

ANNEX C

INDEPENDENT REVIEW PANEL REPORT, B&NES MEMBERS' ALLOWANCES - FINANCIAL ASSUMPTIONS

The Panel's recommendations have been based on the following assumptions:

1. The Council is made up of 65 elected Members. Cabinet, led by the Leader consists of 8 Cabinet Members, each of whom has a specific portfolio. Overview and Scrutiny functions are carried out by 5 panels¹. The Regulatory and Governance functions are carried out by 12 committees, of which 6 are included in the Panel's recommendations². There is a Chair and a Vice Chair, There are 4 Political Group Leaders³.
2. All other committees⁴ have not been included in the Panel's recommendations.
3. The Panel took the National Minimum Wage⁵ of £7.50 per hour, applicable as from 1 April 2017, as a basis for the calculation of the Basic Allowance. The Panel believes that this approach is transparent and equitable, as it makes no assumptions about the relative rate of payment for any position.
4. Based upon the evidence presented to the Panel via questionnaires and interviews, an assumption was made that on average Members do 20 hours of basic Council work, per week, 52 weeks per year. This was taken as the most suitable quantification of the amount of work carried out on basic Council work, and does not reflect the additional work-load or responsibility of Members who hold positions such as Cabinet or Chairs of committees This work is recognized by the Special Responsibility Allowances.
5. Tiers 1,2 3 and 4 are uplifted by factors of 3, 2, 1 and 0.5 respectively. These factors represent the Panel's view on the relative responsibility and workload of the positions, having regard to the evidence the Panel received.
6. Employer's National Insurance accrues on all allowances at 4.5%, representing a small increase on 4.37%, which was the applicable rate in 2015/16.
7. The practice of a separate allowance, that is non-accountable to cover administration, use of home office and related expenses, has been continued. The evidence presented to the Panel indicated that this allowance was not adequate to meet present expenses in the case of the vast majority of Members. As a result all Members would receive a minimum amount of

¹ Children & Young People Policy Development & Scrutiny Panel; Communities, Transport & Environmental Policy Development & Scrutiny Panel; Health & Wellbeing Select Committee; Planning, Housing & Economic Development Policy Development & Scrutiny Panel; Resources Policy Development & Scrutiny Panel.

² Development Management Committee; Corporate Audit Committee; Re-structuring Implementation Committee (formerly Employment Committee); Standards Committee; Licensing Committee/Licensing Sub-Committee (1 person chairs both committees); Regulatory (Access) Committee.

³ Conservative, Labour, Liberal Democrat and Independent

⁴ Scrutiny Enquiry Day; South west Ambulance Service Joint Health Scrutiny Committee; West of England Joint Scrutiny Committee; Avon Pension Fund Committee; Avon Pension Fund Committee – Investment Panel; Bath City Forum; Bathavon Forum; Chew Valley Area Forum; Keynsham Area Forum; Somer Valley Forum; Charitable Trust Board; Health & Wellbeing Board; Joint Committee for Oversight of Joint Working; Parishes Liaison Meeting; West of England Joint Transport Executive

⁵ In April 2016 the age related gradations of the National Minimum Wage were abandoned in favour of a single rate, which is also known as the National Living Wage.

£8,700, which represents an increase of approximately £640, or over 7% in comparison with 2015/2016.

8. The Vice Chair, or Past Chair, substitutes for the Chair when s/he is not available to carry out civic duties. As this is an unquantifiable responsibility since it occurs on an ad hoc basis, the Panel has recommended that the SRA for the Vice/Past Chair be set at £100 per day (£50 per half day). Based upon the evidence provided to the Panel for the last 2 years, this would approximately equate to an SRA at Level 4.
9. A Level 4 SRA for Political Group Leaders represents £3,900 per group leader. The present scheme provides for £428 per Member, which could be taken to discriminate in favour of the larger political parties. This results in an overall reduction for this SRA from £27,820 to £15,600, thereby acknowledging the principle adopted by the Panel that public funds should not be used for purposes that could be deemed “party political”.
10. Whilst not required to do so, the Panel has been conscious that the Council budget is under financial pressure, as well as public scrutiny. Against this background, the cost of the Panel’s present recommendations is estimated to be broadly in line with the budgetary provision that has been made for Allowances in 2017/2018. Based upon the present Council structure of Cabinet, Oversight and Scrutiny Functions and Regulatory Functions, with the exceptions noted in the report, the cost of the Panel’s recommendations would be £839,658.
11. The financial provision for a Training Fund is not included in the Panel’s recommendations since this is not part of the Scheme of Allowances. However the Panel notes that the 2016/2017 budgetary provision of £8,000 is equivalent to approximately £122 per annum, per Member.
12. The Panel has made no recommendations on the level of allowance for Members’ books, publications etc. since this is not part of the Scheme of Allowances.