

**A Review of the Isle of Wight Council
Members' Allowances Scheme**

Seventh Report of the Independent Remuneration Panel

December 2009

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FOREWORD

This is the seventh Report of the Isle of Wight Independent Remuneration Panel. In carrying out its investigation, the Panel wishes to thank current and former Councillors who provided some of the data we used in our evidence-based review. We also wish to acknowledge the administrative and technical support given to us by the Head and Staff of Democratic Services in undertaking this work.

*Professor David Farnham
Chair, Isle of Wight Independent Remuneration Panel
December 2009*

EXECUTIVE SUMMARY

1. The Independent Remuneration Panel has undertaken a complete review of the Members' Allowances Scheme.
2. As a result of this review the Panel recommends the following:
 - a) The Basic Allowance should remain at £7,903 and this allowance should be regardless of ward size.
 - b) The Special Responsibility Allowances (SRAs) should be revised as follows:

Role	SRA £	Factor of basic allowance
Leader	23,709	X 3.0
Cabinet member	11,854	X 1.5
Council Chairman	5,532	X 0.7
Council Vice-Chairman	1,580	X 0.2
Planning Committee Chairman	7,903	X 1.0
Planning Committee Vice-Chairman	1,580	X 0.2
Licensing & General Purposes Committee Chairman	6,322	X 0.8
Overview & Scrutiny Committee Chairman	5,532	X 0.7
Scrutiny Panel Chairman	5,532	X 0.7
Audit Committee Chairman	3,951	X 0.5
Group Leader	1,580	X 0.2

- c) The proposed SRAs should be back-dated to 17 June 2009.
- d) In current economic circumstances and the Council's present budgetary position, all Allowances should be frozen for the year 2010/11.
- e) There should be no SRA for the following roles:
 - Overview & Scrutiny Committee Vice-Chairman
 - Cabinet Secretary
 - Investment & Pension Fund Committee Chairman
- f) No change should be made to the SRA for the Ethical Standards Committee Chairman (£3,573).
- g) The existing lump sum Island Travel Allowance scheme should continue.
- h) The Dependant Carer's Allowance should remain unaltered (currently £4.93 per hour for a dependant child (i.e. Local Government Association rate) and £10.90 per hour for a dependant adult (i.e. the rate paid by Isle of Wight Council Adult Services Department under the Direct Payment Scheme)).
- i) Members should not be eligible for the One Card staff leisure discount scheme.
- j) The paragraph in the Members' Allowance Scheme regarding performance enhancement should be removed as the star rating system no longer operates.

- k) The Independent Remuneration Panel should review the Scheme in a year's time in the light of the prevailing economic circumstances, taking account of any anomalies in the Scheme or any unintended consequences of this report.
3. The Panel recognises that, whilst its recommendations reduce the existing projected budget, its proposed revisions to the SRAs result in an anticipated budget deficit of £7,900. It has considered various options to 'balance the books' but has rejected these for the reasons explained in paragraphs 42-45 of the Report.

INTRODUCTION AND BACKGROUND TO THE REVIEW

Introduction

4. This is the seventh Report from the Independent Remuneration Panel, the previous ones having been considered by Council in 2001, 2003, 2004, two in 2006 and one in early 2009. The first two reports were chaired by Dr Declan Hall and the others by Professor David Farnham. The most recent report dealt specifically with the question of remuneration of members of the Ethical Standards Committee.
5. The membership of the Panel has changed on four occasions and the current members are:
 - Professor David Farnham – Chair
 - Mr Brian Herbert
 - Mr Peter Savory
 - One Vacancy
6. Under the Local Authorities (Members' Allowances) (England) Regulations 2003 and subsequent amendments to these regulations (SI 1022 and SI 1692), all authorities have to establish an Independent Remuneration Panel to make recommendations to the Council on Members' allowances. The Council needs to have regard to the recommendations of the Panel but can substitute its own decisions. It is crucial to recognise this, as the existing Members' Allowances Scheme (as set out in the Council's Constitution) has been developed over the last eight years, with not all the recommendations of previous Panels having been adopted.

Terms of reference

7. The Terms of Reference for the Panel for this exercise are:

To review all aspects of the Members' Allowances Scheme and to make recommendations as to the appropriate level of remuneration for all the following positions:

- Council Chairman
- Council Vice-Chairman
- Leader
- Cabinet Members
- Planning Committee Chairman
- Planning Committee Vice-Chairman
- Licensing & General Purposes Committee Chairman
- Audit Committee Chairman
- Overview & Scrutiny Committee Chairman
- Overview & Scrutiny Committee Vice-Chairman
- Children & Young People Scrutiny Panel Chairman
- Adult Social Care, Health & Housing Scrutiny Panel Chairman
- Economy, Environment & Transport Scrutiny Panel Chairman
- Fire & Community Safety Scrutiny Panel Chairman
- Investment Panel Chairman
- Ethical Standards Committee Chairman
- Group Leaders

Background

8. At the Annual Council meeting on 17 June 2009 the Council made a number of changes to its governance structure, involving the removal of the following positions:

- Commissioner
- Scrutiny Committee Chairman and Vice-Chairman
- Audit & Performance Committee Chairman
- Licensing Committee Chairman
- General Purposes Committee Chairman
- Member Champions
- Non-elected members on the Scrutiny Committee

The Council also created the following new positions:

- Overview & Scrutiny Committee Chairman and Vice-Chairman
- Chairmen of four Scrutiny Panels
- Audit Committee Chairman
- Licensing & General Purposes Committee Chairman
- Two non-voting co-opted members of the Audit Committee

9. The Members' Basic Allowance Budget of £481,965 has three main elements:

- a) The Basic Allowance for all Members (currently £7,903 per year for each of the 40 members).
- b) The Special Responsibility Allowance (SRA) (payable in addition to the Basic Allowance but no councillor is permitted to claim more than one SRA).
- c) The "lump sum" element for Island travel (currently £21,224).

10. The Council asked the Independent Remuneration Panel to undertake a review of all aspects of the Members' Allowance Scheme and to make recommendations as to the appropriate level of remuneration for all the positions listed in paragraph 7 above. The Council also stated that, when receiving the recommendations of this or any future review, Council would adopt a Members' Allowance Scheme in line with these recommendations.

Methodology

11. The Panel agreed on the following methodology for conducting its evidence-based study and review:

- Reviewing background information and benchmarking data.
- Understanding the roles of Members and reviewing the work undertaken by them.
- Surveying all existing Members of the Council.
- Surveying those who ceased to be Members of the Council at the June 2009 elections (22 people).
- Interviewing a range of Members and former Members.
- Interviewing a Chief Officer, Director and Head of Service.
- Inviting views from members of the public via the Council website and local press advertisement.

- Reviewing written and oral evidence and benchmarking data.
- Undertaking a role and 'job' size analysis followed by a ranking of Council Member roles.
- Determining its recommendations and writing up its report.

12. Within a limited time-scale, the Panel has held five formal meetings, one informal meeting and a two-day interview session in preparation of this Report. In addition the Panel Chair has held an informal meeting with the Conservative Leader, Independent Group Leader and Labour representative to report the Panel's findings and recommendations.

13. The five Liberal Democrat councillors did not take part in the review. Their Group Leader stated that "they collectively stood for election on the grounds that members' allowances should be frozen for the life of the present council".

Background information

14. The Panel considered the following background material:

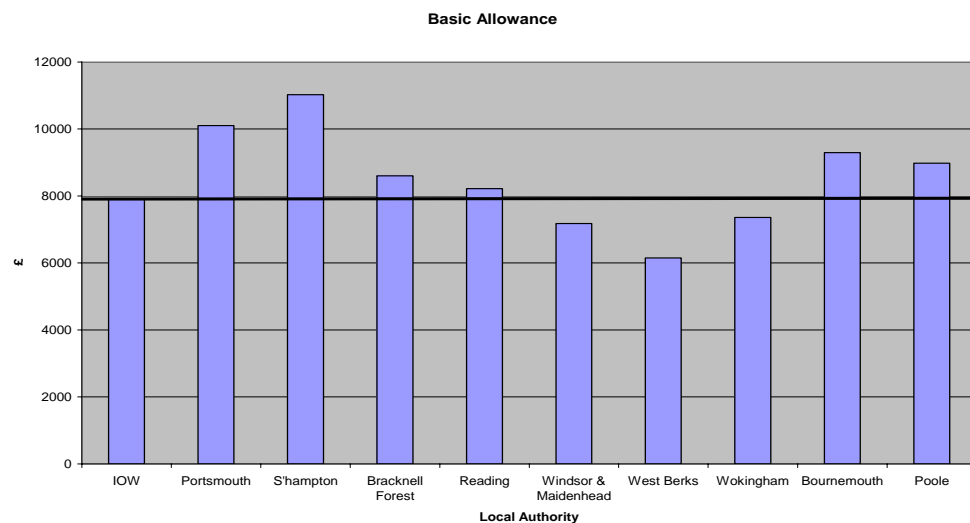
- Current Members' Allowances (Appendix 1).
- The 2003 (the most current) Government Guidance on Members' Allowances.
- Benchmarking data.
- The job profiles of Members and Special Responsibility Allowance (SRA) post-holders.
- Evidence of Members' time involvement.

Benchmarking data

15. Benchmarking data from nine other unitary authorities in the south of England were collected (see Appendix 2).

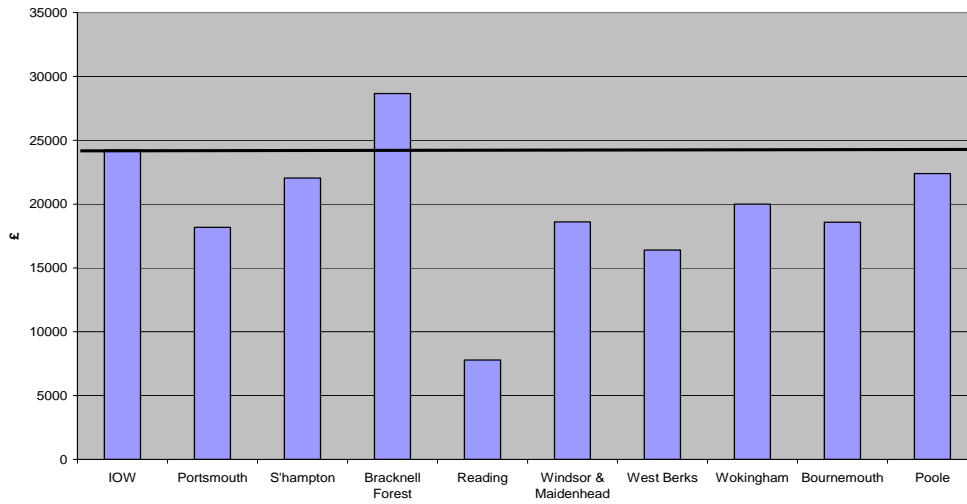
16. Although not all comparator authorities had each of the roles described, the data revealed the following:

a) The Basic Allowance was the fourth lowest out of 10 comparator authorities.

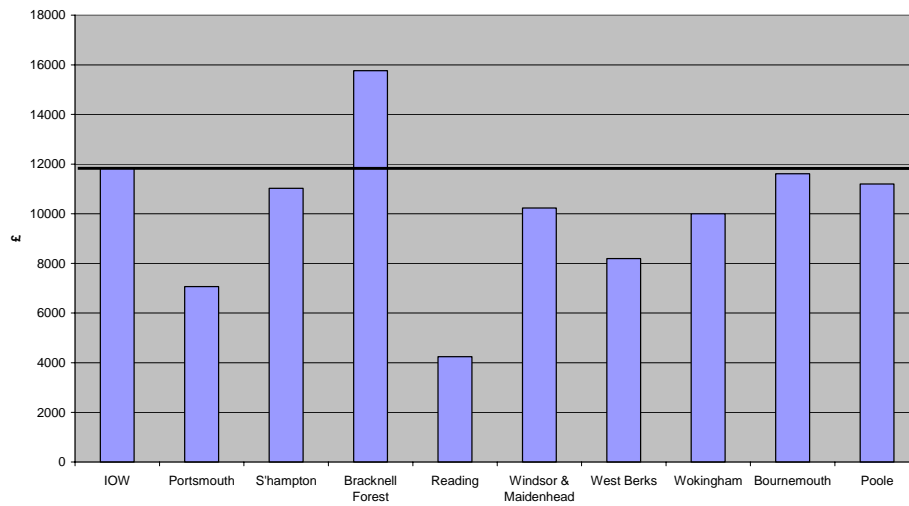


b) The Leader and Cabinet Members' allowances were the second highest amongst 10 comparator authorities.

Leader's SRA

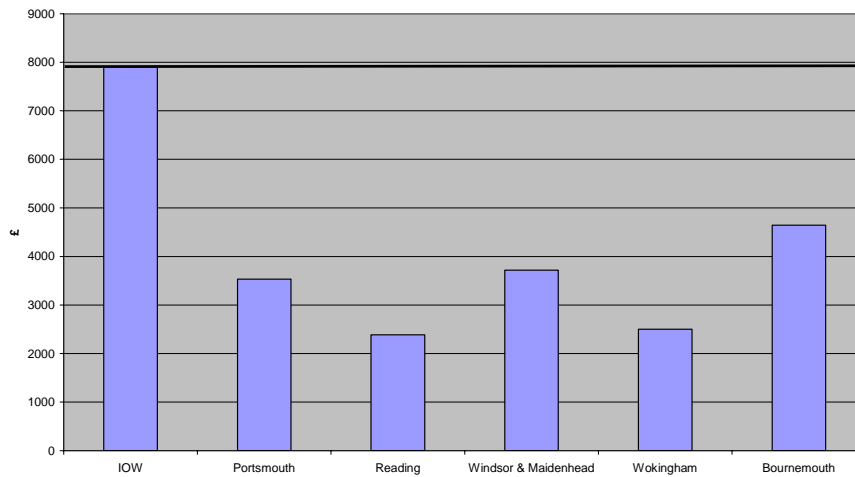


Cabinet SRA



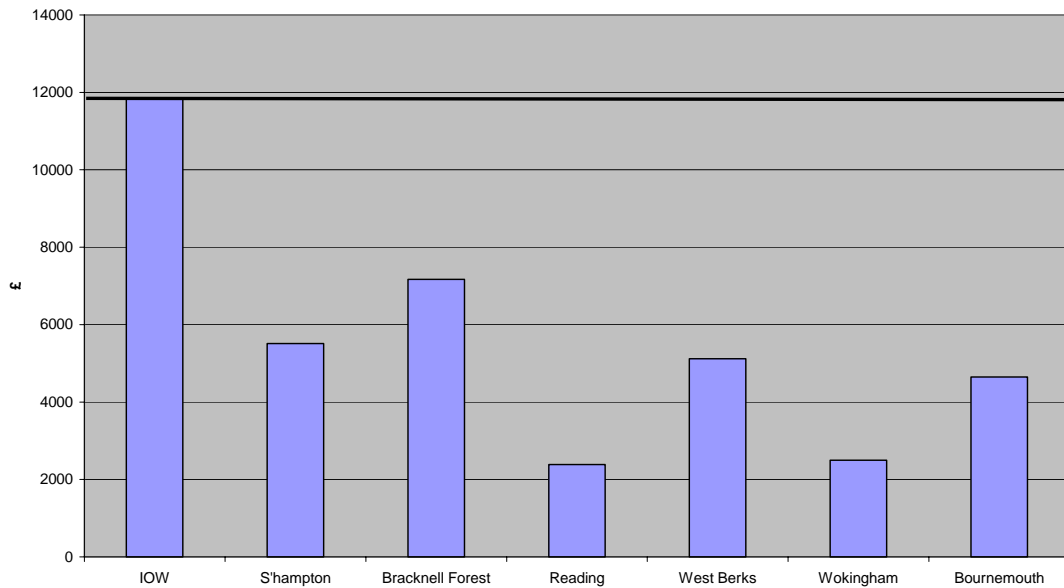
- c) The Council Chairman's allowance was second highest amongst four comparator authorities, one of which had a Mayor.
- d) The Audit Chairman's allowance was by far the highest amongst six authorities, being 41% higher than the second highest authority allowance.

Audit Chairman's SRA



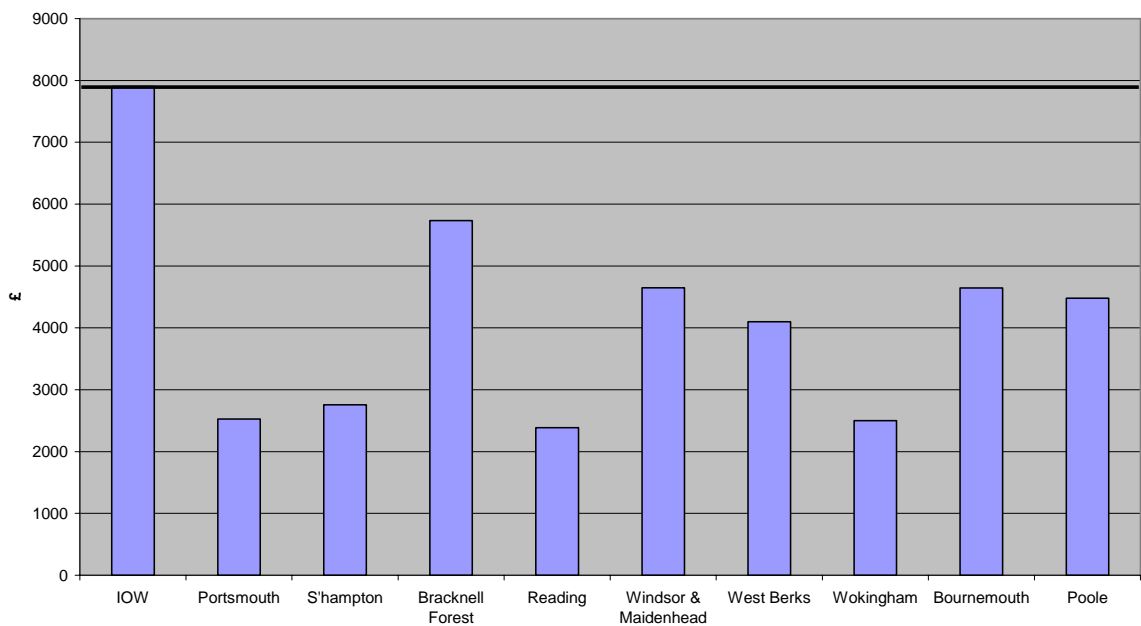
- e) The Overview & Scrutiny Chairman's allowance was by far the highest amongst seven comparator authorities, being 39.5% higher than the second highest authority allowance.

Overview & Scrutiny Committee Chairman's SRA



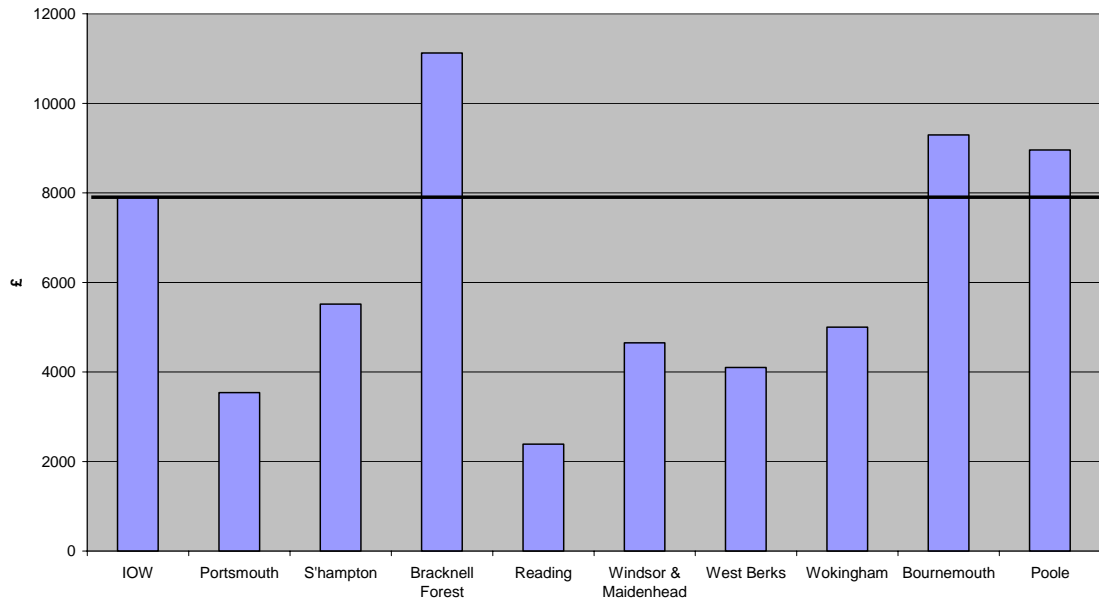
- f) The Scrutiny Panel Chairman's allowance was by far highest amongst 10 comparator authorities, being 27.4% higher than the second highest authority allowance.

Scrutiny Panel Chairman's SRA



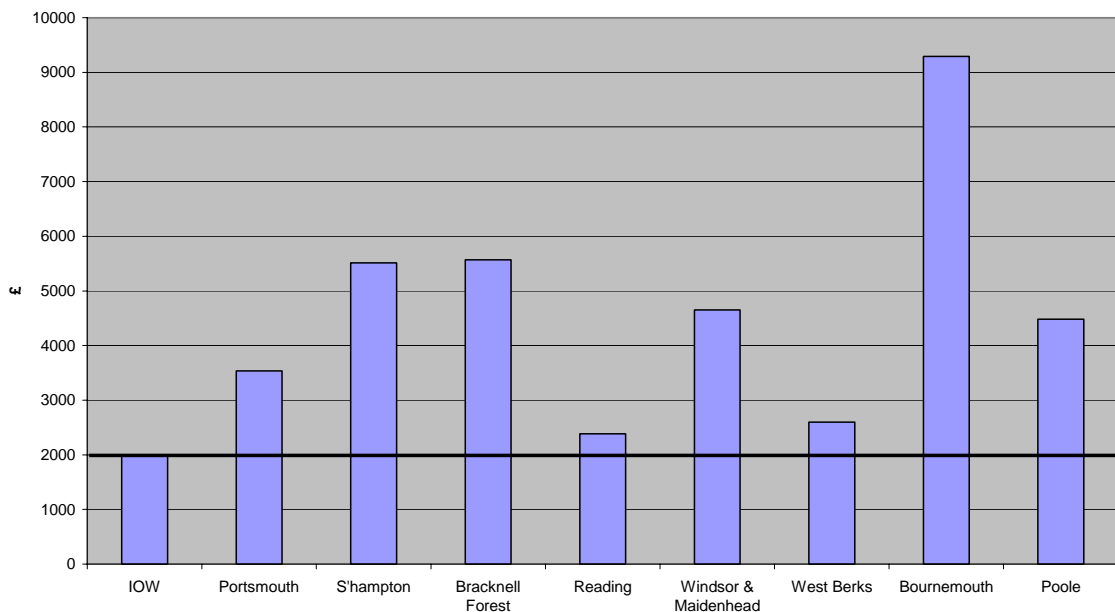
- g) The Planning Committee Chairman's SRA was fourth highest amongst 10 comparator authorities.

Planning Committee Chairman's SRA



h) The Licensing & General Purposes Committee Chairman's allowance was the lowest out of nine comparator authorities, being 78% lower than the highest.

Licensing & General Purposes Committee Chairman's SRA



i) The Group Leader's allowance was second lowest out of 10 comparator authorities (note: some comparator authorities had a range of SRA sums depending on the size of the group).

17. The Panel also took into account the following benchmarking data (see Appendix 3):

- National minimum wage
- Remuneration for parish councillors, PCT non-executive board members, magistrates, school and college governors
- Average Island hourly pay
- Average full-time salary for Isle of Wight Council employees on NJC for local authority employees negotiating body contracts

- Evidence regarding Members' Allowances and time commitment from Local Government Association survey 2008
- Evidence regarding members' allowances from the South East Employers survey 2008
- Evidence regarding members' time commitment from the Councillors Commission report *Representing the Future*.

The survey

18. The aim of the survey, undertaken via a questionnaire (Appendix 4), was to enable all Members of the Council and former Members to give their personal views on the Members' Allowance Scheme to the Panel. A total of 23 responses were received from existing Members and nine from former Members, representing a 52% response rate in total. Two responses were anonymous.
19. The survey sought information about the amount of time councillors spent on a) ward duties, b) attendance and preparation for Council meetings, c) SRA work in addition to b), and d) other Council-related work. It also sought views on the level of the Basic Allowance, SRAs, travel allowance and Dependant Carer's Allowance.
20. A very wide range of views was received (see Appendix 5) and an analysis of the survey responses is in Appendix 6.
21. In summary, with the exception of the Overview & Scrutiny Committee Chairman's SRA, over half of all respondents thought that the existing Basic Allowance and SRAs were fair and appropriate. However, 30%, 27% and 23% of respondents respectively thought that the Leader's, Cabinet Members' and Chairman of Licensing & General Purposes Committee's SRAs were too low. Forty per cent were of the view that the Overview & Scrutiny Committee Chairman's SRA was too high. Views on the Island travel scheme were mixed. Over half of respondents agreed that Members should receive an allowance for on-Island travel, with 40% of the view that the current system was fair and appropriate and 30% thinking otherwise. Further, 47% and 50% of respondents were satisfied with the child and adult carer's allowance respectively, but a significant number felt unable to answer this question, with several stating that they were unaware of the allowance.

Views of the public

22. An advertisement appeared in the *County Press* (see Appendix 8) and on the home page of the Council's website inviting members of the public to send in their views on the Members' Allowance Scheme via post or email. Disappointingly, only one response was received. This supported the provision of Members' Allowances.

Interviews

23. The Panel held interviews with the following individuals over two days:
 - Council Chairman
 - Leader
 - Licensing & General Purposes Committee Chairman
 - Overview & Scrutiny Committee Chairman

- Planning Committee Chairman
- Audit Committee Chairman
- Cabinet Member for Children’s Services, Social Care, Health & Housing
- Leader of the Independent Group
- The Labour Member
- Three current Members with no SRA responsibilities
- Three former Members
- Chief Executive
- Director of Corporate Services & Monitoring Officer
- Head of Community Safety Services.

24. The Panel used the responses to its survey as a basis for the interviews. The Panel asked interviewees for their views on the following:
- a) The current Members’ Allowances Scheme, including the Basic Allowance, SRAs and travel allowance.
 - b) Whether, in the light of the economic climate, Members should receive the same, more or less allowances than at present.
 - c) The public’s perception of Members’ allowances and whether these should be taken these into account when setting allowances.
 - d) Whether the Members’ job profiles were an accurate reflection of what Members do.
 - e) Whether the current Allowance Scheme influenced the diversity of the Council.
25. Again, views were mixed (see Appendix 5). With regard to the Basic Allowance, there was a general acceptance that this should incorporate an element of a public service ‘discount’. However, concerns were expressed that the Allowance Scheme discouraged those with full-time employment, younger people, females and other high quality candidates from standing to be a Councillor. Unless employers allowed time off for public duties, many people would find it very difficult to afford a drop in salary by taking time off or giving up their employment. The amount of time most interviewees considered was required to perform the Councillor’s role well – particularly if they had also had an SRA role – made it very difficult to hold down a full-time job. However, whilst the Allowance Scheme was felt to affect the Council’s diversity, there were doubts whether an increase in allowances was the solution to promoting greater diversity.
26. Most interviewees were of the view that, in the current economic climate in which Islanders were losing jobs or having their wages cut, and the Council was itself cutting services and jobs, now was not the time for significant increases in Members’ Allowances. Interviewees felt that the public perception of the work that councillors did was very limited and an increase in allowances would not be well received by the public in the light of the recent MPs’ expenses debacle. Many people had a low opinion of Councillors and some interviewees were wary of being viewed as being “on the make”.
27. Several interviewees felt that the level of work was largely a matter of individual Councillor’s choice. Some Councillors put in many more hours than others and volunteered for membership of more committees than others, but ultimately individual Councillors’ performance would be judged by their constituents at the ballot box. The point was made by a number of interviewees that Councillors’ workloads had increased following the reduction in the number of councillors from 48 to 40. Not only were wards larger but there were fewer Members to sit on committees and outside bodies.

28. The large and demanding workloads of the Leader and Cabinet Members were a common theme. The Planning Committee and Licensing & General Purposes Committee Chairmen's roles were also highlighted as particularly onerous and high profile. Several interviewees were of the view that there were some anomalies amongst the SRAs which should be addressed. There was also some general uncertainty about the workload and roles of some Vice-Chairmen.
29. Support provided to Councillors was an issue raised by some interviewees.

THE PANEL'S ANALYSIS

30. Following examination of the documentation and consideration of the survey and interview responses, the Panel analysed all the information collected.

Criteria

31. The Panel agreed that any recommendations it made should be:
- justifiable
 - equitable
 - easy to understand
 - workable
 - affordable

The Panel also wanted its methodology to be transparent and robust.

Size of roles

32. The Panel started by using the evidence from its data-set and their professional judgement to determine the size of each role and associated workloads. The Panel then ranked all of the SRA roles as follows:

Level 1:

- **Leader.** This was the biggest role with a high degree of workload, decision making, responsibility and public profile.

Level 2:

- **Cabinet Member.** The workload and level of responsibility for Cabinet Members was also high. The job profile did not fully represent the range of work and responsibility involved, and individual role holders could make more or less of their role to a degree. There were some differences in workload according to the extent of each Cabinet Member's portfolio, but the Panel considered that this was an issue for the Leader to address rather than by the amount of the SRA.

Level 3:

- **Planning Committee Chairman.** This high profile role had a large workload involving some complex issues and important decision-making responsibilities.

Level 4:

- **Licensing & General Purposes Committee Chairman.** This role was currently under-remunerated in the light of its considerable workload, profile and complexity.

Level 5:

- **Overview & Scrutiny Committee Chairman.** The Panel was of the view that this role did not warrant parity with that of a Cabinet Member. The role of the Committee had changed from that of the former Scrutiny Committee and more work would be undertaken by the Scrutiny Panels in future. Whilst the Committee was responsible

for call-ins and had a co-ordinating role, this was offset by a less onerous "reviewing of services" role than the Scrutiny Panels.

- **Scrutiny Panel Chairmen.** The Scrutiny Panels replaced the former Policy Commissions and had a more pro-active role. Although not decision-making bodies, scrutiny was an important function. However, it was noted that there was some flexibility in respect of workload.
- **Council Chairman.** Although time consuming, this role was not considered to be a particularly onerous or demanding position. The role could be split between the chairing of monthly Council meetings (requiring knowledge of the constitution and good chairing skills) and the civic role. The role was an important public face of the Council. The Panel understood that the Lord Lieutenant might be undertaking more of the civic role duties in future.

Level 6:

- **Audit Committee Chairman.** Although the current Chairman also chaired the Investment & Pension Fund Committee there was no requirement for this. Whilst the Audit Committee was an important inward-facing committee and required a good understanding of local government finance, it was largely an information receiving committee.

Level 7:

- **Vice-Chairman of Council.** The Panel noted that the Vice-Chairman was rarely required to chair meetings. However, it was important that the role-holder possessed good chairing skills and had adequate knowledge to chair at short notice. The Vice-Chairman also undertook some civic role duties when the Chairman was unavailable.
 - **Planning Committee Vice-Chairman.** This role was important as there were likely to be occasions when the Vice-Chairman would need to approve delegated decisions and stand in for the Chairman in light of the relative high frequency of meetings.
 - **Group leaders.** The remit and workload of this role was largely in the hands of the role-holder and/or party machinery.
33. The Panel was of the view that the role of the **Overview & Scrutiny Committee Vice-Chairman** appeared to carry no additional responsibilities apart from very occasionally standing in for the Chairman to chair meetings. The Panel noted that the Scrutiny Panels did not have Vice-Chairmen. The Panel did not consider therefore that an SRA was necessary.
34. The **Investment & Pension Fund Committee** was a new committee and there was currently no SRA for this role. The Panel noted that the Committee took advice from a pension fund management professional. The Panel did not consider that the role merited an SRA at present.
35. Although in the Constitution, there were currently no **Cabinet Secretaries**. The Panel did not provide an SRA allowance for this role.

36. The **Ethical Standards Committee Chairman's** SRA had been reviewed by the Panel very recently (February 2009) and approved by Council on 18 March 2009. In view of this, and in relation to its current role analysis, the Panel was of the view that the SRA should remain unchanged.

Basic Allowance and SRAs

37. Taking account of all the evidence (i.e. the benchmarking data, Island wages, general economic context, public opinion, affordability etc) the Panel then considered the appropriate level of allowances for each role.

38. In the past each SRA has been calculated as a factor of the Basic Allowance. The Panel was of the view that this was an equitable way to assess the allowance sums and agreed the following factors:

- Level 1: x 3.0 basic allowance £23,709
- Level 2: x 1.5 basic allowance £11,854
- Level 3: x 1.0 basic allowance £7,903
- Level 4: x 0.8 basic allowance £6,322
- Level 5: x 0.7 basic allowance £5,532
- Level 6: x 0.5 basic allowance £3,951
- Level 7: x 0.2 basic allowance £1,580

39. The Panel agreed that the Basic Allowance and Island Travel Allowance should remain unchanged.

40. The Panel recognised that, with no increase in the Basic Allowance, the formula described in paragraph 38 would mean that all SRAs would need to be reduced to a greater or lesser extent, apart from the Cabinet Members' SRA, which stayed the same, and the Licensing & General Purposes Committee Chairman's SRA, which increased.

41. The Panel noted that, if unchanged, the current Members' Allowance Scheme was projected to overspend by £29,774 in 2009/10. On applying the factors outlined in paragraph 38 this over-spend was reduced to £7,900. The Panel therefore considered various options to bring the scheme within budget.

42. **Option 1:** Reduce all the SRA percentage factors by varying degrees. However, this had the effect of skewing the relativity between the various SRAs and the Basic Allowance, leading to a less equitable scheme.

43. **Option 2:** Reduce the Basic Allowance by 1.79%. The Panel did not favour this option as the Basic Allowance was already relatively low in comparison to those of comparator authorities and there was concern that a reduction in the amount of remuneration to Councillors – particularly those without any SRA responsibilities - could result in financial hardship.

44. **Option 3:** Reduce the Island Travel Allowance budget by 40%. This option could be argued on the basis that it not only would save money but also might encourage a reduction in journeys and thus give weight to the Council's eco-strategy. However, the Panel did not favour this option as it would result in a reduction in total remuneration to all Councillors and, again, this had the potential to result in financial hardship in some cases.

45. **Option 4:** Reduce all SRAs by 5.5%. This would mean, for example, that a Cabinet Member's SRA would be reduced to £11,202 (a factor of 1.42% of the Basic Allowance, instead of 1.5%). With the exception of the Licensing & General Purposes Committee Chairman's SRA, this option would result in decreases ranging from £87 (at Level 7) to £1,333 (at Level 1) from the Allowances proposed in paragraph 38. It also meant that the clarity and equitability of the factors proposed in paragraph 38 were impaired. The Panel did not consider that such decreases were acceptable.
46. On balance, the Panel favoured the original proposals as outlined in paragraph 38. The Panel had been asked to look at the Allowances with "a clean sheet" and the Scheme which it has proposed meets its criteria of being justifiable, equitable, easy to understand and workable. However, the Panel recognised that it would create a budget deficit (albeit significantly smaller than that produced by the current scheme). The Panel did not feel in a position to commit the Council to an overspend on the Members' Allowance Scheme, so it is up to the Council to decide whether it is willing **either** to increase its budget marginally by some £7,900 for this financial year **or** to find a saving of this amount within the Scheme.
47. The Panel noted that Councillors had the right not to take all or part of their allowances.

Island Travel Allowance

48. There appeared to the Panel to be no overwhelming case to change the existing Travel Allowance system, which was based on a lump sum divided up between Members according to distance between home and County Hall and any SRA role. The Panel noted that none of the comparator unitary authorities operated such a system, but used rate per mile systems. Whilst a mileage claim form system might be more accurate in terms of journeys made and also had the advantage of being non-taxable, it was time consuming and expensive to administer. There was also a suggestion that it encouraged unnecessary journeys. In the present budget and economic circumstances the Panel agreed to recommend no change to the system.

Dependant Carer's Allowance

49. The Panel was of the view that the existing allowances were fair and equitable and proposed no changes.

Other issues

50. **Two-member ward:** An argument had been made for the allowance paid to Councillors within a two-member ward to be increased due to the additional workload the larger ward generated. On balance the Panel did not consider that this was justified. The amount and complexity of ward work did not always correlate to the size of the ward and there were times when certain issues made individual wards much 'busier' than others. The ward size was the result of a Boundary Commission anomaly and allowances should not be used to redress this issue.
51. **Leisure discount scheme:** The Panel considered the arguments for Members' eligibility for the One Card staff leisure discount but on balance decided not to recommend this as it could be seen by the public as an unwarranted "perk" for Councillors, who are not Council employees.

52. **Member support:** The issue of Member support had been raised by some interviewees, although this was not strictly within the Panel's remit. The Panel understood that support for ward work was expected to be borne by the Basic Allowance but that arrangements had now been made to improve the level of support provided for Councillors undertaking Council business and, in particular, electronic communication facilities.
53. **Performance enhancement:** The current allowance scheme contained a provision whereby the Basic Allowance paid to each Member would be increased by £500 per year for any additional star awarded to the Council under the Comprehensive Performance Assessment (CPA) star rating system. The Panel understood that the CPA system had been superseded by the Comprehensive Area Assessment (CAA), under which no star ratings or scoring would be applied. In the circumstances this element of performance enhancement in the Members' Allowance Scheme should be deleted. The Panel did not propose to recommend an alternative performance enhancement system.
54. The issue of individual Members' performance and accountability had been raised by a number of survey respondees and interviewees. The Panel noted that the use of the Members' website pages and other means to keep the public informed varied considerably, as did the uptake of training. Whilst these issues were not directly within its remit, the Panel wished to encourage all Members to take advantage of these opportunities.

RECOMMENDATIONS

55. The Panel makes the following recommendations:

- a) The Basic Allowance should remain at £7,903 and this allowance should be regardless of ward size.
- b) The Special Responsibility Allowances (SRAs) should be as follows:

Role	SRA £	Factor of basic allowance
Leader	23,709	X 3.0
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- c) The proposed SRAs should be back-dated to 17 June 2009.
- d) In current economic circumstances and the Council's present budgetary position, all Allowances should be frozen for the year 2010/11.
- e) There should be no SRA for the following roles:
 - Overview & Scrutiny Committee Vice-Chairman
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- f) No change should be made to the SRA for the Ethical Standards Committee Chairman (£3,573).
- g) The existing lump sum Island Travel Allowance scheme should continue.
- h) The Dependant Carer's Allowance should remain unaltered (currently £4.93 per hour for a dependant child (i.e. Local Government Association rate) and £10.90 per hour for a dependant adult (i.e. the rate paid by Isle of Wight Council Adult Services Department under the Direct Payment Scheme)).
- i) Members should not be eligible for the One Card staff leisure discount scheme.
- j) The paragraph in the Members Allowance Scheme regarding performance enhancement should be removed as the star rating system no longer operates.
- k) The Independent Remuneration Panel should review the Scheme in a year's time in the light of the prevailing economic circumstances, taking account of any anomalies in the Scheme or any unintended consequences of this report.

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APPENDIX 1 – Current Members’ Basic and Special Responsibility Allowances

Allowance	Amount	Factor of Basic Allowance
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Cabinet Members	11,854	X 1.5
Chairman of the Council	7,903	X 1.0
Vice Chairman of the Council	3,951	X 0.5
Chairman of the Planning Committee	7,903	X 1.0
Vice Chairman of the Planning Committee	1,977	X 0.25
Chairman of the Licensing and General Purposes Committee	1,977	X 0.25
Chairman of the Audit Committee	7,903	X 1.0
Chairman of the Overview and Scrutiny Committee	11,854	X 1.5
Vice Chairman of the Overview and Scrutiny Committee	1,977	X 0.25
Chairmen of Scrutiny Panels	7,903	X 1.0
Group Leaders (4 or more members)	1,977	X 0.25

APPENDIX 2 – Benchmarking data from other unitary authorities

	IOW	Portsmouth	S'hampton	Bracknell Forest	Reading	Windsor & Maidenhead	West Berks	Wokingham	Bournemouth	Poole
Budget 2009/10 net exp £	128,089,000	169,930,400	179,195,600	74,218,000	120,387,000		112,800,000		132,000,000	105,539,000
Population (2007)	139,500	197,700	231,200	113,500	143,700	141,200	150,700	156,600	163,200	138,100
Average annual pay F/T workers in Authority's area 2008 £	22,880	22,448	22,693	28,002	29,021	35,698	31,736	33,270	22,589	24,814
No. members	40	42	48	41	46	57	52	54	54	42
No. SRA postholders	21	2008/09 31 individual received SRA but some were for pt yr.	17	26			27 SRAs but only 25 paid		58 – some members receive >one SRA	
Basic allowance £	7,903	10,099	11,024	8,601	8,220	7,180	6,149	7,360	9,291	8,980
SRA - Leader	24,237	18,178	22,049	28,667	7,782	18,596	16,396	20,000	18,581	22,400
SRA –Cabinet member £	11,854	7,069	11,024	15,768	4,240	10,228	8,198	10,000	11,613	11,200
SRA - Chair Council £	7,903	n/a	n/a	12,577	-		4,627	7,420 (mayor)	n/a	
SRA - Vice-Chair Council £	3,951	n/a	n/a	4,192	-		592	1,960 (dep mayor)	n/a	
SRA - Planning Cttee Chair £	7,903	3,535	5,512	11,124	2,386	4,649	4,099	5,000	9,291	8,960

	IOW	Portsmouth	S'hampton	Bracknell Forest	Reading	Windsor & Maidenhead	West Berks	Wokingham	Bournemouth	Poole
SRA - Planning Cttee Vice-Chair £	1,977	-	n/a	-	-				4,645	-
SRA - Licensing & General Purposes Cttee Chair £	1,977	3,535	5,512	5,570	2,386	4,649	2,596		9,291	4,480
SRA - Audit Cttee Chair £	7,903	3,535	No SRA	To be considered by IRP	2,386	3,719		2,500	4,645	
SRA - Overview & Scrutiny Cttee Chair £	11,854	-	5,512	7,167	2,386	-	5,123	2,500	4,645	-
SRA - Overview & Scrutiny Cttee Vice-Chair £	1,977	-	n/a	n/a	-	-			1,161	-
SRA - Scrutiny Panel Chair £	7,903	2,525	2,756	5,734	2,386	4,649	4,099	2,500	4,645	4,480
SRA - Group Leader £	1,977	9,089 opp grp 6,059 other grp of 5 or more members 4,040 other grp of 2-4 members	8,268	15,768	4,240 main opp grp 2,386 other political grp	6,509 main opp grp 73 other grps	8,198	7,500	1,858	4,480 main opp grp + £50 per grp member
SRA – other £	-	None	n/a	Deputy leader 17,200	Deputy Leader 6,358				Members Planning & Licensing Bds 1,858 Member Adoption & Fostering Panels 1,858 each	Deputy Leader 13,440

	IOW	Portsmouth	S'hampton	Bracknell Forest	Reading	Windsor & Maidenhead	West Berks	Wokingham	Bournemouth	Poole
Co-optee - Audit Cttee £	-	-	n/a	TBC	-				n/a	
Co-optee - Education scrutiny panel £	818	-	n/a	288	-				929	
Co-optee – Overview & Scrutiny Cttee £	1,636	-	636 (education reps)	288	-				n/a	
Standards Cttee £	Chair 3,573 Member 301 + 30 each time case considered	Chair 720 Member 400	Member 636	Chair 632 Member 288	Daily rate of basic allowance	Chair 718 Member 359	Chair 1,250 Member 1,000	Chair 1,250	Chair 4,645	Chair 1,344 Member 490
Co-optee – other £	-	-	n/a	288	-				929	880 (voting co-optee)
Travelling expenses – rate per mile (or other method)	Total budget divided by members according to distance from home and SRA level	Not within city. Out of city: PCC allowance 56p/mile. HMRC allowance 54p/mile. Members choose which rate to claim.	56.5p/mile as per employees	42.9- 60.1p /mile	35.6p/mile	40p/mile	40p/mile	49.3p/mile	40p/mile as per Inland Rev limits	40p/mile
Carer's allowance for dependent child £/hr	£4.92/hr (LGA rate)	Max £1,000/yr (receipts required)	Max £15/day	Minimum wage rate	£7.18 up to 15 hrs/wk	Hourly minimum wage	£6/hr to max £500	£6.50/hr	£7.98/hr	Max £8/hr
Carer's allowance for dependent	£10.90/hr (Adult	Max. 1,000 (receipts	None	Average hourly rate	£7.18 up to 15 hrs/wk	Council's average	£6/hr to max £500	£6.50/hr	£7.98/hr	Max £8/hr

	IOW	Portsmouth	S'hampton	Bracknell Forest	Reading	Windsor & Maidenhead	West Berks	Wokingham	Bournemouth	Poole
adult £/hr	Services Direct Payment rate)	required)		for home help in BFBC's Social Services		hourly homecare charge £?				
Subsistence	Break 5.05 Lunch 6.95 Tea 2.74 Dinner 8.60	Break 5.54 Lunch 7.65 Tea 3.02 Dinner 9.48	Break 5.75 Lunch 7.90 Tea 3.45 Dinner 10.10	Break 6.23 Lunch 8.60 Tea 3.40 Dinner 10.65	Break 6.23 Lunch 8.60 Tea 3.40 Dinner 10.65		Break 5.00 Lunch 7.00 Tea 3.00 Dinner 12.00		Break 7.14 Lunch 10.72 Tea 5.35 Dinner 14.29	
Performance measurement scheme (if any)	None	None	None	None			None		None	
Other		IT allowance if no council laptop: 250/yr (receipts required)	£15/mth tel/broadband line rental			ICT allowance 250 (receipts required)	750 licensing & appeals members	1,250 Planning Cttee members		
Comments	Cabinet Secretary posts exist (£9,980) but not filled 2009/10	Allowances increased annually in line with average % employees' award.	Basic based on National Minimum Wage x 37 x 52 with SRA based on % of Basic						Allowances retail price index linked from 1/4/09	

APPENDIX 3 – Other benchmarking evidence

National minimum wage for adult aged 22 and over: £5.73 /hr

Parish councillors: allowances permitted but no Parish Councils on Island claim.

IOW PCT Trust non-executive board members: £7,882 pa assuming 2.5 days per month.

Magistrates: no allowances but can claim for financial loss and expenses.

School and college governors: no allowances although can claim expenses.

Average Island hourly pay for full-time workers (from NOMIS (Office for National Statistics) [website](#)): £10.96

Average FTE salary for IWC employees on NJC for local authority employees negotiating body pay (ie excluding fire brigade, teaching, chief officers and some other types of staff on other forms of negotiating body contracts): £20,491

Allowances surveys:

[LGA survey](#) conducted in winter 2008 found the following average allowances (based on the 324 authorities who responded):

- Overall average basic allowance £6,099 (SE £5,593; SW £5,836)
- Shire district basic allowance £4,194
- Shire county basic allowance £9,978
- Leader's SRA £17,753 (SE £15,863; SW £16,000)
- Cabinet members' SRA £9,710 (SE £8,037; SW £9,535)
- Overview & Scrutiny chair SRA £6,136 (SE £4,641; SW £5,830)
- Planning Committee chair's SRA £5,623 (SE £4,745; SW £5,308)
- Licensing Committee chair's SRA £4,334 (SE £3,163; SW £3,939)
- Dependent carer's allowance £7.83/hr

[South East Employers November 2008 survey](#) found the following average allowances for unitary authorities:

- Basic allowance £8,760
- Leader's SRA £23,323
- Cabinet members' SRA £11,120
- Overview & Scrutiny Chair SRA £6,591
- Planning chair SRA £7,401
- Licensing chair SRA £5,138
- Deputy Leader SRA £13,395
- Council Chairman SRA £10,353
- Audit chair SRA £5,294
- Other committee chairs £4,201
- Opposition group leader's SRA £9,163

Time involvement surveys:

The [LGA survey](#) conducted in winter 2008 found that councillors spend on average 22.2 hours per week on council/political business. Those with one or more senior positions averaged 25.4 hours while those without senior positions averaged 18.2 hours.

The Councillors Commission report '[Representing the Future](#)' (Dec 07)¹ states that on average councillors spend 96 hours per month on their duties, although this figure varies significantly between executive and non-executive councillors.

¹ *Representing the Future: The Report of the Councillors Commission* 10 December 2007 Communities & Local Government Publications

APPENDIX 4 – Survey Form

Members Allowance Scheme Independent Remuneration Panel Survey 2009

The Council has asked the Independent Remuneration Panel to undertake a review of the Members' Allowances Scheme and it would greatly assist the Panel if you could complete the following questionnaire and return it by **25 September**.

Q1 Time involvement

Please indicate the amount of time you spend on your role as Councillor:

Role	Approx average hours per month
(a) Ward councillor duties	
(b) Attendance at and preparation for IWC-related meetings	
(c) Those in receipt of a Special Responsibility Allowance: work associated with your area of special responsibility in addition to b) above	
(d) Other IWC related work	
(e) Total average hours per month spent in your councillor role	

Q2 Basic Allowance

(a) Do you consider that the annual Basic Allowance payable to all councillors (£7,903) is fair and appropriate?

Yes / No / No comment (please delete as appropriate)

(b) Please give the reasons for your answer:

.....

(c) Do you think that the Basic Allowance should be increased (or decreased in the present financial climate)?

Increase / Decrease / Stay the same (please delete as appropriate)

(d) If, so, what should the Basic Allowance be?

(e) Please provide any other comments if you wish about the basic allowance:

.....

Q3 Special Responsibility Allowances (SRAs)

(a) Do you think the SRAs for the following posts are fair and appropriate?

Post	Y / N	Please give reasons for your answer
Leader (£24,237)		
Cabinet member (£11,854)		
Chairman of Council (£7,903)		
Vice-Chairman of Council (£3,951)		
Planning Committee Chairman (£7,903)		
Planning Committee Vice-Chairman (£1,977)		
Licensing & General Purposes Committee Chairman (£1,977)		
Audit Committee Chairman (£7,903)		
Overview & Scrutiny Committee Chairman (£11,854)		
Overview & Scrutiny Committee Vice-Chairman (£1,977)		
Scrutiny Panel Chairmen (£7,903)		
Leaders of Groups having over 4 members (£1,977)		

(b) If you think SRAs should be increased or decreased, please indicate below (only as examples) what you believe the appropriate allowance should be in each of the following *three* cases and your reasons for this:

(i) The Leader:

(ii) Cabinet Members:

(iii) Audit Committee Chair:

Q4 On-Island travel allowance

(a) Do you think Members should receive an allowance for On-Island travel?

Yes / No

(b) Please give the reasons for your answer:

.....
.....
.....
.....

(c) If yes, do you think the current system (whereby the total budget for on-Island travel is divided up between Members on the basis of distance from home and type of office held) is fair and appropriate? Yes / No

(d) Please give the reasons for your answer:

.....
.....
.....
.....

(d) If the current systems were to be changed, what alternative system would you prefer?

.....
.....
.....
.....

Q5 Dependent carer's allowance

(a) The current allowance for care of a dependent child under 14 living at home is up to £4.93 per hour (ie Local Government Association rate). Do you think this is fair and appropriate? Yes / No

(b) If no, what do you suggest?.....

.....
.....

(c) Please give the reasons for your answer:

.....
.....
.....
.....

(d) The current allowance for care of a dependent elderly or disabled person is £10.90 per hour (ie the rate paid by IWC Adult Services Department under the Direct Payment Scheme). Do you think this is fair and appropriate?
Yes / No

(e) If no, what do you suggest?.....
.....
.....
.....

(f) Please give the reasons for your answer:
.....
.....
.....
.....

Q6 Other comments

If you have any other comments or suggestions about the allowance scheme please provide them here:

.....
.....
.....
.....
.....

Q7 Interviews

The Panel would like to talk to a selection of councillors about the allowance scheme. The 27 and 28 October (daytime) have been set aside for these interviews. Would you be willing and able to take part? Yes / No

Councillor's name:.....

SRA post (if applicable):.....

Thank you very much for completing this questionnaire.

Please return it to: Marian Jones, Overview and Scrutiny Officer, Corporate Services Department, County Hall, PO30 1UD by Friday 25 September
(email: marian.jones@iow.gov.uk; phone: 823768)

APPENDIX 5 – Examples of views expressed in survey and interview responses

General comments

- Money is not the motivation for people to become councillors. It's that people want to put something back into the community.
- Being a councillor is a public service.
- I do not believe that allowances should be increased. We need a tight control on allowances. They should be open and adhered to.
- Some SRAs are out of line and should be changed.
- SRAs are about right. The problem is the effectiveness of the chairmen.
- The current system is fair.
- Allowances should not rise in the current financial climate.
- Most members seem to be satisfied with the allowances.
- The budget is under huge pressure. The Leader and several members across all parties would be uncomfortable with a significant increase at a time when Islanders and Council staff are losing jobs etc.
- The current scheme is about right for the Isle of Wight.
- Allowances should stay the same or reduce in the light of the current economic situation. A small reduction would be politic in the public eye.
- I would not wish to take a large increase where others are taking pay cuts.
- Although there is a case for increasing allowances above inflation, this couldn't be justified in the current economic climate and at a time when the Council is reducing front-line services and making redundancies.
- There are budget limitations.
- I suggest some re-jigging of allowances but no large increases.
- An increase in allowances would not be well received by the public in view of the MPs' expenses scandal. But allowances shouldn't be reduced.
- You need to pay a decent allowance if you want to attract good councillors.
- The Basic Allowance is OK.
- People know the conditions when they stand.
- It's up to individuals whether they want to take SRA roles.
- SRA allowances should not be increased – lead by example.
- There should be no increases in the current economic climate.
- I believe that for the life of this administration councillors should not accept any increases due to the economic crisis.
- I form the opinion that people become a councillor to be of benefit to the community and not to view it as extra income.
- You don't do it for the money.
- Most councillors work to the job profiles.
- Councillors should be eligible for the staff leisure discount scheme. They could be ambassadors for the scheme and it would fit in with the corporate healthy theme.
- The work demands of a member of the unitary authority are increasingly complex and demanding.
- Not really time to have a full-time job as well as being a councillor.

Basic Allowance

- The Basic Allowance is fair and reasonable – don't reduce it.

- The level of allowance bars a lot of younger people but I don't see a way around this without costing the council taxpayer a lot of money.
- The Basic Allowance is OK.
- If the Basic Allowance is increased different types of people may be prepared to stand. We need to encourage more females and people from an ethnic background but I'm not sure if a higher allowance would do this.
- The Basic Allowance is a bit low if a councillor is doing the job properly. It doesn't compensate in full – there is a lot of goodwill and voluntary element.
- I don't think staff would be happy to see an increase.
- The Basic Allowance is about right in the light of financial circumstances.
- The Basic Allowance is wholly unsatisfactory for a younger person relying on this as their only means of earning.
- I think it's a reasonable amount relative to the role and the amount of work involved. Councillors are elected public servants and this is an 'allowance' rather than a salary.
- In times of economic stringency it should not be increased.
- As with all these allowances it needs to be pitched at such a level that those without private means are enabled to undertake the role of councillor. There is of course an element of public service in being a councillor.
- Probably too high for members who are not involved in a variety of activities and who are never seen except for full council meetings.

Leader

- The Leader's allowance is too high.
- Too high.
- If the Leader is happy with the allowance so be it, otherwise he/she would give up.
- Should be higher considering the huge workload.
- This is a demanding and time consuming role with high levels of responsibility and pressure.

Cabinet

- The Cabinet are slightly over-paid.
- Being a Cabinet member is a large job.
- Too high.
- The allowance is only just adequate for the size of job and its financial consequences.
- Cabinet members deal with complex and difficult issues and responsibilities. They are more or less full-time posts.
- Should be higher considering the huge workload.
- If duties are carried out correctly this is a fair amount.

Council Chairman

- The Council Chairman's allowance seems a bit high.
- The Council Chairman's allowance is fair or could be slightly less.
- I'm really unclear of the necessity of a civic office and what purpose this holds.
- The amount reflects the level of work.
- Should be the same as a Cabinet member.

Council Vice-Chairman

- Too high.
- I don't know exactly what the Vice-Chairman of Council does. The Lord Lieutenant is due to take on more of the civic duties. I have only seen the Vice-Chair chair a meeting once. The allowance is OK or could be a bit less.
- A fair amount for this role.
- More than fair.

Planning Committee chairman

- A lot of Planning Committee work is quite technical.
- The Planning Committee chairman is a more responsible role than other chairmen and requires more technical knowledge.
- The Planning Committee is an onerous committee but there is officer support. The question is whether the allowance provides value for money.
- For one meeting a month? Too much maybe.
- More than fair.
- Long hours. Difficult decisions. Cool head.

Licensing & General Purposes Committee

- The Licensing & General Purposes Committee is very busy. The Chairman's allowance should be the same as a Scrutiny Panel chairman's.
- The SRA seems disproportionately low compared to other similar posts.
- A quite varied and complex brief – should be the same as other chairs.
- The Licensing & General Purposes Committee chairman's allowance is too low.

Overview & Scrutiny Committee Chairman

- The Overview & Scrutiny Committee chairman's allowance is high.
- The Chairman's allowance shouldn't be at Cabinet level.
- The O&S Committee chairman has the same allowance as a Cabinet member but far less responsibility.
- This is a diminished role now. The allowance should be the same as a Scrutiny Panel chairman's.
- Seems a lot being equivalent to a Cabinet member.
- As there is a reduction in the workload of this committee there should be an appropriate decrease.
- This role is very overpaid.
- I simply do not understand why the chairman receives the same as a Cabinet member.
- The role is now greatly reduced as most work will be done by Scrutiny Panels.

Scrutiny Panel Chairman

- The Scrutiny Panel chairman's allowance is too high for the workload.
- A fair amount for this role.
- Should be reduced below the chair of Overview.

Audit Committee Chairman

- The Audit Committee chairman's allowance seems a bit high.

- More than sufficient.
- Difficult/demanding brief in these difficult economic times.
- Responsibility does not warrant this amount.
- Very responsible job.

Committee Vice-Chairmen

- Should have allowances for vice-chair of Planning and O&S.
- Vice-chairs should not in general be paid as they are seldom asked to stand in.
- There is no purpose to vice-chairmen's roles.
- Vice chairs have to be ready to step in and need to be clued up.
- The Planning Committee vice-chairman allowance is unnecessary due to the low workload.
- I don't see why the Planning Committee vice-chairman receives an SRA.
- I haven't picked up on vice-chairs as an issue. Most work is between the chairmen and officers with little involvement of the vice-chairs.
- The Overview & Scrutiny Committee vice-chairman should only receive a nominal sum, which is fiscally prudent but gives recognition of work done.
- I see absolutely no justification for giving an SRA for the Overview & Scrutiny Committee vice-chairman role.
- The Overview & Scrutiny Committee vice-chairman shouldn't receive an SRA.
- Abolish the Overview & Scrutiny vice-chairman's SRA.

Group Leaders

- Group leaders should not be paid as they have no formal role or duties – political parties should pay if anything.
- The Group Leader's allowance is alright if they do the job properly. The allowance should be small.
- I can see no reason for any group leader to receive an allowance.
- There is not much work to this post.
- A bit of a luxury for being leader of a small group.

Travel allowance

- The travel lump sum is generally felt to be the right approach and has reduced bureaucracy.
- I would prefer to go back to claim forms.
- The current system is equitable.
- The current system encourages prudent and environmentally sound transport choices.

APPENDIX 6 – Analysis of survey responses

Total 32 responses (including 2 anonymous) ie 52%: 23 current (58%) and 9 former (41%). Of these, two current members did not complete the form but offered limited comments – the averages below are therefore based on 30 responses. 11 current SRA holders responded.

Time commitment (hours per month)

a) Ward duties

Range: 8 – 144 hrs/mth

Mean average ward councillor duties per month (all respondees): 50 hrs

Median average ward duties per month (all respondees): 40 hrs

Mean average of current members: 46 hrs

Median average of current members: 40 hrs

Mean average of former members: 57 hrs

Median average of former members: 29 hrs

b) Attendance & preparation for IWC related meetings

Range: 3 – 96 hrs/mth

Mean average time at and preparation for IWC meetings per month: 24 hrs

Median average time at and preparation for IWC meetings per month: 20 hrs

Mean average of current members without SRA responsibilities: 14 hrs

Median average of current members without SRA responsibilities: 11 hrs

Mean average of former members without SRA responsibilities: 35 hrs

Median average of former members without SRA responsibilities: 20 hrs

c) SRA work in addition to b)

Range: 23 – 240 hrs/mth

Mean average SRA duties in addition to above meetings per month: 59 hrs

Median average SRA duties in addition to above meetings per month: 32 hrs

d) Other IWC related work

Range: 0 – 70 hrs/mth

Mean average other IWC work per month: 13 hrs

Median average other IWC work per month: 10 hrs

e) Total average

Range: 19 - 300

Mean average total hours per month: 118 hrs

Median average total hours per month: 104 hrs

Range for non SRAs: 40-120 hrs/mth current; 19-240 former

Range for SRA holders: 68-300 hrs/mth current; 30-175 former

Basic allowance:

Fair & appropriate: 9 current; 5 former Total 47% of respondees
 Not fair & appropriate: 9 current; 3 former Total 40% of respondees
 No comment: 3 current; 1 former Total 13% of respondees

Increase: 7 current; 2 former Total 44% of respondees
 Decrease: 2 current; 1 former Total 9% of respondees
 Keep same: 10 current; 5 former Total 47% of respondees

Suggested changes:

£6,500
 £8,500
 £9,663
 £9,000 - £10,000
 £10,000 (x3)
 £12,000 (x2)
 £25,000
 By attendance

SRAs:

	Current	Former	
Leader too high	1	0	3%
Leader too low	6	3	30%
Leader OK	11	6	57%
Not answered	3	0	10%
Cabinet too high	1	1	6%
Cabinet too low	7	1	27%
Cabinet OK	10	7	57%
Not answered	3	0	10%
Chairman too high	1	0	3%
Chairman too low	3	0	10%
Chairman OK	14	8	74%
Not answered	3	1	13%
V.Chair too high	1	0	3%
V.Chair too low	2	0	6%
V.Chair OK	14	8	74%
Not answered	4	1	17%
Planning Ch too high	2	0	6%
Planning Ch too low	2	0	6%
Planning Ch OK	12	8	67%
Not answered	5	1	20%

Planning V.Ch too high	3	0	10%
Planning V.Ch too low	1	0	3%
Planning V.Ch OK	13	8	70%
Not answered	4	1	17%
L&GP Ch too high	0	0	0%
L&GP Ch too low	6	1	23%
L&GP Ch OK	12	7	63%
Not answered	3	1	13%
Audit Ch too high	3	0	10%
Audit Ch too low	1	0	3%
Audit Ch OK	10	8	60%
Not answered	7	1	27%
O&S Ch too high	12	0	40%
O&S Ch too low	0	0	0%
O&S Ch OK	5	8	43%
Not answered	4	1	17%
O&S V.Ch too high	5	0	17%
O&S V.Ch too low	0	0	0%
O&S V.Ch OK	12	7	63%
Not answered	5	1	20%
Scrutiny Panel Ch too high	4	0	13%
Scrutiny Panel Ch too low	1	0	3%
Scrutiny Panel Ch OK	11	8	63%
Not answered	5	1	20%
Grp leader too high	3	2	17%
Grp leader too low	1	1	6%
Grp leader OK	13	5	60%
Not answered	4	1	17%
On Island travel: Yes	11	5	53%
On Island travel: No	8	4	40%
Not answered	2	0	6%
Current system fair: Yes	6	6	40%
Current system fair: No	7	2	30%
Not answered	8	1	30%
Child care OK: Yes	10	4	47%
Child care OK: No	4	2	20%
Not answered	7	3	33%
Elderly care OK: Yes	10	5	50%
Elderly care OK: No	3	0	10%
Not answered	8	4	40%

APPENDIX 7 – Recommended revised Members’ Allowances Scheme

MEMBERS' ALLOWANCES SCHEME

This Member’ Allowances Scheme has been established under the Local Authorities (Members’ Allowances) (England) Regulations 2003 (and any amendments to those regulations).

1. This scheme may be cited as the Isle of Wight Council Members' Allowances Scheme.

2. In this scheme,

"councillor" means a member of the Isle of Wight Council who is a councillor;

“co-opted member” means a Co-opted or Independent Member of the Scrutiny Committee and Ethical Standards Committee;

"year" means the 12 months ending with 31 March.

3. Basic Allowance

Subject to paragraph (6), for each year a basic allowance shall be paid to each councillor. The amount of the allowance will be reviewed in accordance with paragraph (8). For the year 2009/2010 the allowance is £7,903.

4. Special Responsibility Allowances

(a) For each year a special responsibility allowance shall be paid to those councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 to this scheme.

(b) Subject to paragraph (6), the amount of each such allowance for 2009/2010 from 17 June 2009 shall be the amount specified against that special responsibility in that schedule. The allowances will be reviewed in accordance with paragraph (8).

5. Renunciation

A councillor or co-opted member may by notice in writing given to the Chief Financial Officer elect to forego any part of his entitlement to an allowance under this scheme.

6. Part-year Entitlements

(a) The provisions of this paragraph shall have effect to regulate the entitlements of a councillor or co-opted member to allowances where, in the course of a year, this scheme is amended or that councillor or co-opted member becomes, or ceases to be, a councillor or co-optee, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

(b) If an amendment to this scheme changes the amount to which a councillor or co-opted member is entitled by way of any allowance, then in relation to each of the periods

- (i) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, and
- (ii) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,

the entitlement to such an allowance shall be to payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of days in the period bears to the number of days in the year.

- (c) Where the term of office of a councillor or co-opted member begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor or co-opted member to any allowance shall be to the payment to such part of the allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- (d) Where this scheme is amended as mentioned in sub-paragraph (b), and the term of office of a councillor or co-opted member does not subsist throughout the period mentioned in sub-paragraph (b)(i), the entitlement of any such councillor or co-opted member to any allowance shall be to the payment of such part of the allowance referable to each such period (ascertained in accordance with that subparagraph) as bears to the whole the same proportion as the number of days during which his term of office as a councillor or co-opted member subsists bears to the number of days in that period.
- (e) Where a councillor or co-opted member has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.
- (f) Where this scheme is amended as mentioned in sub-paragraph (b), and a councillor or co-opted member has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (b)(i) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's or co-opted member's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

7. Payment of Allowances

- (a) Payments shall be made
 - (i) in respect of any allowances, subject to sub-paragraph (b), in instalments of one-twelfth of the amount specified in this scheme on the last working day of each month;
 - (ii) in respect of claims for travelling and subsistence, for Council business off the Isle of Wight, on the last working day of each month in respect of claims received up to the day 14 days before that date. Claims shall be

made on the prescribed forms obtainable from the Members Support Office. The maximum amounts reimbursable are prescribed by the Secretary of State for the Environment; the rates for 2009/2010 are set out in paragraph 12 below. The duties for which these claims are approved are all off Island activity connected with Council business. All such claims must be supported by evidence of expenditure for every item in the claim.

- (b) Where a payment of one-twelfth of the amount specified in this scheme in respect of any allowance would result in the councillor or co-opted member receiving more than the amount to which, by virtue of paragraph (6), he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

8. **Annual Review**

All the allowances shall be frozen for the year 2010/2011. The Independent remuneration Panel will review the Scheme in 2010.

Motor Mileage Allowances and Subsistence Rates (for off Island business) are reviewed by the Secretary of State, normally on an annual basis.

9. **Pensions**

That all councillors who are eligible to join the Local Government Pension Scheme, be able to do so and that it should apply to both Basic Allowance and Special Responsibility Allowance.

10. **Dependant Carer's Allowance**

Where a councillor or co-opted member has either:

- a dependant child living with them under the age of 14, or
- cares for a dependant elderly or disabled person

The following are claimable:

For child care: the actual expenditure incurred up to a maximum of £4.93 per hour. This is the rate paid by the Local Government Association (LGA), which reviews its rates annually and therefore the amount quoted is subject to change.

For dependents who are elderly or disabled: the actual expenditure up to a maximum of £10.90 per hour, which is the rate paid by the Isle of Wight Council Adult Services Department under their Direct Payment Scheme. Adult Services review their rates annually and therefore the amount quoted is subject to change.

11. **Travel and Subsistence Allowances – on the Island**

Councillors can elect to have an additional sum added to their basic and special responsibility allowance that is payable instead of any claims for travel or subsistence for on Island activity. No other payments can be made for on island travel or subsistence.

This "Expenses Sum" is calculated as follows:

Factor A – distance from Members home to County Hall – 3 bands: Band 1 – less than 3 miles, Band 2 – between 3 and 8 miles, and Band 3 – more than 8 miles.

Factor B – type of office held – 4 bands: Band 1 – frontline member (without an SRA); Band 2 – Leader of group with 4 or more members, Vice Chairman of the Council; Band 3 – Chairman of Council, Chairman of Planning, Licensing & General Purposes, Audit, Overview & Scrutiny Committees and Scrutiny Panels; Band 4 – Leader, Cabinet Member.

The two factors are added together to give a “Factor” for each member. All the factors are added together and this is then divided by £21,224. This is the “Amount Factor”. The “Factor” and “Amount Factor” are multiplied together to give the total “Expenses Sum”.

12. **Accommodation, Expenses and Subsistence – Out of Authority**

Whenever a councillor or co-opted member has to travel off the Island on Council Business this paragraph applies.

That wherever possible Members organise their travel, meals and accommodation through the Council which pre books and makes payment. If it is not possible to pre book travel, meals and accommodation then these costs will only be reimbursed against production of a proper receipt. The most efficient form of transport to be used in all circumstances, any changes from this have to be supported by a detailed justification. In addition to paying the cost of the most efficient form of public transport for off island travel the following mileage rates (where it is more efficient not to use public transport) and subsistence rates will apply:

Motor Mileage Allowances (for OFF ISLAND TRAVEL ONLY)

(a) Motorcycles

Up to 150cc	8.5p per mile
151cc to 500cc	12.3p per mile
Over 500cc	16.5p per mile

(b) Motorcars

All vehicles	40p per mile
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Subsistence Rates (for OFF ISLAND TRAVEL ONLY)

- (a) Breakfast allowance of up to £5.05 for absence from normal place of residence of more than four hours before 11.00 am
- (b) Lunch allowance of up to £6.95 for more than four hours absence, including the period between 12 noon and 2.00 pm.
- (c) Tea allowance of up to £2.74 for more than four hours absence, including the period 3.00 pm to 6.00 pm.
- (d) Evening meal allowance of up to £8.60 for more than 4 hours absence ending after 7.00 pm.

- (e) Overnight subsistence (i.e. absence overnight from the usual place of residence £81.90 and, for certain specified approved conferences and for a stay in inner London, £93.41) plus up to an additional £20 for meals in excess of these rates on production of receipts.

13. **Co-optees Allowances**

That the following allowances be paid to co-optees on the following:

Chairman of the Ethical Standards Committee	£3,573.00
Ethical Standards Committee (to also include the representatives of the Parish/Town Councils	£301.00
Education Co-optees	£818.00

That, in addition to the above, the Independent Members and Town and Parish Council representatives of the Ethical Standards Committee (except the Chairman) can claim £30 per case that they consider (and by “case” this means every time a matter is considered by a sub-committee of the Ethical Standards Committee).

14. **Suspension of Allowances**

That when a councillor or co-opted member is suspended from acting as a Councillor or co-opted member by the Ethical Standards Committee or Adjudication Panel then the Ethical Standards Committee be empowered to suspend in whole or part the allowances payable to that member, for the period of the suspension.

15. **Reporting to Public**

Each Councillor is required to produce an annual report (no more than 300 words) covering what they have achieved, what they hope to achieve in the following year, and what they have been unable to achieve in the current year. This annual report is to be prepared for the annual Council each year and will not be required in the year of Council ordinary elections, when new and returning members all have the opportunity to set out their aspirations to the new Council.

SCHEDULE I

SPECIAL RESPONSIBILITY ALLOWANCES

The following are specified as the special responsibilities in respect of which special responsibility allowances are payable, together with the amounts of those allowances from 17 June 2009 to the end of the 2009/10 financial year and for 2010/11. Only one special responsibility allowance will be paid to any member. These allowances are payable in addition to the basic allowance of £7,903.

	Office Holder	Special Responsibility Allowance £ pa
(3)	Leader	23,709
(1.5)	Cabinet Member	11,854
(0.7)	Chairman of the Council	5,532
(0.2)	Vice Chairman of the Council	1,580
(0.7)	Overview & Scrutiny Committee Chairman	5,532
(0.7)	Scrutiny Panel Chairman	5,532
(0.5)	Audit Committee Chairman	3,951
(1)	Planning Committee Chairman	7,903
(0.2)	Planning Committee Vice Chairman	1,580
(0.8)	Licensing & General Purposes Committee Chairman	6,322
(0.2)	Leaders of Groups with four or more members	1,580

APPENDIX 8 – Press advertisement inviting views from the public

Councillors' allowances – have your say!

The Isle of Wight Council has asked an independent panel to review the allowances that it pays to elected members of the council. The panel welcomes the views of the public about what allowances elected members should receive.

The panel comprises three independent people who were chosen following public advertisement. They will be reporting their recommendations to the council in January 2010.

The current allowance scheme can be viewed on page 221 of the constitution which can be found on the council's website www.iwight.com/constitution

If you have any views about councillors' allowances that you would like to share with the panel, send them, together with your reasons, to:

Marian Jones, Corporate Services Department
Isle of Wight Council, County Hall, Newport, PO30 1UD
or by email to: marian.jones@iow.gov.uk
by 31 October 2009