme. The Panel advised that it would be willing to look at the level of basic allowance and / or the application of indexation as part of a future review, should the Council so wish.

2.13 Taking into account the current executive and committee structures, roles and responsibilities, the Panel did not consider there was reason to recommend any change to the Allowances Scheme.

3 Recommendation

3.1 The Panel therefore recommended that there should be no change in the allowances at this time and that the terms of the Scheme for 2019/2020 should remain the same.

John Anderson CBE (Chair)
Karen Straughair
John Cuthbert
Stuart Green

February 2019

Appendix

Type of Allowance	Amount per annum £
Basic Allowance	8,369
Special Responsibility Allowances	
Leader of the Council	37,667
Deputy Leader of the Council	25,111
Cabinet Secretary	25,111
Leader of Majority Party in Opposition	12,556
Leader of the Minority Party in Opposition	6,277
Deputy Leader of Majority Party in Opposition	8,369
Deputy Leader of the Minority Party in Opposition	4,184
Cabinet Member with Service Portfolio	20,716
Deputy Cabinet Member	12,556
Chairman of the following:	
Scrutiny Co-ordinating Committee	12,556
Thematic Scrutiny Committee	5,179
Area Committee	10,350
Regulatory Committee	8,369
Licencing Committee	8,369
Planning and Highways Committee	6,277
Development Control Sub-Committees	6,277
Where the same person chairs the Licensing and Regulatory Committees, only one allowance will be payable but increased by a factor of 50%	
Vice Chairman of the following:	
Scrutiny Co-ordinating Committee	6,277
Thematic Scrutiny Committee	2,590
Area Committee	6,277
Other Special Responsibility Allowances:	
Membership of Adoption and Permanency Placement Panel (to be paid to up to 2 Members)	4,184
Fostering Panel	4,184
Co-optees' Allowances	
Port Board	15,000
Audit and Governance Committee	
Chairman	6,277
Independent member	3,139
Mayoral	
Mayoral Allowance	17,205
Deputy Mayoral Allowance	5,735

Carer's allowance

Actual expenditure up to a maximum of the equivalent of the current National Living Wage or National Minimum Wage hourly rate, as appropriate, dependent upon the age of the worker. The rate applicable shall be subject to automatic increases in line with uprating of the Adult National Living Wage and National Minimum Wage.

Travel Allowances (for elected members and co-optees)

Motor Cycle allowance	24p per mile
Bicycle Allowance	20p per mile
Car Allowance	45p per mile for first 10,000 mile and 25p thereafter
Passenger Supplement 5p per mile for the passenger (not exceeding 4)	

The above rates match Her Majesty's Revenues and Customs authorised mileage rates and will be updated when HMRC publishes revised allowances

Subsistence Allowances (for elected members and co-optees)

In the case of absence from the usual place of residence for a continuous period which exceeds 4 hours but does not involve an overnight absence, subsistence is payable as per the table set out below:

Breakfast Allowance	£6.22
Lunch Allowance	£8.55
Tea Allowance	£3.37
Evening Meal Allowance	£10.59

The subsistence rates shall be reduced as shown below in respect of meals provided free of charge by any authority or body during the period to which the allowance relates.

Reduction of Subsistence Allowance for Meals Provided Free of charge:

Reduction for Breakfast provided	£6.22
Lunch provided	£8.55
Tea provided	£3.37
Dinner provided	£10.59

Overnight Accommodation

The allowance will not be claimable as an allowance as such, rather reasonable costs of an overnight stay (including breakfast) will be met for business class accommodation (3 star or 4 star) within and outside of London. Unless there are exceptional circumstances the Council will book the accommodation direct selecting the most economic option available and utilising the established procurement arrangements in place. Where exceptional circumstances exist, these will be approved in advance by the Executive Director of Corporate Services and reasonable costs will be reimbursed subject to submission of receipts.

Grant payable for Use of Rooms or Halls for Ward Surgeries £15 maximum per occasion

Telephone Calls Allowance £15 per quarter

Broadband – actual costs to be reimbursed up to a maximum of £15 per month with a contribution from each Member of £3 per month where private use is made for the facility.

