

**Members' Allowances
Scheme 2015-2019
For
Brighton & Hove City Council**

**A Report by the
Independent Remuneration Panel**

**Mr Ken Childerhouse (Chair)
Mr Martin Andrews
Mr John Bateman
Ms Rachel Potter**

23 September 2014

*Brighton & Hove City Council Independent Members' Remuneration Panel
June - September 2014*

Chair's Foreword

The role of the Panel, under the Local Authorities (Members' Allowances)(England) Regulations 2003, is to make recommendations to the City Council as to the responsibilities or duties in respect of which allowances should be available and the amount of those allowances. In doing so we are able to look at various elements of the Members' Allowances Scheme (the Scheme).

Our review in 2014 has concentrated on putting forward a scheme of allowances that will inform and encourage prospective candidates to stand for election in 2015 so as to enable them to understand the financial support available should they be elected. We would therefore ask councillors to be mindful of the intention to develop and create a scheme of allowances to come into effect from May 2015 for what will be a new Council with a four-year term. We have also sought to account for the changing make-up of the city council, its change in decision-making processes, and its continual adaptability to roles of councillors, and to recommend a scheme of allowances that reflect a modern and open local authority.

To assist our deliberations we have received written evidence and information from councillors, attended various committee meetings as observers and considered comparative data from other authorities in the South-East and across the country. Panel members sought to gain a clear understanding of the current scheme of allowances and the concerns of Members in relation to these as well as seeking to consider how to put forward a scheme that met the objectives laid down by the Leaders i.e. to have a scheme fit for purpose that could be retained for a 4-year period and be set prior to the May elections to enable prospective candidates to understand the financial impact of becoming a councillor in 2015.

The recommendations we have outlined in our report can be considered to be somewhat radical compared to previous reviews but we have undertaken this full review in the greatest of detail and our discussions and deliberations have not been taken lightly.

The Panel feel that these changes clearly reflect the remit given to the Panel to put forward an open and transparent Scheme of Allowances, which provide prospective candidates with a clear indication of the available resources and potential impact of being elected may or will have on their individual circumstances. We have been mindful of the intention that the Scheme was to be set and approved for the incoming Council in May 2015, and with that in mind are hopeful that councillors will also give such consideration to the proposals outlined in the report.

The Panel would like to thank those Members who completed the on-line survey and those that appeared before the Panel and note their commitment and candour.

Finally, on a personal note I would also like to take this opportunity to thank my fellow members of the Panel and the officers involved for their valuable contributions to its work.

Ken Childerhouse
Chair
23 September 2014

Executive Summary

A. Introduction: The Regulatory Context and Background to the Report

- A.1 The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

B. Implementation of Panel recommendations

- B.1 The Panel recommends that the new allowances scheme adopted by the Council arising from this allowances review be implemented from the date of the Annual Council Meeting in May 2015, subject to the provision of the payment of the Basic Allowance from the fourth day after the election. The principal changes to the scheme are listed below:
- B.2 That the basic allowance of £11,463 be increased to £11,762 pa;
- B.3 That the Leader's Special Responsibility Allowance (SRA) of £28,758 be increased to £31,200 to reflect the increased level of responsibility;
- B.4 That the remaining positions of additional responsibility be set/confirmed as percentage levels of the Leader's Special Responsibility Allowance (SRA); as listed in the report:
- B.5 That it be noted the Panel is recommending a maximum of 21 Special Responsibility Allowances from a total of 23 be paid under the Members' Allowances Scheme but that the exact number payable will only be identifiable once any double-ups and the outcome of the elections in May 2015 have been confirmed;
- B.6 That there be a maximum of one Deputy Leader's SRA and one Deputy Leader of the Opposition's SRA payable within the Scheme;
- B.7 That care costs for approved duties be paid to councillors rather than carers, that the hourly rate for cared-for children and dependent care rise to £7.65, per hour (the equivalent of the Living Wage); and that the upper age limit for cared-for children remain at "under 14".
- Note: The child-care provision of £7.65 is set for each child and the total allowance claimable is capped at £1,500 per Member per year.
- B.8 That it be noted the new Scheme of Allowances if adopted, provides for a potential saving of £38,047.

C. The Context for the Review and the Role of the Independent Remuneration Panel

- C.1 Between June and September 2014 the Panel has undertaken a detailed review of the scheme of allowances. In order to be as consistent as possible with previous reviews, it has considered evidence from the Group Leaders and councillors. In addition, information has been obtained from a range of London Boroughs, Unitary Authorities, Counties and Metropolitan Authorities. The Panel has considered levels of payments at all other Unitary Authorities listed in the 2013/14 South East Employer's Survey of allowances and looked at those listed in the North East and North West Employers' Surveys.

Setting an appropriate level of Basic Allowance

- C.2 The Panel believe that a clear view has emerged from the discussions with councillors and the survey which is that the level of the Basic Allowance needed to rise. Whilst in comparison with authorities across the South-East, the level of Basic Allowance is high, in direct comparison with comparable Unitary Authorities it is at an equal level. The Panel has built up that picture over the past few months and checked and rechecked that what we have learnt still stands. We are acutely aware that the basic allowance is an important part of the overall scheme and that this payment is the only allowance to which many of the councillors are entitled. We now have strong evidence on which to base our recommendations.

Special Responsibility Allowances

- C.3 The Panel believe that the changes to the level and number of SRA's are required to reflect the complexity, size and democratic structure of the authority and have taken in to consideration the feedback from councillors and comparative information that was available. The Panel concluded that the current scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system.

D. Public Service Principle

- D.1 Whilst supporting this ethos, we believe that the council should provide a package of financial support which is reasonable, that it goes some way towards addressing the disincentives from serving in local politics, and that it does not disadvantage people from all walks of life who wish to enter the political arena in this way.

E. In summary

- E.1 As outlined elsewhere in this report the Panel has carried out an extensive review of each of the allowances set down in the Scheme. We are of the opinion that there is likely to be a greater political dynamic to the Authority resulting from the forthcoming council elections and into the next Administration and the Panel believe that each of its recommendations provides a fair, open and transparent scheme of allowances for those elected and those involved in the democratic process.

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1 Introduction: The Regulatory Context and Background to the Report

- 1.1 The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)*. These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 1.2 The Panel was given general terms of reference to make recommendations to the City Council on the appropriate form and level of remuneration:
- For all councillors (i.e. the basic allowance);
 - Special responsibility allowances;
 - Childcare and dependant's carers' allowances for councillors;
 - Travel and subsistence allowances;
 - Allowances for co-optees;
 - To recommend a scheme for the duration of the 4-year term of the council; subject to an annual and any other periodic reviews.
- 1.3 This is the first full review of workloads under the revised committee arrangements and we are aware that councillors are now experiencing a number of different challenges. Partnership working and engagement are becoming increasingly important and these factors are dramatically re-shaping the way all councillors work. We note that there are problems in balancing conflicting demands on time, workloads for backbench councillors are increasing. The Panel is aware that this has been another year of change and we recognise the following as being of particular significance –
- (a) The committee arrangements under a minority administration have brought with them a need for all councillors to take on new roles and we recognise that this has been a challenging process. It has had an impact on the Administration and Opposition Groups alike;
 - (b) There are seven wards which are "split" politically and there continues to be duplication of some work because of the political differences and communication difficulties. Where there is joint working additional time is spent on liaising with councillors from other groups to negotiate an agreed approach to ward issues.
 - (c) Planning Committee and Licensing Panels both continue to meet frequently and often involve lengthy deliberation. The workloads of both are substantial. A willingness to serve on Planning or to attend an ad hoc Licensing Panel continues also to be affected by the time commitment required. These are often considered to be onerous duties

and the Panel recognises that they continue to require careful monitoring.

1.4 The Panel had regard to:

- The roles which councillors were expected to fulfil and the differing roles and responsibilities of particular councillors;
- The current method of local administration (in Brighton & Hove this is the Committee System);
- Practice amongst other local authorities in the UK;
- The current statutory framework for the remuneration of councillors and the scope which the council has to establish and vary its own arrangements, and any commentary on that (from the Audit Commission, Local Government Association and other interested parties);
- The previous recommendations made and the decision taken by the City Council in respect of the last review.

2 The Panel

2.1 Brighton & Hove City Council appointed the following to its Independent Remuneration Panel, namely:

Ken Childerhouse (Chair) (retired university lecturer);

Martin Andrews(civil servant);

John Bateman(teaches Corporate Governance in the Department of Business and Management at the University of Sussex);

Rachel Potter(JP, Journalist and Editor specialising in local government and the public sector).

2.1 This is the Panel's first principal report following the recruitment of three new Panel Members in 2013; although a holding report was submitted to Council in December and its comments were reported to the Policy & Resources Committee and Full Council in May 2014 as part of the recommendations relating to the establishment of the Health & Wellbeing Board.

2.2 The Panel considered a number of issues highlighted through an on-line questionnaire to councillors, 1:1 meetings with councillors, meetings with the Leaders and attendance at committee meetings. The Panel also sought to take into account:

- The current allowances scheme and its reflection of previous council structures/make-up;
- Councillors' views on the scheme;
- Payment for Child-Care and Dependent Care;
- The Council's budgetary position and savings targets.

3 Principles for the Members' Allowances Scheme

- 3.1 The Panel considers that a set of principles is a logical and clear way of expressing its views and this provides a sound framework for the Members' Allowances Scheme. We have therefore agreed the following set of principles and we consider that these should form the basis of any scheme adopted by the council:

The Council's Objectives:

- Provide appropriate support for people from all walks of life, enabling those with a wide range of skills and from different backgrounds to serve as councillors without financial disadvantage.
- Recognise the changing roles of elected members in their community councillor roles as well as in meetings, to ensure that changes to the democratic process are reflected and supported where possible.
- Incorporate into any scheme a voluntary service element which reflects the nature of the role and recognises the concept of civic duty.
- Recognise the significance of co-opted members in the operation of the authority.
- Provide role profiles for each of the positions set down in the Members' Allowances Scheme to support the recruitment and retention of councillors, to reinforce the aims of the council and to assist in future Independent Remuneration Panel reviews.
- Provide a sustainable travel scheme which encourages the use of bicycles and public transport throughout the city.
- Expect receipts/tickets to be attached to all claims submitted by both councillors and co-opted members to entitle the applicant to reimbursement.
- Approve a scheme which is open and transparent, which is available for public scrutiny and which meets audit requirements.
- Demonstrate value for money.

Expectations:

Councillors should:

- Recognise that there is a voluntary aspect to the role;
- Accept that where they are taking on significant additional responsibilities, these will require a full or near full-time commitment and that this may be detrimental to career activity;
- Consider maintaining a reasonable work/life balance when undertaking their council duties;
- Submit claims for travel or subsistence, child or dependent care within two months of attending an approved duty – any claims received outside that time limit to be paid at the discretion of the Monitoring Officer in exceptional circumstances only;

- Submit accurate claims in accordance with the Members' Allowances Scheme;
- Provide all appropriate documentation requested of them such as driving licence, birth certificate, insurance etc.

Performance and Support:

- Effective support to be available to every councillor to assist them in their various roles, this to include provision for child and dependent care where appropriate, administration and business support;
- The loan of council equipment to enable councillors to undertake their duties;
- Allowances should be withheld where a councillor is suspended or partially suspended from responsibilities or duties;
- The Members' Allowances Scheme and any payments made from it should be published and made generally available to the public as well as being placed on the council's website.

The Independent Remuneration Panel

- The Panel to undertake further reviews of any of the principles outlined above and to amend them as appropriate when drawing up the Scheme.

4 Methodology

4.1 The Panel have met on the 14th April, 3rd, 17th, and 19th June, the 15th July and the 2nd, 9th (with Leaders and Chief Executive) and 23rd September and written submissions from councillors and officers were carefully considered before the Panel reached their conclusions.

4.2 The Panel has considered the following in order to arrive at our recommendations:

- √ detailed information and analysis gleaned directly from councillors' responses to our electronic survey;
- √ first-hand qualitative information obtained from face-to-face discussions with councillors;
- √ the latest information on allowances paid by other authorities on a local, regional and national basis;
- √ attendance at various committee meetings;
- √ guidance from approved national bodies (e.g. the Local Government Association), experts in Members' Allowances and good practice;
- √ the formula approved and used since 2003 to set levels of remuneration and other statistical evidence;
- √ the council's salary inflation rate for 2014/15.

5 Implementation of Panel recommendations

5.1 The Panel recommends that the new allowances scheme adopted by the Council arising from this allowances review be implemented from the date of

the Annual Council Meeting in May 2015, subject to the provision of the payment of the Basic Allowance from the fourth day after the elections i.e. 11th May 2015 and receipt of a signed declaration of office.

The following recommendations are put before the Full Council:

- 5.2 That a basic allowance £11,762 pa be paid to all councillors with effect from 11 May 2015 (this being the fourth day after the local elections), (see paragraphs 6.7 – 6.15 of the report);
- 5.3 That the following positions of additional responsibility be set/confirmed as percentage levels of the Leader’s Special Responsibility Allowance (SRA); as listed below and detailed in paragraphs 6.16 – 6.36 of the report and appendix 1 to the report):

(a)	Leader of the Council	100%	£31,200
(b)	Deputy Leader of the Council	70%	£21,840
(c)	Chair of Planning Committee	38%	£11,856
(d)	Chair of Licensing Committee	38%	£11,856
(e)	Chair of Policy Committee(3 from 4)	35%	£10,920
	- <i>Children & Young People</i>		
	- <i>Economic Development & Culture</i>		
	- <i>Environment, Transport & Sustainability</i>		
	- <i>Housing</i>		
(f)	Lead Member for Adult Care & Health	30%	£ 9,360
(g)	Deputy Chair (Finance) Policy & Resources	30%	£ 9,360
(h)	Chair of Audit & Standards Committee	20%	£ 6,240
(i)	Chair of Overview & Scrutiny Committee	20%	£ 6,240
(j)	Chair of Health & Wellbeing Overview & Scrutiny	20%	£ 6,240
(k)	Deputy Chair of Planning Committee	12.5%	£ 3,900
(l)	Deputy Chair of Licensing Committee	12.5%	£ 3,900
(m)	Deputy Chairs of Executive Committees(x 4)	7%	£ 2,184
	- <i>Children & Young People</i>		
	- <i>Economic Development & Culture</i>		
	- <i>Environment, Transport & Sustainability</i>		
	- <i>Housing</i>		
(n)	Leader of the Opposition	35%	£10,920
(o)	Deputy Leader of the Opposition	20%	£ 6,240
(p)	Leader of a Minority Group (subject to holding a minimum of 10% of seats)	20%	£ 6,240

- 5.4 That it be noted the Panel is recommending a maximum of 21 Special Responsibility Allowances be paid under the Members' Allowances Scheme but that the exact number payable will only be identifiable once any double-ups and the outcome of the elections in May 2015 have been confirmed;
- 5.5 That with regard to 5.3 (b) above, there be a maximum of one Deputy Leader's SRA payable within the Scheme;
- 5.6 That with regard to 5.3 (e) above, Chair of a Policy Committee, there be a maximum of 3 out of 4 SRA's to be paid attributed to the posts within the scheme;
- 5.7 That with regard to 5.3 (n) above, there be a maximum of one Deputy Leader of the Opposition's SRA payable within the Scheme;
- 5.8 That with regard to 5.3 (p) above, there be a requirement to hold a minimum of 6 seats (10%) to qualify as a Leader of a Minority Group for the payment of the SRA;
- 5.9 That a Co-optees' Allowance of £1,010 be paid to each of the two Independent Co-optees of the Audit & Standards Committee; along with a payment of £200 per Standards Panel Hearing that they chair;
- 5.10 That the table set out in Appendix 2 which lists all the positions of special responsibility be noted but that individual post-holders be changed at the discretion of either the Leader of the Council or Full Council, as appropriate;
- 5.11 That an index be applied to the Basic Allowance equivalent to the council's salary inflation, taking into account the hourly rate of pay for male full-time employees in Brighton Hove and that this be implemented on the day of Annual Council for each of the municipal years subsequent to an election year, and subject to an annual review of the Independent Panel;
- 5.12 That an inflationary increase based on the council's salary inflationary rate be attributed to the Leaders' SRA and thereby all other SRA's within the scheme and that this be implemented on the day of Annual Council for each of the municipal years subsequent to an election year, and subject to an annual review of the Independent Panel;
- 5.13 That the Travel Allowance remains in line with Inland Revenue Advisory Rates and any amendments made to them and that the council adopts the Driving at Work policy in respect of councillors' motor mileage claims (see paragraphs 7.14 – 7.23 of the report);
- 5.14 That the Subsistence Allowance remains unaltered and no alcohol costs be reimbursed as laid down in the Members' Allowances Scheme (see paragraphs 7.24 – 7.27 of the report);

- 5.15 That care costs for approved duties be paid to councillors rather than carers, that the hourly rate for cared-for children and dependent care rise to £7.65 per hour, (the equivalent of the Living Wage); and that the upper age limit for cared-for children remain at “under 14” (see paragraphs 7.5 – 7.13 of the report);
- 5.16 That a clear and concise care package be drawn up by officers of what is claimable under the scheme (see paragraphs 7.6 – 7.8 of the report);
- 5.17 That levels of remuneration for non-committee co-optees should continue to be the same as those in the Members’ Allowances Scheme ;
- 5.18 That Motor mileage and subsistence shall only be claimable when attending approved duties outside the city boundaries;
- 5.19 That the Mayor’s and Deputy Mayor’s Allowances for 2015/16 should be increased in line with the council’s salary inflation rate applied to staff for 2014/15 and beyond (see paragraphs 11.1 – 11.3);
- 5.20 That all eligible councillors currently within the Local Government Pension Scheme be permitted to continue to remain within the scheme in respect of both the Basic and any Special Responsibility Allowances that may be paid (see paragraph 12.1 of the report); but in accordance with regulations no other councillors be able to join;
- 5.21 That the council stop payments to councillors who have been suspended or partially suspended from their duties where they have breached the Code of Conduct;
- 5.22 That in order to assist with future reviews, consideration be given to adopting job profiles for the role of a councillor and the various positions identified for a special responsibility allowance;
- 5.23 That the payment policy for SRAs around election time as detailed in appendix 6 to the report be noted and approved; and
- 5.24 That it be noted in making our recommendations there is a potential saving of £38,047 to the cost of the Members’ Allowances Scheme highlighted (see appendix 1 to the report). However, the cost of future child-care and/or dependent care will have a direct impact on the level of saving that could be achieved.

6 The Context for the Review and the Role of the Independent Remuneration Panel

- 6.1 In reviewing its Members’ Allowances Scheme, the Council is required to obtain the advice of its Independent Remuneration Panel, and to have regard to the Panel’s recommendations.

- 6.2 This latest review has been conducted over a 4-month period, providing the opportunity to look extensively at each of the allowances and expenses within the Members' Allowances Scheme. This means that the Panel has been able to consider whether the significant transitional changes of adopting a committee system and the impact of a minority-led council with three clear political groups should be better reflected within the overall scheme of allowances. The Panel has strong evidence from within the council as well as external comparisons on which to base each of the recommendations in its latest Annual Report.
- 6.3 Throughout the review period the Panel has been mindful of major external issues and how they impact on any recommendations made. Although not strictly a requirement under its terms of reference, the Panel likes to ensure that it works within the prescribed budget when undertaking each review. However, this year it has balanced the financial constraints of the authority with the need to provide a reasonable level of allowance for all councillors – one which the Panel anticipates will enable them to carry out their duties without discrimination or favour.
- 6.4 The Panel remains firmly of the view that all the allowances and expenses and any methodology applied must be open, transparent and accountable. The Panel would like also to draw attention to the fact that there are no monetary payments made to councillors and co-opted members other than those stipulated in the Members' Allowances Scheme.

The 2014 Review

- 6.5 Between June and September 2014 the Panel has undertaken a detailed review of the scheme of allowances. In order to be as consistent as possible with previous reviews, it has considered evidence from the Group Leaders and councillors. In addition, information has been obtained from a range of London Boroughs, Unitary Authorities, Counties and Metropolitan Authorities. The Panel has considered levels of payments at all other Unitary Authorities listed in the 2013/14 South East Employer's Survey of allowances and looked at those listed in the North East and North West Employers' Surveys.
- 6.6 The Panel circulated an electronic survey to all councillors in June and has gathered information from it. We are particularly grateful to councillors for responding to the survey providing us with important detail that helped in our individual meetings with councillors and the Group Leaders.

Setting an appropriate level of Basic Allowance

- 6.7 The Panel remains of the view that time commitment must be a primary consideration in the development of an appropriate level of basic allowance. From the responses we have received to our latest survey and also from discussions subsequently held with councillors, it is clear that the number of hours worked by councillors in their community roles has increased. Whilst this is difficult to fully quantify, the Panel has taken an approximation of 29 hours per week. The Panel recognises that in some cases time commitment is even greater depending largely on the roles undertaken by individual

councillors and the constraints of their employment. What is apparent is that it is the way in which councillors are spending their time that has changed more than the amount of time involved.

- 6.8 The Panel believe that a clear view has emerged from the discussions with councillors and the results of the survey which is that the level of the Basic Allowance needed to rise. Whilst in comparison with authorities across the South-East, the level of Basic Allowance is high, in direct comparison with comparable Unitary Authorities it is at an equal level. The Panel has built up that picture over the past few months and checked and rechecked that what we have learnt still stands. We are acutely aware that the basic allowance is an important part of the overall scheme and that this payment is the only allowance to which many of the councillors are entitled. We now have strong evidence on which to base our recommendations.
- 6.9 Whilst being mindful of the current economic constraints, the Panel recommends that the Basic Allowance for 2015/16 should increase from £11,463 to £11,762. We feel that on balance this provides the best possible financial support at the current time, particularly for community councillors. We understand several councillors have given up well-paid jobs, taken career breaks or sought part-time paid employment in order to continue with their council duties over the past few years and we wish to go some way towards redressing the balance, whilst retaining the public service ethos.
- 6.10 In previous years we have emphasised the importance of retaining transparency in our methodology for recommending the level of the basic allowance and we wish to continue applying the formula identified by the Institute of Local Government Studies at the University of Birmingham (INLOGOV). This formula takes into account the number of hours worked the local hourly rate of pay and incorporates a percentage which recognises the public service ethic. This is expressed as follows:

Number of hours/ days worked x rate for the job minus a public service element

*For Brighton & Hove this equals: 29hrs x £13per hour – 40% x 52
= £11,762pa*

- 6.11 As we wish to ensure that our proposals continue to be realistic in terms of national employment statistics, we have also checked that the level of basic allowance proposed will be in line with hourly rates of pay for male full-time employees in the Brighton & Hove unitary authority area and we are pleased to report that our recommendations remain consistent with this methodology – the new basic allowance falls between the median and mean salaries for these male employees.
- 6.12 We are strongly of the view that the INLOGOV formula should be retained and feel that this provides a clear and demonstrable methodology for calculating the basic allowance.

- 6.13 In addition, the Panel noted that many authorities are applying an index to their basic allowances for a maximum of four years and the Regulations permit this and recognise it as good practice.
- 6.14 We therefore recommend a basic allowance of £11,762pa. This should take effect from 11 May 2015, the fourth day after the election to office.
- 6.15 We further recommend that an index be applied to this allowance and that a salary inflationary increase be added on the day of Annual Council each year for up to a maximum of four years (as permitted by the Members' Allowances Regulations). This would also be subject to any changes in then formula used and any further Panel reviews being conducted should they be deemed necessary at any time beforehand. In any event, the Panel will continue to meet from time to time to ensure that the allowances remain at an appropriate level and that they mirror the democratic structure of the council.

Positions of additional responsibility - Special Responsibility Allowances

- 6.16 The Panel recognises that in addition to the community councillor role, some councillors undertake extra duties and responsibilities for which it is appropriate to pay Special Responsibility Allowances (SRAs). We are aware the guidance governing the payment of these allowances recommends that not more than half the councillors in an authority should be in receipt of an SRA (27 in the case of Brighton & Hove). We are also mindful of the fact that the current and some previous Brighton & Hove schemes have exceeded that guidance. Following a difficult period in which it has been impossible to keep the number of qualifying posts to recommended levels, our latest proposals bring the scheme in line with best practice.
- 6.17 The Panel believe that the changes to the level and number of SRA's are required to reflect the complexity, size and democratic structure of the authority and have taken in to consideration the feedback from councillors and comparative information that was available. The Panel concluded that the current scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system.
- 6.18 After careful consideration we recommend that a maximum of 23 SRA's be payable, a number that falls within the scope of the guidance but which we feel fully reflects and supports the modern governance arrangements which are in place at Brighton & Hove. At this time we do not see the need for any additional posts to be included within the Members' Allowances Scheme nor do we support any moves to take the payment of the allowances over budget.

Leader of the Council

- 6.19 The Panel took account of the view that the role of the Leader of a leading Unitary Authority should be recognised, given the complexity, size and budget of the council and acknowledges that in this position the Leader of the Council is required to represent not only the authority but the city as a whole. Duties

are often conferred on the Leader by Central Government, responsibility has therefore increased. Having met with Councillor Jason Kitcat as part of this review we acknowledge that this is an important and strategic role requiring him to direct policy and set corporate priorities and felt that it was vital this key position in the council should be given an appropriate level of remuneration.

- 6.20 The Panel therefore recommends that the Leader of the Council should receive an SRA for the significant role and extra responsibilities of leading a large city council of £31,200pa.

Deputy Leader

- 6.21 In looking across the scheme of allowances as a whole, the Panel concluded that the scheme of allowances was not reflective of the roles and responsibilities that existed under the committee system. To this end, the Panel believe that only one Deputy Leader post should be recognised within the scheme for the payment of an SRA. Taking account of the evidence received and in comparing with other authorities the Panel could not justify the remuneration of two Deputy Leaders' positions.
- 6.22 In line with the Leader who chairs the Policy & Resources Committee, the Panel also concluded that the Deputy Leader as a matter of good practice should Chair one of the Policy Committees.
- 6.23 The Panel therefore recommend an SRA of £21,840 for the Deputy Leader within the scheme, in recognition of their increased level of responsibility and the assumption that they would Chair a Policy Committee (Children & Young People, Economic Development & Culture, Environment, Transport & Sustainability or Housing).

Chairs of Policy Committees

- 6.24 The Panel felt that the role of the Chairs of the Policy Committees had remained significant and that their level of responsibility went beyond the running of the committee itself. There had been clear evidence to show that they undertook several duties in their capacity as Chair and therefore it was recommended that the level of SRA should be set at 35% of the Leader's SRA. The percentage split was slightly less than before and meant a small decrease in the overall allowance to £10,920.
- 6.25 The Panel also noted that whilst the scheme would list the Chairs of the four Policy Committees, should their recommendations be accepted, then in having regard to paragraph 6.23 above, only 3 SRAs would be paid.

Chairs of Planning, Licensing and Audit & Standards Committees

- 6.26 The regulatory committees of the council have undergone little if any change during the current review period, but it became clear from the survey and meetings with councillors that there was an impact on the role of the Chair and Deputy Chairs for both Planning and Licensing Committees – Licensing in terms of the significant number of Panels to serve on. In this regard the Panel

have recommended a slight increase in the level of SRA for each Chair taking it to £11,856.

- 6.27 However, having met with the current Chair of the Audit & Standards Committee and considered the role of the committee, the Panel have recommended a reduction in the level of SRA for the Chair of £6,240. It should also be noted that this more comparable to other authorities in the region.

Deputy Chair (Finance) of Policy & Resources Committee Lead Member for Adult Care & Health

- 6.28 The Panel were also mindful of the roles of the Deputy Chair (Finance) of Policy & Resources Committee and the Lead Member for Adult Care & Health, which had a statutory responsibility and would take the lead for Adult Care & Health matters; as well as having a role in supporting the Chair of the Health & Wellbeing Board. The Panel therefore recommend that the SRA for the Deputy Chair (Finance) be increased to £9,360.
- 6.29 The Panel also recommend that the SRA for the Lead Member for Adult Care & Health be slightly reduced to £9,360 as it was not on a par with that of a Chair of a Policy Committee and there remained a question mark as to how the role would develop and its relation with that of the Chair of the Health & Wellbeing Board..

Deputy Chairs of Committees

- 6.30 The Panel took on board the comments of councillors in regard to the roles of Deputy Chairs and looked at the comparative information for other authorities. Having identified an increased level of responsibility for Planning and Licensing, the Panel were of the view that this should be reflected in the SRAs for the two Deputy Chairs of these Committees.
- 6.31 In regard to the remaining Deputy Chairs of the Policy Committees, the Panel were mindful that a support role existed and was being fulfilled to a varying degree. It therefore felt that the positions should continue to be recognised within the scheme but did not warrant any real change and wished to keep them under review.
- 6.32 The Panel therefore recommends an SRA of £3,900 for the Deputy Chairs of Planning and Licensing and an SRA of £2,184 for the Deputy Chairs of the Policy Committees.

Leader Deputy Leader of the Opposition

- 6.33 Whilst the Panel understood that the Conservative Group is the main Opposition in the current municipal year, it felt that the Scheme should be better placed to recognise changes in political balance in the future. The Panel have therefore recommended a reduction in the level of SRA for the

Leader of the Opposition to £10,920 to reflect the overall situation that existed in Brighton & Hove and to be more in line with comparable authorities.

- 6.34 The Panel also recommend that only one post of Deputy Leader of the Opposition be retained within the Scheme; to reflect that of the situation of the Leader and Deputy Leader; again with a slight reduction in the level of SRA to £6,240.

Opposition Spokespersons

- 6.35 The Panel have concluded that the role and level of responsibility for the Opposition Spokesperson was not sufficiently demonstrated to make a case for recognition above that of another member of a committee. It was felt that attendance at a pre-meeting was not justification for an SRA and that all opposition Members would seek to ensure they were fully briefed in order to undertake an effective opposition role on a committee. The Panel also looked for comparison at other local authorities and could not find similar payments being made.
- 6.36 The Panel therefore recommend that the position of Opposition Spokesperson not be recognised within the Scheme of Allowances and thereby not attribute an SRA.

Minority Group Leader(s)

- 6.37 The Panel reviewed the restriction on the payment of an allowance to a Minority Group Leader and recommend that the 10% of seats minimum requirement be maintained. However, in line with the reduction to the Deputy Leader of the Opposition, a slight reduction in the SRA for a Minority Group Leader of £6,240 is recommended.

Overview & Scrutiny Chairs

- 6.38 Although not a new function, the Panel has recognised that some changes in the overview & scrutiny function have taken place with only two committees now in operation. The Panel noted that each committee has a specific role, and that the Health & Wellbeing Overview & Scrutiny Committee would need to establish working relations with the Health & Wellbeing Board.
- 6.39 However, in taking into consideration the change to a committee system and the role of scrutiny within that; the Panel felt that the role of the Chair for these two committees had reduced and therefore recommend a slight reduction in the level of SRA to £6,240 for the two posts.

7. Other Considerations to the Scheme

- 7.1 The Panel would like to put on record that we are aware of the hard work that all councillors do in their wards, dealing with community matters, supporting their constituents and representing them at meetings, as well as attending many other duties such as Local Action Team meetings, Community Association meetings and many more besides. We recognise that this work

takes a considerable amount of time and that it is undertaken in addition to the raft of approved duties which are in the council's official timetable, relevant training programmes or schedules.

- 7.2 We were concerned to learn of the financial difficulty that some councillors or their councillor colleagues were experiencing in undertaking their council duties. Although in times of economic crisis the Panel recognises that it is difficult to justify increasing allowances, and there will be little public support for such a move, for some councillors this is the only recompense they receive for an average of 29 hours per week spent on council business. Much of which is carried out in the evenings and at weekends and which has to fit around paid employment and family life.
- 7.3 We realise from our many discussions with councillors throughout a number of reviews that this is where there is the biggest change in terms of roles and responsibilities. Whilst budgets and financial constraints severely restrict any major move in this direction, we do feel that some recognition with an increase in the Basic Allowance should be given in view of the greater burden councillors are facing to complete their work.
- 7.4 We are also keen to support a move towards the better retention and support of as wide a cross-section of the community as possible if they wish to stand and remain as elected members. These facts must, however, be balanced with the voluntary element of the scheme and we feel it is not unreasonable that an element of the caring costs should continue to be met from the basic allowance.

Child & Dependants' Carers' Allowances

- 7.5 The Child & Dependants' Carers' Allowance is another part of the Scheme that the Panel has considered in great detail. The Panel were mindful that parent councillors should not be disadvantaged in any way, nor should those with responsibilities for caring for elderly relatives. The Panel met with a number of councillors to discuss these important issues and also looked at how other authorities applied similar schemes to ascertain whether the current process should be adapted.
- 7.6 We have looked at each of the concerns that have been raised with us in relation to care support and we have attached at Appendix 3 a list we have obtained from the council's Children's Services directorate of the average cost of child care provision in the city. However, we would like to point out that whilst these figures reflect caring costs for children who are regularly looked after, we do recognise that the ad hoc nature of a councillor's work may mean that care provision such as this is not necessarily feasible.
- 7.7 We acknowledge that it may be more practical for councillors to use family and friends to provide them with this type of care and we support this approach provided the family member does not live in the same household. Alternatively, the At Home Childcare scheme is a facility in which the council acts as "agent" between the carer and the parent/s. We understand that this scheme can be a good option for parents who need flexible childcare. The

scheme is home-based and provides support for parents with more than one child as well as those with children who have special needs. Carers are vetted by the council and given appropriate training. A summary is set out in Appendix 4 to this report.

- 7.8 We are keen to emphasise that whilst we do not insist that only registered child-minders be used because we recognise there may be impracticalities of doing so for ad hoc caring, the onus is on parent councillors to ensure appropriate carers are employed by them. We understand from legal advisers that there is no liability on the part of the authority should inappropriate carers be used, whoever meets those caring costs.
- 7.9 We are aware that some councillors wish the council to introduce an annual lump sum taxable allowance to meet their caring expenditure. They feel that this would be a more flexible approach and it would enable them to meet their costs whatever arrangements were in place. However, as in all other parts of the scheme, the Panel continues to press for payments to be claims-based because we feel that this is the only open and accountable option.
- 7.10 To this end and again mindful of national interest, we recommend that only care claims accompanied by receipts for attendance at approved duties be reimbursed, thus giving a clear message to the electorate that there is a robust audit trail of expenditure on this and all other parts of the budget.
- 7.11 The Panel has sought clarification from the Inland Revenue on salary sacrifice schemes such as childcare vouchers. We have learnt that these cannot be made available to councillors as such schemes can only be offered to *employees* by their employer. Councillors do not fit into that category. However, eligibility for Working Tax Credit and Child Tax Credit is something that individual councillors and their partners will need to discuss direct with the Inland Revenue as personal circumstances will vary.
- 7.12 We recommend therefore that care costs for approved duties should be paid to the councillor, provided they complete and submit the relevant form and attach their receipt. We propose to set the annual cap at £1,500pa for all child and dependent care but we propose that the maximum hourly rate should be raised to £7.65 (in line with the Living Wage) in respect of children receiving “baby-sitting” care. This rate would apply to each child requiring care and we also recommend that the upper age limit for cared-for children should remain at “under 14”.
- 7.13 We also recommend that an hourly rate £7.65 be payable for dependant adults and children with severe disabilities/special needs.
- 7.14 In relation to paragraphs 7.12 and 7.13 (above), no payments should be made which are over and above actual cost of the care provided.
- 7.15 The Panel will also continue to review this aspect of the Scheme on an annual basis, as we recognise it is an issue that needs to be closely monitored and adapted to meet changing circumstances.

Travel and Subsistence Allowance

- 7.16 Independent Remuneration Panels have direct responsibility for making recommendations in relation to travel and subsistence and in turn, local authorities are permitted under the 2003 Regulations to set their own Travel and Subsistence Allowances.
- 7.17 The Panel would like to place on record its continued support for the council's sustainable transport agenda and we wish to actively support cycling and the use of public transport. We remain in line with a growing number of local authorities who are supporting the move towards more sustainable travel.
- 7.18 The Panel supports the council's wishes to encourage greater use of bikes within the city and is pleased that there is evidence of take-up in this area of the scheme. We note also that the original tax-free bike loan scheme is still in existence entitling councillors to take a lump sum tax-free loan to buy a bike.
- 7.19 Although we have listened to the concerns of councillors who use cars to cross the city, we continue to support the policy whereby only cycling or public transport is claimable within the Brighton & Hove boundaries. We are pleased to report that the Members' Allowances Scheme offers councillors the choice between an Annual Saver Ticket for bus travel and cycle mileage within the city. In order to make this sustainable agenda as flexible as possible, the scheme also supports a combination of ticketed bus travel and the reimbursement of cycle mileage for approved duties.
- 7.20 The Panel constantly looks for examples of good practice, at nationally recognised bodies and to experts to support any of its views. In this instance we have followed the Inland Revenue advisory flat rates of 40p per mile for cars, 24p for motorcycles, irrespective of engine size and 20p for bicycles when setting an appropriate level of reimbursement for travel. We acknowledge that anything above these rates would incur tax liability and we remain of the view that Brighton & Hove should continue to mirror Inland Revenue advisory rates and any amendments made to them in the future.
- 7.21 In terms of the scheme, where car use is deemed appropriate, we continue to encourage car sharing and the use of bicycles alongside public transport as environmentally sound means of travel. We also actively support car sharing and recommend that Inland Revenue advisory rates of 5p per passenger per mile (for a maximum of four passengers per vehicle) be claimable when travelling on approved duties.
- 7.22 A small number of councillors have drawn to our attention their concerns over the earlier withdrawal of car mileage payments within the city boundaries. This they say has caused a degree of hardship when travelling to several meetings at different venues on the same day and when public transport or cycling could be ruled out due to insufficient time. We have listened to these concerns and acknowledge that there may be some difficulty for a number of councillors but we consider it important that a more sustainable approach be

retained and we are of the view that any costs incurred for such travel should be paid for from the basic allowance.

- 7.23 The Panel is has noted the council's Driving at Work Policy and we recommend that councillors should remain in line with staff and thereby comply with any of the policy's requirements. This means that councillors will be required to prove they hold a valid driving licence, have an appropriate business motor insurance policy and MOT certificate (where applicable) if they use their vehicles for council business.
- 7.24 The Panel remains conscious also of the need to provide for exceptional circumstances and we continue to recommend that the use of taxis/personal transport be permitted by former Mayors undertaking mayoral duties on behalf of the Mayor, or indeed of the Mayor or Deputy should the mayoral car not be available for any reason.
- 7.25 In addition, in exceptional circumstances and/or where disability or injury applies councillors' use of private transport/taxis is at the discretion of the Monitoring Officer.

Subsistence Rates

- 7.26 The Panel is happy that the current allowances for subsistence remain reasonable and we recommend that the following maximum rates be retained:

£6.77	Breakfast
£9.30	Lunch
£3.50	Tea
£15.00	Dinner

- 7.27 The Panel feel also that the rules on reimbursement for meals purchased on trains should remain and that the overnight rate of £114 in London and £100 per night elsewhere for conference attendances are appropriate.
- 7.28 The Panel remains of the view that it is not appropriate or reasonable for the cost of alcohol purchased by councillors whilst on approved duties to be borne by the taxpayer and therefore stresses that this should be stipulated in the Members' Allowances Scheme.
- 7.29 As with previous reviews, the Panel recommends that no subsistence should be claimable by councillors within the Brighton and Hove boundaries. This is consistent with the approach adopted in respect of motor travel. We see no evidence of any need to change this part of the scheme and recommend that this continues to be covered by the Basic Allowance. However, once again we would suggest that should exceptional circumstances apply, an individual case should be considered by the Monitoring Officer.

8. Approved Duties

- 8.1 The Panel recommends that the approved duties identified in Appendix 5 to this report be agreed and that child, dependent care, travel and subsistence

all be claimable provided any additional requirements set down elsewhere in the report are met. This means that car/motorcycle travel and subsistence are only claimable outside the authority's area.

9. Independent Co-optees of the Audit & Standards Committee

- 9.1. A Co-optees' Allowance for the position of Independent Co-optee of the Audit & Standards Committee was reviewed and reported to the Policy & Resources Committee in May 2014. The Panel recommend that the level of SRA and the agreed payment for Chairing Standards Panels should remain at their current level.
- 9.2. As in past reviews, we have looked for comparison at the levels of allowances paid in other local authorities and we are happy that Brighton & Hove sits amongst its peers in terms of the level of allowance paid to the Independent Co-optees. We recommend therefore that a 1% salary inflationary increase be applied to the Co-optees' Allowance. This will bring the allowance to £1,010 for 2015/16, which is the same as the percentage increase applied to the council's salary inflationary increase for staff.

10. Non-co-optees Allowances

- 10.1. In terms of travel and subsistence, child and dependent care, the Panel holds the view that levels of remuneration for non-committee co-optees should continue to be the same as those in the Members' Allowances Scheme. We note that officers are currently updating the full list of bodies, working groups etc. which fall within this category but remain of the view that despite any such name changes which may be made, the principle remains the same. We would encourage as much uniformity as possible in this respect whilst acknowledging that those departments which make direct payments retain the authority to reimburse at individual rates should they consider them more appropriate to their departmental needs.

11. Mayor's and Deputy Mayor's Allowances

- 11.1 Although the Mayor's and Deputy Mayor's allowances do not form part of the Members' Allowances Scheme per se, we continue to keep a watchful eye on their appropriateness. We note that the allowances have not been increased for some time and to remain consistent with our approach, we recommend that the level of allowances for both the Mayor and the Deputy Mayor continue to be increased in line with the 2014/15 salary inflationary increase applied by the council for its staff i.e. 1% for 2015/16.
- 11.2 These allowances shall equate to £12,698 and £3,554 respectively. The Panel considers that the payment of allowances to the Mayor and Deputy be made subject to the post-holders undertaking their full duties throughout their term of office.
- 11.3 We know from the previous review that should the Mayor or Deputy be unavailable for any reason, duties may be undertaken by any one of the Former Mayors and we continue to support that arrangement. However we

are once again mindful of the budget pressures that could result should reliance on Former Mayors increase in any way and we propose that this level of cover be kept under review. Should either the Mayor or Deputy Mayor be incapacitated for a significant period of time, it is hoped that consideration would be given to their allowance being used to offset the cost of using the Former Mayors to cover any engagements during their period of absence.

12. Pensions

- 12.1 The Panel has noted that changes to the Regulations will prevent newly elected councillors in 2015 from joining the Local Government Pension Scheme (LGPS). Having previously been fully supportive of councillors being given the widest possible opportunities to join the LGPS, we feel this is a retroactive step.
- 12.2 We note that to date 33 councillors have joined the scheme and that those re-elected in May will be able to remain within the scheme. It will therefore be left with each individual councillor to determine what action they take in regard to having a pension; but we hope that advice will be sought from the appropriate officers.

13. Withholding of allowances

- 13.1 The Localism Act 2011 changed the regulations governing standards regime for dealing with complaints against councillors and the Panel have noted the scheme adopted by the Council which falls to Standards Hearing Panels. The Panel have also noted that upon finding a breach of the Code of Conduct, recommendations are limited and rely on the Council and/or the Leader of a Group implementing any sanction. As such, where a decision affects the role/position of a Member in so much as they may no longer hold a position that attracts an SRA, the payment of the allowance will cease from the effective date of the change in that role.

14. Parish Council

- 14.1 In previous years, we have consulted with Rottingdean Parish Council on the subject of a Parish Allowance and intend to do so after the 2015 elections, in order to determine whether the newly elected parish councillors would wish to claim any allowances in the 2015/16 municipal year.

15. Public Service Principle

- 15.1 The Panel notes that the concept of public service and civic duty continues to be upheld by many councillors despite the time commitment involved and increasing demands placed upon them. We accept that this concept should remain and consider that a proportion of any time spent should continue to be regarded as voluntary. In the past we have recommended that the public service principle should be calculated at 40%. In other words, councillors give 40% of their time on a voluntary basis and although we recognise this is a significant contribution, we feel that it is set at an appropriate level.

- 15.2 The Panel therefore, is not recommending any change to the voluntary contribution at the current time.
- 15.3 Whilst supporting this ethos, we believe that the council should provide a package of financial support which is reasonable, that it goes some way towards addressing the disincentives from serving in local politics, and that it does not disadvantage people from all walks of life who wish to enter the political arena in this way.
- 15.4 We are aware that the Government is keen to increase the number of people wishing to serve as councillors and we are mindful that locally the next elections will take place in May 2015. On the back of that we hope that the Government will give further consideration to encouraging employers to enable staff to take time off for council duties without penalty.
- 15.5 Maintaining a work/life balance has been a difficulty for many councillors over the past few years and we are aware that council and council related duties continue to have a significant impact on their personal lives. In making our recommendations we are seeking to support the council to find ways of ensuring that all councillors give proper consideration to maintaining a work/life balance which we believe will help to encourage a wider cross-section of the community to serve on the council in the future.

16. Public Expenditure

- 16.1 The Panel has undertaken an extensive review at a time of financial constraint and we have therefore made recommendations which we feel reflect the seriousness of the current economic climate within which we must work, yet which also give appropriate recognition for the roles and duties of an elected councillor.
- 16.2 It is hoped that the views we have expressed in this report demonstrate our belief that the proposed Scheme is reflective of the changing roles and responsibilities of all councillors and that appropriate recognition and support is provided to undertake public duty.
- 16.3 Mindful that we wish to remain within budget we have sought to provide much needed support to those in backbench positions who feel they struggle to cope with the financial burden and in particular to those with caring needs. These are perhaps radical recommendations to put forward, but as a Panel we feel that they are fully justifiable and that they reflect the work of the authority under its new modernised governance arrangements.
- 16.4 We note that the council has set the Members' Allowances budget at £1,038,300 for 2014/15 and working within that figure, we regard it imperative that any recommendations we make as an Independent Panel are sound. We are pleased to report therefore that each of the changes we are proposing are both transparent and accountable, that they remain in line with other local, national and regional authorities used for comparison and that they also remain within the prescribed budget.

17 In Summary

- 17.1 Whilst the purpose of this in-depth review has been to focus on all our work areas, we have paid additional attention to those sections of the scheme that have been identified as of particular significance. These include the following:
- The level of the Basic Allowance;
 - The number and level of Special Responsibility Allowances;
 - The Child Care and Dependents' Carers' Allowance;
 - Motor mileage within the city.
- 17.2 We have listened to any views that have been put to us and we are confident that the package we are now recommending is one which encompasses the changing role of the authority. We realise that in such difficult economic circumstances there is little room for flexibility and no justification for large payments but we feel that what we are recommending does provide wider support for those with caring needs and some much needed support for councillors carrying out their community councillor roles.
- 17.3 The Panel recognises that there has been little guidance on the modernisation of local government in terms of Members' Allowances to date but we have taken on board evidence from other local authorities and the views of individual councillors in our efforts to provide a Members' Allowances Scheme that reflects a modern and dynamic authority in the 21st century.
- 17.4 We note that in the past a number of councillors have chosen not to take the salary inflationary increase on their Basic Allowance. Whilst we fully respect that personal decision, we feel it is important to account for the overall budgetary implications of the cost to the Members' Allowances Scheme, so that this can be accounted for within the council's budget setting process.
- 17.5 The Panel would also remind the council that it has been asked to recommend a scheme that would be effective for the new intake of councillors in 2015/16; and therefore consideration and approval of the Scheme does not have a direct impact on serving councillors.
- 17.6 As outlined elsewhere in this report the Panel has carried out an extensive review of each of the allowances set down in the Scheme. We are of the opinion that there is likely to be a greater political dynamic to the Authority resulting from the forthcoming council elections and into the next Administration and the Panel believe that each of its recommendations provides a fair, open and transparent scheme of allowances for those elected and those involved in the democratic process.
- 17.7 In setting out a new Scheme for the duration of the term of the Council, the Panel intend to meet annually but also on occasion when it sees fit, to review matters and account for any further structural or economic changes that may arise in an Annual Report to the Full Council. It is not envisaged that an extensive review will be required until 2018 so that any substantial changes to the Scheme can be considered prior to the next local elections in 2019.

Financial Information

- 1.1 The Members' Allowances budget for 2014/15 is £1,038,300 and this figure has been used as the basis of the Panel's recommendations. Although outside the Panel's remit we have shown the cost of the new recommendations and compared them with the current scheme plus a 1% salary inflationary increase and no inflationary increase. The costs of the schemes are set out in the tables at paragraph 1.5.
- 1.2 We are pleased to report that the recommendations outlined in the right-hand column of the table below, based on the current level of pension take-up, bring the scheme within the overall Members' Allowances budget of £1,038,300 and provide a potential saving of £38,047.
- 1.3 We note that in relation to the Members Allowances budget for 2015/16:
- (i) That the retention of the current scheme without any inflationary increase (Table 1) would result in a saving of £9,496 based on the budget figure for 2014/15 of £1,038,300 with the projected national insurance contributions and pension costs;
 - (ii) That the retention of the current scheme with a 1% inflationary increase applied to the Basic Allowance and the Leader's Allowance with subsequent increases to the other SRAs (Table 2) would amount to £1,037,208 which would result in a saving of £1,092 based on the projected national insurance contributions and pension costs;
 - (iii) That the approval of the new scheme as recommended by the Panel would amount to £1,000,253 which would result in a saving of £38,047 based on the projected national insurance contributions and pension costs.
- 1.4 We are also mindful that disregarding an inflationary budgetary provision for the Basic Allowance would only add pressure to future budgets as was previously the case in 2002 and 2011 when it appeared that significant increases to the allowances were being recommended but in reality there had been no increase to the level of allowances for 3 years.
- 1.5 The tables below (referred to in 1.3 above), detail the cost of the current scheme in the first column and compares this with the Panel's proposed scheme in column two on the basis of:
- (a) The current scheme having no inflationary increase applied to either the Basic Allowance or the SRA's and the projected costs for national insurance and superannuation;

- (b) The Panel's recommendations, of an increase applied to Basic Allowance, an increased Leader's Allowance and associated changes to the number and level of other SRA's; and a projected costs for national insurance and superannuation;
- (c) A 1% inflationary increase applied to the current scheme across the board along with the projected national insurance and superannuation costs.

Table 1

Estimated 2015/16 Members' Allowances Budget = £1,038,300			
Cost of current Members' Allowances Scheme with effect from 11 May 2015; based on no changes:		Cost of IRP recommended Members' Allowances Scheme from 11 May 2015	
Basic Allowance: 54 x £11,463 =	£619,002	Basic Allowance: 54 x £11,762 =	£635,148
Special Responsibility Allowances: If 29 out of 30 are paid:	£233,761	Special Responsibility Allowances: If 21 of 23 are paid:	£189,064
Mayor & Deputy Mayor's Allowances:	£16,091	Mayor & Deputy Mayor's Allowances:	£16,091
Total Allowances	£868,854	Total Allowances	£840,303
On-costs based on projected take-up	£155,150	On-costs based on projected take-up	£155,150
Plus current child-care & Dependent care costs	£ 4,800	Plus current child-care & Dependent care costs	£ 4,800
TOTAL	£1,028,804	TOTAL	£1,000,253
2015/16 Budget	£1,038,300	2015/16 Budget	£1,038,300
<i>Saving of</i>	<i>£ 9,496</i>	<i>Saving of</i>	<i>£ 38,047</i>

Table 2

Estimated 2015/16 Members' Allowances Budget = £1,038,300			
Cost of current Members' Allowances Scheme with effect from 11 May 2015; based on a 1% salary inflationary increase:		Cost of IRP recommended Members' Allowances Scheme from 11 May 2015	
Basic Allowance: 54 x £11,578 =	£625,212	Basic Allowance: 54 x £11,762 =	£635,148
Special Responsibility Allowances: If 29 out of 30 are paid:	£235,955	Special Responsibility Allowances: If 21 of 23 are paid:	£189,064
Mayor & Deputy Mayor's Allowances:	£16,091	Mayor & Deputy Mayor's Allowances:	£16,091
Total Allowances On-costs based on projected take-up	£877,258 £155,150	Total Allowances On costs based on projected take-up	£840,303 £155,150
Plus current child-care & Dependent care costs	£ 4,800	Plus current child-care & Dependent care costs	£ 4,800
TOTAL	£1,037,208	TOTAL	£1,000,253
2015/16 Budget	£1,038,300	2015/16 Budget	£1,038,300
<i>Saving of</i>	<i>£ 1,092</i>	<i>Saving of</i>	<i>£ 38,047</i>

Special Responsibility Allowances

Responsibility	SRA (£)
Leader of the Council*	31,200
Deputy Leader of the Council**	21,840
Chairs of Policy Committees	
Policy & Resources*	10,920
Children & Young People**	10,920
Economic Development & Culture**	10,920
Environment, Transport & Sustainability**	10,920
Housing**	10,920
Chairs of Regulatory Committees	
Planning	11,856
Licensing (dual role)	11,856
Audit & Standards	6,240
Deputy Chair of Policy & Resources (with responsibility for Finance)	9,360
Lead Member for Adult Care & Health	9,360
Chairs of Overview & Scrutiny Committees	
Overview & Scrutiny	6,240
Health & Wellbeing OSC	6,240
Deputy Chairs of Regulatory Committees	
Planning	3,900
Licensing (dual role)	3,900
Deputy Chairs of Policy Committees	
Children & Young People	2,184
Economic Development & Culture	2,184
Environment, Transport & Sustainability	2,184
Housing	2,184
Other positions of additional responsibility	
Leader of the Opposition Group	10,920
Deputy Leader of the Opposition Group	6,240
Leader of the Minority Group	6,240

*Double up for Leader & Chair of P&R

** Double up for Deputy Leader & Chair of a Policy Committee

Childcare Costs

This data relates to all childcare provision and gives an indication of childcare costs across the city for 2013/14.

When looking at childcare costs the following should be noted:

- Childcare providers were asked to give their cost for a place for a child per day, or per session as appropriate. In some cases they offer discounts, for example for a child who attends all week. Many settings offer discounts for siblings. Conversely many settings charge more, on a pro-rata basis, for a half day, particularly for a morning session.
- Cost data does not take into account what the fee buys. This is particularly relevant for full day care where some providers include all food and supplies in their fee, while others will require parents to provide everything.
- Cost only matters to parents if they can find a vacancy at a price they can afford in a place where they want it. When a parent is looking for childcare it is irrelevant to them that there may be vacancies at a cheaper price in an area of the city they cannot get to, or there may be nurseries with lower fees but all its places are full. It is also irrelevant to a parent who cannot find childcare at session times they need.
- Costs do not take account of the fact that from the term after their third birthday until they start school children are entitled to 15 hours of free early learning for 38 weeks a year. From September 2013 this entitlement will be extended to 20 per cent of two year olds in the city.
- The cost of a full-time place all year round for a child up to the age of two can be as much as £16,237 (or £312 per week)¹. However, very few parents use childcare to this extent. For a parent of a child up to the age of two using childcare all year round for 25 hours a week and paying the average fee of £45.30 per day, the cost would be £5,889 a year (or £113.25 a week).
- Some voluntary sector and school-run breakfast clubs, after-school clubs and holiday play schemes offer significantly discounted fees to low income and non-working parents, particularly where children are in receipt of free school meals. However, the costs used for these calculations are the highest cost the setting charges.

¹ Assuming the child attends ten hours a day for five days a week and the setting charges for 52 weeks a year

Cost of Full Day Care

The following table shows average² childcare costs and change over time.

Cost of Full Day Care per Day Average Cost and Change in Costs³

Age of child	Average cost per ten hour day (2012) (£)	Average cost per ten hour day 2011 (£)	Average cost per ten hour day 2010 (£)	Average cost per ten hour day 2009 (£)	Average cost per ten hour day 2008 (£)
0 to 23 months	45.30 (+0.2)	45.19 (+3.3)	43.70 (+3.8)	42.10 (+4.1)	39
2 years	45.30 (+0.2)	45.19 (+12.1)	40.30 (+2.3)	39.40 (+6.8)	36.9
3 to 5 years	42.84 (+0.2)	42.83 (+7.3)	39.90 (+9)	36.60 (+3.1)	35.5
0 to 5 years	44.03 (+0.3)	43.88 (+7)	41.00 (+4.1)	39.40 (+7.9)	36.5

The following table shows the number of registered places by cost band.

Number of Full Day Care Places by Cost Band

Band	Price per day (£)	Number of places	Per cent of all places
1	25.00 - 29.99	59	1.8
2	30.00 - 34.99	96	3.0
3	35.00 - 39.99	351	10.8
4	40.00 - 44.99	964	29.8
5	45.00 - 49.99	1,224	37.8
6	50.00 - 54.99	340	10.5
7	55.00 - 59.99	202	6.2
Total		3,236	100

This shows that 67.6 cent of all full day care places are priced between £40.00 and £49.99 per day. However, the number of full day care places costing £50 or more per day has increased from 13.1 per cent of all places last year to 16.7 per cent of all places this year.

2.13 Cost of Sessional Care

The average cost of sessional childcare is £14.43 per session. However, session lengths vary between settings.

In previous CSAs the cost of sessional care per hour was reported. However, as parents cannot usually purchase sessional care by the hour this has been amended to report cost per session. For this reason a comparison with previous years cannot be made.

²All averages in tables are means

³Per cent change in brackets

Distribution of Sessional Care Costs

Band	Price per session (£)	Number of registered places	Per cent of all places
1	5.00 - 9.99	155	9.9
2	10.00 - 14.99	655	41.7
3	15.00 - 19.99	458	29.2
4	20.00 - 24.99	177	11.3
5	25.00 - 29.99	40	2.5
6	30.00 - 34.99	84	5.4
Total		1,569	100

This shows that more than 70 per cent of sessions are priced between £10.00 and £19.99.

Cost of Childminding and At Home Childcare

Childminding and at home childcare costs are shown for children of all ages, as rates tend to be the same.

Cost of Childminding per Hour Average Cost and Change in Costs³

Childminding city-wide	Average cost per hour 2012 (£)	Average cost per hour 2011 (£)	Average cost per hour 2010 (£)	Average cost per hour 2009 (£)	Average cost per hour 2008 (£)
All ages	4.80 (+2.3)	4.69 (+6.6)	4.40 (no change)	4.40 (+7.3)	4.11

Cost of At Home Child carer per Hour Average Cost and Change in Costs³

Average cost per hour 2012 (£)	Average cost per hour 2011 (£)	Average cost per hour 2010 (£)
8.05 (+3.9)	7.75 (+7.5)	7.21

Cost of Holiday Play Schemes and After-School Clubs

These are reported per day or per session. For holiday play schemes the length of days tends to vary and so the rate for the standard day is shown, excluding any additional hours which parents may opt to purchase.

After-school club sessions last on average for two and three quarter hours.

Cost of Holiday Play Scheme per Day Change in Costs³

Average cost per day 2012 (£)	Average cost per day 2011 (£)	Average cost per day 2010 (£)	Average cost per day 2009 (£)	Average cost per day 2008 (£)
23.27 (-4.7)	24.42 (+14.6)	21.30 (+7)	19.90 (no change)	19.90

Cost of After-School Club per Session Change in Costs³

Average cost per session 2012 (£)	Average cost per session 2011 (£)	Average cost per session 2010 (£)	Average cost per session 2009 (£)	Average cost per session 2008 (£)
9.20 (+2.3)	8.99 (+8.3)	8.30 (-1.2)	8.40 (+6.3)	7.90

Cost of Breakfast clubs

Of those breakfast clubs which make a charge, the average cost per session is £2.20 which is a 12.2 per cent increase on the sessional cost of £1.96 last time.

Some breakfast clubs are free to attend and only charge for the food children consume.

Childcare Costs: Regional and National Comparisons

The Day Care Trust publishes data in its annual Childcare Costs Survey⁴, and these have been compared with the costs in Brighton & Hove in the table below.

Cost of Childcare: Regional and National Comparisons

Type of Care	Brighton & Hove ⁵ (£)	South East (£)	England (£)
Nursery for 25 hours a week (under two)	113.25	125.16	108.51
Nursery for 25 hours a week (age two and over)	110.12	131.34	106.52
Childminder for 25 hours a week (under two)	120.00	112.76	98.98
Childminder for 25 hours a week (age two and over)	120.00	111.73	97.27
After-school club 15 hours a week	46.00	52.65	49.71

In all cases except after-school clubs, the cost of childcare in Brighton & Hove is more expensive than the cost in England as a whole. However, Brighton & Hove's costs are cheaper than the south east averages for nursery care as follows

- Nursery for under two is 9.5 per cent cheaper in Brighton & Hove than in the south east
- Nursery for two and over is 16.1 per cent cheaper in Brighton & Hove than in the south east

Childminding, on the other hand, is more expensive in Brighton & Hove, compared with the south east averages

- Childminder for a child under two is 6.4 per cent more expensive in Brighton & Hove than in the south east
- Childminder for a child over two is 7.4 per cent more expensive in Brighton & Hove than in the south east

The cost of an after-school club place in Brighton & Hove is 12.6 per cent cheaper than in the south east.

⁴Childcare Costs Survey 2013, Daycare Trust

⁵ The Daycare Trust refers to "nursery care" and the cost for full day care in Brighton & Hove are used for comparison, not the cost of sessional care

Key findings

Childcare costs

- ▶▶ The cost of sending a child under two to nursery part-time (25 hours) is now £109.89 per week in Britain or £5,710 per year.
- ▶▶ For a family with two children in full-time childcare, the yearly bill is £11,700. This makes childcare costs 62 per cent higher than the cost of the average mortgage for a family home.
- ▶▶ Over the last five years childcare costs have risen 27 per cent – meaning parents pay £1,214 more in 2014 than they did in 2009.
- ▶▶ Most parents buying full-time care contribute 20-30 per cent of their gross income on childcare.
- ▶▶ The average cost of an after-school club is now £48.19 per week in Britain or £1,830 per year.

Childcare supply

- ▶▶ Just under half (49 per cent) of local authorities had enough childcare for working parents.
- ▶▶ Only a third (33 per cent) had enough childcare for children aged 5-11. This has worsened in the last five years.
- ▶▶ Three quarters (75 per cent) of local authorities do not have enough childcare for disabled children.

Free early education for two-year-olds

- ▶▶ Over 30,000 of England's poorest two-year-olds miss out on free nursery education. This is over one quarter (26 per cent) of this cohort.
- ▶▶ There are big differences between local authorities in the proportions of two-year-olds receiving free early education. In London just 51 per cent of eligible children had been placed by November 2013.
- ▶▶ There are 37 local authorities where less than 60 per cent of eligible two-year-olds had been placed by November 2014, of which 25 were in London.

Average weekly childcare costs by region and nation, 2014

Region/Nation	Nursery 25 hours (under 2)	Nursery 25 hours (2 and over)	Childminder 25 hours (under 2)	Childminder (2 and over)	After-school club 15 hours	Childminder after-school pick up
East of England	111.90	105.02	121.28	120.45	51.13	58.37
East Midlands	94.30	97.19	86.27	86.05	46.48	61.84
London	140.12	136.93	136.40	138.77	49.04	93.83
North East	108.24	102.66	90.88	90.09	49.52	55.72
North West	98.00	97.58	84.81	89.27	49.27	60.59
South East	130.08	121.58	110.32	115.86	47.68	66.10
South West	109.70	104.96	100.48	99.54	50.75	61.54
West Midlands	112.17	101.85	85.52	82.85	46.85	62.37
Yorks and Humberside	94.03	87.94	90.68	90.75	44.84	62.38
England regional average	110.95	106.19	100.74	101.51	48.40	64.75
Scotland average	106.04	102.06	85.59	96.84	49.54	77.90
Wales average	103.17	102.28	94.24	94.24	45.98	55.61
Britain average of regions and nations	109.89	105.52	99.77	100.52	48.19	65.08

Source: Family and Childcare Trust Annual Childcare Costs Survey, 2014

Family Information Service Leaflet - http://www.brighton-hove.gov.uk/sites/brighton-hove.gov.uk/files/downloads/children/Childcare_Choices_Booklet.pdf

Childcare based in your home

This can be a good option for people who need flexible childcare, for example, if parents work unsociable hours. Families with several children may also find that home based childcare is more economical than paying for more than one place at other childcare settings. Parents of children with special needs who need one to one care in their home may also find this a good option.

FIS At Home Childcarers

The FIS has developed this scheme for parents who want their children looked after by qualified and experienced carers in their own home. All At Home Childcarers are interviewed, go through a range of checks and undertake further training before they are accepted onto the scheme. They are not required to deliver the Early Years Foundation Stage. FIS At Home Childcarers are registered with Ofsted on the voluntary part of the childcare register.

Age range: From birth upwards

Time available: Very flexible

Cost: The average cost is £7.75 per hour

Nannies

A nanny is employed by you directly, and can either live in your home or live out. Many are qualified childcarers and their duties are directly concerned with the care of your child. They can choose whether or not to register with Ofsted on the voluntary part of the childcare register.

Age range: From birth upwards

Time available: You employ the nanny for the hours you require

Cost: Varies greatly. Remember you will be responsible for tax and national insurance and if your nanny lives in, you will need to provide a self-contained room along with food

Finding a nanny: Through a nanny agency, or you could advertise in local or specialist publications, or on the internet.

Au pairs

These are usually young people from other countries who live with a family and provide childcare whilst they learn English. They are not generally trained in childcare. Au Pairs are not registered with Ofsted.

Age range: They can help with young children when the parent is present, but are more appropriate for school aged children

Time available: They usually work a maximum of five hours per day and babysit for two evenings per week. They must have at least two full days off per week

Cost: You would pay a weekly allowance and provide them with their own room and food

Finding an au pair: Usually through an au pair or nanny agency

Babysitters

Babysitters come to your home to look after your child on an ad-hoc basis. There are no specific legal regulations covering babysitters, although the NSPCC recommends that they should be over 16. Babysitters are not registered with Ofsted.

Age range: Any

Time available: Flexible

Costs: Varies. Expect to pay around £10 per hour through an agency and a registration fee

Finding a babysitter: If you use childcare ask your childcare provider, as many staff offer babysitting services. You could also contact a college that runs childcare courses and ask for a student, or use a babysitting agency.

Approved Duties

Brighton & Hove City Council specifies the following as approved duties for the purpose of the payment of Travel, Subsistence and Dependants' Carers' Allowances.

1. Attendance at :
 - (a) The council, or any of its committees and sub-committees.
 - (b) The bodies to which the council makes appointments or nominations at either Annual Council or Policy & Resources Committee including any committee or sub-committee of such a body.
 - (c) The following meetings, the holding of which is authorised by the council, or any of its committees or sub-committees, or by any joint committee (or sub-committee thereof) of the council and any other authority, provided that it is a meeting to which councillors of at least two political groups of the council have been invited:
 - i) Meetings of the council's formally established consultative fora and partnerships, scrutiny review panels and select committees.
 - ii) Meetings with outside bodies in pursuit of economic development objectives which have been authorised by the council, or any of its committees or sub-committees.
 - iii) Councillors' tours of the authority's area which have been authorised by the council, or any of its committees or sub-committees.
 - iv) Internal training sessions organised and facilitated by officers of the council for the induction of councillors or for the better performance of their duties and responsibilities or to enable better understanding of the council's functions.
2. The following meetings of associations of authorities of which this authority is a member:

The Local Government Association and its committees
3. Any other duty, or class of duty approved by any committee, or officer of the council acting under delegated powers, such duty or class of duty to be for the purposes of or in connection with the discharge of the functions of the council, or its committees or sub-committees.

Payment Policy for SRAs around Election Time.

STATEMENT OF ARRANGEMENTS FOR PAYMENTS TO MEMBERS

OUTGOING COUNCILLORS - Councillors who stand down at an election and those who lose their seats will be paid until 4 days after the election.

INCOMING COUNCILLORS - Where a Councillor is elected to office following an Annual Local Government Election, from the fourth day after the date of the election or the date of making the declaration of Acceptance of Office (57 LGA 1972). For a Councillor elected to office at any other time, they commence from the date making the Declaration of Acceptance of Office.

PRO RATA PAYMENTS - Where a Councillor holds the office of Councillor for less than a full calendar month the allowance will be calculated on a pro rata basis by reference to the number of days entitlement to the allowance to the total number of days in that particular month.

If in the course of a year if a Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a Special Responsibility Allowance the schedule will be amended accordingly.

OVER PAYMENT - Where the payment of a monthly instalment of an allowance results in a Councillor receiving more than the amount entitled, the overpayment will be recovered subsequently through a deduction from other allowances due to that Councillor.

PAYMENT ARRANGEMENTS – SPECIAL RESPONSIBILITY ALLOWANCES

LEADER OF COUNCIL - The date of payment of the Leader will start from the date when elected at Annual Council and continue for the duration of their term of office. All other payments will run as per the Civic year (i.e. ending on the day before Annual Council):

GROUP LEADERS – The date of payment will normally start from the date when appointed at the Annual Council meeting and continue until the day before the next annual meeting.

CHAIRS & DEPUTY CHAIRS – The date of payment of committee chairs and deputy chairs will start from the date when they are appointed at the Annual Council meeting. Payments will continue until the day prior to the next annual council meeting.

In all cases:

SRA payments received by Members in their May payment will be for the period up until the Annual Council meeting only. SRA's which are renewed or started from the May annual council will be paid to Members commencing in June, with retrospective payment covering the period between Annual Council and the end of May being made in that first payment. Committee Chair's SRA's will usually commence in the month following the month of their appointment, with any retrospective payment due, being picked up in the first payment.

