

CITY OF SUNDERLAND MEMBER'S ALLOWANCE SCHEME

REPORT OF THE INDEPENDENT REMUNERATION PANEL: REVIEW OF MEMBER ALLOWANCES 2015 – 2016.

1.0 Introduction

1.1 The Member's Remuneration Panel has been operating since 1999 as the Independent Remuneration Panel for the Council under Government Regulations. In 2003, new Regulations, the Local Authorities (Members Allowances) (England) Regulations became operative and added significantly to the functions of the Panel. A full statement of the formal terms of reference is attached at Annex 1.

1.2 Regulations are supported by detailed guidance which provides a description of both statutory guidance and non-statutory guidance. The Panel has had due regard to this guidance in formulating its proposals.

2.0 Background

2.1 In September 2012 the Remuneration Panel proposed changes to the Council's Member Allowance Scheme designed to align the Allowance Scheme with the strategic requirements of the Council as it approached the next major phase of its transformation.

2.2 The Panel proposals related to

- Strengthening strategic leadership capacity
- Streamlining Scrutiny
- Strengthening area governance
- Refreshing other relevant main Committee arrangements including
 - a. Licensing and Regulatory Committee
 - b. Adoptions and Permanency Panel Members
 - c. Personnel Committee

2.3 The Panel noted that, in view of the scale and extent of proposed changes, it was likely there would be a degree of learning and development for all concerned. The Panel also noted progress at its meeting in 2013 and requested that, in view of their importance to the Council's plans and their innovative nature, progress in implementing and embedding the roles of Policy Member and Area Vice- Chairs for Place and People Boards should continue to be monitored in 2014.

3.0 The Monitoring Process

3.1 The Panel considered information provided by Officers and Members which included;

- i. a summary introduction and update presentation from the Deputy Leader of the Council and Head of Community Leadership Programmes.

ii. verbal representations received from all Policy Members (now entitled Project Lead Members) – Cllr Dave Allan, Cllr Paul Stewart, Cllr Peter Walker, Cllr Susan Watson, Cllr Amy Wilson.

iii. verbal representations received from Area Committee Chairmen (Cllr Peter Gibson, Cllr Dennis Wilson), Vice-Chairs for People (Cllr Alan Emerson, Cllr Linda Williams) and a Vice Chair for Place (Cllr Lynda Scanlan)

iv. verbal representations received from the Leader of the Majority Group in Opposition Cllr Lee Martin

v. supporting documentation on detailed mandates for Project Lead Members and a summary of their current projects and ongoing responsibilities.

3.2 Project Lead Members: The Panel received a presentation that set out the wider context for the creation of the roles of Policy Member and Area Boards following the fundamental review of the Council's Executive and Committee arrangements in 2012. The presentation confirmed the Council's continued support for these new arrangements and drew attention to important changes that had been made during 2014 to the role of Policy Member, principally that

- The title of the post had been changed to 'Project Lead Member' to reflect the intention that these posts deliver clear, practical added value in their day to day operation
- The posts now reported directly to the Leadership Portfolios (the Leader, Deputy Leader and Cabinet Secretary) rather than being attached to specific Portfolios
- Posts are focused upon specific matters of importance or urgency which are identified by the Leadership and are then confirmed by way of a brief 'project mandate.' This is drawn up by the individual Project Lead Member, Head of Community Leadership Programmes and then agreed by the Leadership
- The role combines a richer mixture of ongoing responsibilities and time-limited projects with measurable outcomes than before (a summary of these was circulated after the meeting and is attached as an annex to this report)
- There is far clearer accountability under new arrangements and far stronger coordination, with monthly update meetings between the Head of Community Leadership Programmes and all Project Lead Members and quarterly reporting to the Leadership

The Panel confirmed its understanding of the progress considered to have been made in establishing the role of Project Lead Member and demonstrating its value in

- bringing additional capacity to support the workings of Cabinet at a time when the Council has to make a higher volume of more sensitive and complex decisions than ever before
- providing the Leadership with additional capacity and flexibility to place a sharper, more sustained focus on specific, emerging matters of importance, especially those which cross portfolios

- increasing direct Member input into the shaping of important aspects of the Council's transformation programme
- promoting important, time-limited projects which are all designed to deliver measurable benefits whether these are about increasing income, reducing costs or achieving better outcomes for local people by working differently

The Panel noted the stronger accountability achieved by new management and coordination arrangements and that the Project Lead Members themselves were very much open to feedback and ways of strengthening their approach and contribution. The Panel also noted that Project Lead Members were very aware of the need to increase the flow of information, to other Members in particular, on their role, activities and achievements. Means of achieving this were to be discussed with the Head of Community Leadership Programmes in the near future.

3.3 Area Vice-Chairs for Place and People: The Panel met with a small representative group of Chairs of the Area Committees, People and Place Boards to discuss their roles and responsibilities brought about through the strengthening of the Council's devolved decision making structures which are now in their third year of operation.

The discussion re-affirmed the Council's continued support 'for strengthening the position of Councillors at the heart of decision-making' which was pivotal to the Community Leadership Council's transformational journey. Based on the evidence presented, the achievements of the Area Committees were measurable in terms of building social capital within communities assisted by dedicated local area budgets. The arrangements were also reported to have been recognised by the Department for Communities and Local Government (DCLG) Select Committee on the Role of Councillors in their Communities as well as being seen as an exemplar of good practice by visiting local authorities.

Furthermore, the Panel heard that the Area Committees will continue to develop their use of Place and People Boards, set up in each of the five Areas to deliver on priorities set by the Area Committee, as the Boards had continued to evolve as practical action-orientated groups. Each Board was chaired by one of the Area Committee's two Vice Chairs and had Elected Member representation from each of the Wards in the Area.

Area Committees continued to have a membership which included all Elected Members from all Wards in the Area working alongside service delivery partners and members from the Area Voluntary and Community Sector Network. Such arrangements continued to have a high profile in strengthening the role and profile of Elected Members as community leaders.

3.4 Deputy Mayor

The Panel had previously recommended an increase in the SRA for Deputy Mayor from £3,827 to £5,735 in the light of the time commitment and responsibility attached to the role. The Panel was updated with information on the number of visits and events supported by the Deputy Mayor at the Mayor's request. These included activities detailed on the Mayoral engagements weekly sheets, information regarding the Deputy Mayor's involvement in shadowing the current Mayor at significant annually recurring events in preparation for the forthcoming civic year and in strengthening the Council's relationship with key groups within the City.

3.5 Adoption and Permanency Panel and Fostering Panel

The Panel was also updated on Special Responsibility allowances for the Adoptions and Permanency Panel and Fostering Panel and changes introduced over the past two years. In both cases the workload experienced by both Panels had increased significantly. The number of Adoption Panels held in the first eight months of 2014/15 was already 74% of the total of the whole of 2013/14 and there had already been 16 Fostering Panels held in 2014/15, compared to the 9 held in the whole of 2013/14. Performance, in terms of positive outcomes from these Panels, was also significantly better with all 2013/14 performance levels for connected person carers, permanent foster carers, permanent foster carer matches and matches for adoption either already exceeded or projected to exceed the previous year's levels.

3.6 The Panel records its gratitude for the assistance provided by Members and Officers.

4.0 Other Member Representations

4.1 The Panel considered written representations received from individual Members making the following points:

- Food subsistence claims should only be payable when members are on approved Council business outside of the city (and/or after an appropriate number of hours away).
- The time involved in being a Project Lead Member should be evaluated and the allowance set in line with that evaluation.
- The Council should take account the very substantial time commitment required to fulfil the role of community leader in relation to a Member's community, Council, Ward and Committee duties.
- The basic allowance needs to compensate Councillors for the time they will spend away from their families, the likely loss of overtime pay and possibly work to attract younger working people.
- Cabinet members should be properly compensated for their role, responsibilities and the time commitment required.
- Members are not aware what activity those with responsibility allowances other than Chairpersons actually do as there have not been any reports produced to demonstrate the detail of their roles.
- The Council should consider removing some or reducing the amount paid for special responsibility allowances for all but Executive roles and add the savings to the Councillor's basic allowance. This exercise should be cost-neutral.

5.0 Overall Summary and Proposals

5.1 The Panel was advised that the Council remained committed to all key elements of its Executive and Committee arrangements and was very much encouraged by the contribution made and being made by Project Lead Members and Area Vice-Chairs for Place and People.

5.2 The Panel received the Council's assurance that it remained open to further refinement and improvement of Executive and Committee arrangements and that it continued to gather feedback on the operation of the arrangements through

- Confidential and structured '1-2-1' discussions with individual Members across all parties
- The annual Member Satisfaction Survey

- Member discussion groups
- Regular feedback from Portfolio Holders
- Direct feedback from the various elements of the Executive and Committee structure

5.3 The Panel reviewed the feedback received and noted that the role of Policy Lead Member had developed over the course of the year. The Panel noted that the role had been re-defined and re-titled to Project Lead Member with effect from April 2014. Project Lead Members had specific responsibility for taking forward cross-cutting corporate project work. The Panel noted that these were significant pieces of work. Taking note of other representations made to the Panel which demonstrated a low level of awareness of the purpose and value of these new roles among the wider Membership, the Panel concluded that more could and should be done to ensure that the purpose and significance of the work undertaken in these roles was understood by all Members. The Panel also considered developments in the roles of the Area Vice- Chairmen as Chairs of People and Place Boards. In each case the Panel was satisfied that, while the roles continued to develop and embed, the scale, scope and responsibilities of the new roles were properly reflected in the level of allowances the Panel had proposed at the time of the previous review, and which the Council had agreed to adopt. The Panel noted that the role of Area Board Chair continued to evolve, with a significant workload attached to it, and that Panel Members would wish to consider the further development of this role when next considering the level of allowances.

5.4 The Panel considered the representations made by Members. With regard to the matters raised on the overall operation of the Council's arrangements, the Panel noted that the allocation of roles was a matter for the Council, and that the job of the Panel was to evaluate those roles and determine the need or otherwise for an allowance. The Panel considered the representations made by Members on a range of travel, subsistence and benefits-related matters as described in section 4 (above). Specifically the Panel noted reference within the representations it had received to the time commitment required for carrying out the role alongside other commitments including employment and home responsibilities.

5.5 The Panel had previously considered Guidance following representations regarding the number of Special Responsibility Allowances. It was mindful that the Guidance, while reflecting that the legislation did not limit the number of Special Responsibility Allowance, stated that if the majority of members of a council receive a Special Responsibility Allowances, then the local electorate may rightly question whether this was justified. In considering this aspect of the Guidance as part of previous review the Panel had noted that census information available at the time indicated that Councils across the country averaged 58% of Councillors holding SRAs, and that north eastern metropolitan authorities averaged 67%.

5.6 The Panel was advised of emerging proposals from HMRC for changes in taxation arrangements, and also noted that the Council was to consider arrangements for Member support in relation to travel and subsistence as a consequence of the changing requirements related to community leadership activity. The Panel concluded that there would be merit in reviewing the level of allowances in relation to these aspects in the light of both HMRC changes and changing requirements when next it met.

6.0 Recommendations

6.1 Having reviewed experience of the second full year of operation of specific aspects of the Council's new Executive and Committee arrangements - and having received and considered Member representations on a variety of matters - the Remuneration Panel recommends that

- i. this report, including the Council's commitment to further improvement action to reinforce the overall successful implementation of Executive and Committee arrangements and ensure steps are taken to increase understanding of the roles and achievements, be noted.
- ii. no change be made to the current level of allowances paid to Members of the Council of the City of Sunderland.

John Anderson CBE – Chair

Karen Straughair

John Cuthbert

December 2014