

# Shadow Dorset Council

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| Date of Meeting          | 7 June 2018   |
| Officer                  | Proper Officer for the Shadow Dorset Council: Debbie Ward, Chief Executive – Dorset County Council  |
| <b>Subject of Report</b> | <b>Adoption of Members' Allowances Scheme – supplementary report</b>  |
| Executive Summary        | <p>The Bournemouth, Dorset and Poole (Structural Changes) Order requires that the Shadow Dorset Council must prepare and adopt a scheme for the payment of allowances to its members. In order to achieve this the Order applies the Local Authorities (Members' Allowances) (England) Regulations 2003 to the Shadow Dorset Council and its members in the same way that the Regulations apply to district councils and their members.</p> <p>In order to comply with the 2003 Regulations, the Shadow Dorset Council must adopt a scheme having regard to the recommendations of an Independent Remuneration Panel. Given the tight timescales, a Panel has been formed by drawing upon the membership of Panels of the existing Dorset area councils.</p> <p>The Independent Remuneration Panel met on Monday 4 June 2018. Its recommendations are set out in section 2 of this report and reflected in the draft members' allowances scheme attached as Appendix 2 for the "Shadow Period", being the date of commencement of the Shadow Dorset Council as required by the Bournemouth, Dorset and Poole (Structural Changes) Order 2018 until 31 March 2019.</p> |
| Impact Assessment:       | Equalities Impact Assessment: N/A   |
|                          | Budget: The budget implications should the Shadow Dorset Council decide to introduce the special responsibility allowances (SRAs) during the Shadow Period as recommended by the Independent Remuneration Panel will be £18,500 during that Period. This could increase should it   |

Adoption of Members' Allowances Scheme

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|                           | <p>be necessary to pay an SRA to any member of the Shadow Executive Committee, as recommended.</p> <p>Risk Assessment: Having considered the risks associated with this decision using the LGR Programme risk management methodology, the level of risk has been identified as:<br/>           Current Risk: LOW<br/>           Residual Risk: LOW</p> |
| Recommendation            | That, having regard to the recommendations made by the Independent Remuneration Panel, a Members' Allowances Scheme be adopted.  |
| Reason for Recommendation | To comply with the requirements of the Bournemouth, Dorset and Poole (Structural Changes) Order 2018.  |
| Appendices                | <ol style="list-style-type: none"> <li>1. Questions for consideration by the Independent Remuneration Panel</li> <li>2. Draft Members' Allowances Scheme</li> </ol>  |
| Background Papers         | None.  |
| Officer Contact           | <p>Name: Kirsty Riglar, Democratic and Electoral Services Manager, Purbeck District Council<br/>           Tel: 01929 557221<br/>           Email: <a href="mailto:kirstyriglar@purbeck-dc.gov.uk">kirstyriglar@purbeck-dc.gov.uk</a></p>  |

## **1. Background**

- 1.1 All members of the standing or most recent Independent Remuneration Panels of the existing Dorset area councils were invited to participate in the Panel for the Shadow Dorset Council. The following Panel members attended a meeting on Monday 4 June 2018:-

Mr Donald Hunter (Chair)  
Mr Keith Broughton  
Mr John Quinton  
Mr Martin Varley

- 1.2 To assist the Panel in forming recommendations for a members' allowances scheme, it was provided with information about the composition and role of the Shadow Dorset Council and its committees. It was also provided with details of the allowances currently paid by the Dorset area councils. Additionally, the Panel was informed that a Governance Task and Finish Group had been established to provide oversight by elected members of the legal and democratic workstream in preparation for the creation of Dorset Council. As part of this work, the Group had given some initial consideration to the issue of members' allowances and invited the Panel to address a number of specific questions (set out in Appendix 1).

## **2. Recommendations**

- 2.1 Following consideration of the information provided, the Independent Remuneration Panel make the following recommendations:-

### **2.1.1 Basic allowance**

Regulation 4 Local Authorities (Members' Allowances) (England) Regulations 2003 provides as follows:

"Basic allowance

(1) An authority shall—

(a) make a scheme in accordance with these Regulations which shall provide for the payment of an allowance in respect of each year to each member of an authority, and the amount of such an allowance shall be the same for each such member ("basic allowance"); ..."

Whilst having regard to the information provided about the role of a Shadow Dorset Councillor, the Panel note that the Shadow Dorset Council will not be delivering services, all members of the Council are in receipt of a basic allowance from the existing Dorset area council(s) of which they were a member and that it is anticipated that the Council will only meet three times during the Shadow Period. The Panel consider that the duties of the Shadow Dorset Councillor will be covered by the basic allowance received by the relevant Dorset area council, as they are essentially the same. It is therefore recommended that the rate of the basic allowance be paid to members of the Shadow Dorset Council shall be set at £0.00.

### **2.1.2 Travel, subsistence and dependant carer's allowances**

It is recommended that travel, subsistence and dependant carers' claims be made in accordance with the schemes operated by each of the Dorset area councils, and claims will be made by members to their respective council.

Whilst acknowledging that payment for such claims will be made by the relevant existing Dorset area councils, it is also recommended that the detail of these claims be collated to ensure transparency and an audit trail of the costs associated with the Shadow Dorset Council.

### **2.1.3 Special Responsibility Allowances (SRAs)**

The Panel was advised that no member of staff of the Dorset area councils shall receive additional remuneration to reflect the additional workload arising from local government reorganisation. It is therefore considered that SRAs should be kept to a minimum and paid only to those members appointed to a role that would require them to fulfil significant additional duties and responsibility for the Shadow Dorset Council.

It is also noted that regulation 5(2) of the Regulations requires that any scheme making provision for the payment of SRAs for members of an authority which is divided into at least two political groups and has a majority controlling group, at least one person who is not a member of the controlling group and has special responsibilities must receive an SRA.

(i) Leaders of political groups

It is recommended that no SRA is paid to leaders of political groups.

(ii) Chairman of Shadow Dorset Council

It is acknowledged that whilst it is anticipated that the Council will meet no more than three times during the Shadow Period, the chairing of these meetings will be challenging due to the number of members present and will require a significant amount of preparation. It is therefore recommended that an SRA of £5,000 be paid to the Chairman of the Shadow Dorset Council for the Shadow Period.

(iii) Chairman of Overview and Scrutiny Committee

Whilst it is not anticipated that this Committee will meet on a great many occasions during the Shadow Period, the importance of overview and scrutiny during the transition to the Dorset Council is noted. Additionally, the Chairman of this Committee will be a member of a minority political group and this therefore meets the requirement to pay at least one minority group member an SRA. It is therefore recommended that an SRA of £3,500 be paid to the Chairman of the Overview and Scrutiny Committee for the Shadow Period.

(iv) Leader of Shadow Dorset Council (Chairman of Shadow Executive)

It is acknowledged that the Leader of the Shadow Dorset Council, in their role as Chairman of the Shadow Executive, will have a significant role, as the member ultimately politically accountable for delivering a

council fit for purpose as from 1 April 2019, and this is likely to require a significant time commitment. It is therefore considered that an SRA of double that recommended for the Chairman of the Shadow Dorset Council is appropriate and the Leader receive an SRA of £10,000 for the Shadow Period.

- (v) Members of Shadow Executive Committee  
It is noted that the Shadow Executive Committee will have no executive responsibility for service delivery during the Shadow Period and the members will act as a collective rather than exercising individual executive responsibility. As it is likely that the members of the Shadow Executive Committee will be senior members nominated by the existing Dorset area councils who are currently in receipt of an SRA, it is not considered to be appropriate to recommend that an SRA be paid. However, in the event that a member of the Shadow Executive Committee is not in receipt of an SRA from the council by whom they have been nominated, they should receive an SRA equivalent to that paid to a Cabinet Member, Portfolio Holder, or equivalent by that council.
- (vi) Vice-Chairman of Shadow Dorset Council  
It is recommended that no SRA is paid to the Vice-Chairman of the Shadow Dorset Council.
- (vii) Deputy Leader of Shadow Dorset Council  
It is recommended that no SRA is paid to the Deputy Leader of the Shadow Dorset Council.

#### **2.1.4 Co-opted members and independent persons**

There will be no co-opted members of committees appointed to sit on panels and for a constituted meeting by the Shadow Dorset Council so no allowance is required.

During the Shadow Period, the independent person to be consulted on any complaints about councillors' conduct will be drawn from the independent persons appointed by the existing Dorset area councils. No allowance is required.

### **Questions for consideration by the Independent Remuneration Panel**

The Governance Task and Finish Group established to provide oversight by Members of the legal and democratic workstream in preparation for the creation of the Dorset Council has given some initial consideration to the issue of members' allowances. The following questions and areas of concern are ones which the Task and Finish Group invite the Independent Remuneration Panel to address:

#### **1. Should members of the Shadow Council receive a basic allowance?**

The Panel is invited to consider that:

- i) the Shadow Council will not be delivering services;
- ii) members of the Shadow Council are all in receipt of basic allowances from the existing councils; and
- iii) the ordinary expectation upon all members of the Shadow Council will be preparation for and attendance at three Shadow Council meetings taking place during a ten month shadow period.

#### **2. Should all members of the Shadow Council be entitled to claim reimbursement of travel and subsistence and a dependant carer's allowance?**

#### **3. Should leaders of political groups receive a special responsibility allowance?**

#### **4. Should the Chairman of the Shadow Council and the Chairman of the Overview and Scrutiny Committee receive special responsibility allowances?**

The Panel is invited to consider it relevant that:

- i) the Shadow Council will meet only three times but the IRP is invited to consider the responsibility, scale and complexity involved in chairing the Shadow Council.

#### **5. Should the Leader of the Shadow Council (who will be the Chairman of the Shadow Executive Committee) receive a special responsibility allowance?**

#### **6. Should members of the Shadow Executive Committee receive a special responsibility allowance in addition to any already paid by an existing council?**

The Panel is invited to consider that:

## Adoption of Members' Allowances Scheme

- i) most members of the Shadow Executive Committee are likely to be leading members of the existing councils and already in receipt of a special responsibility allowance;
- ii) at its first meeting the Governance Task and Finish Group did not support the payment of an additional special responsibility allowance to a member already in receipt of such an allowance from an existing council;
- iii) some members of the Shadow Executive Committee might not be in receipt of any special responsibility allowance from an existing council; and
- iv) the Shadow Executive Committee will have a role akin to that of a council's Cabinet.

### **7. Should there be any attempt at harmonisation of special responsibility allowances payable to Shadow Executive Committee members?**

The Panel is invited to consider that:

- i) the view of the Task and Finish Group at its first meeting that the work towards forming the Dorset Council should foster a one council approach;
- ii) the appendix setting out the differing allowances payable to leaders, deputies and cabinet or lead members by the existing councils; and
- iii) that councillors with differing special responsibilities in the existing councils will retain those responsibilities in addition to their new responsibilities as a member of the Shadow Executive Committee.

**DRAFT - Shadow Dorset Council**

**Members' Allowances Scheme 2018/19**

1. The payment of allowances to elected members of local authorities is governed by the Local Government (Members' Allowances England) Regulations 2003 ("the Regulations"). This scheme is for the 2018/19 Shadow Period and is effective from the date of commencement of the Shadow Dorset Council as required by the Bournemouth, Dorset and Poole (Structural Changes) Order 2018 until 31 March 2019 (the "Shadow Period").

**Entitlement to Allowances**

2. This scheme provides guidance in respect of:-
  - a basic allowance;
  - special responsibility allowances;
  - a dependant carers' allowance;
  - travel allowances for duties undertaken within Shadow Dorset Council area;
  - travel and subsistence allowances for duties undertaken outside the Shadow Dorset Council area; and,
  - an allowance to co-opted and independent members.

**Basic Allowance**

- 3.1 Elected members of all councils comprising the Dorset Shadow Dorset Council receive a basic allowance to recognise the time devoted to carry out their work as councillors, including attendance at meetings, and constituency activities. These basic allowances are intended to cover incidental costs such as subsistence and use of members' homes and private telephones.
- 3.2 The basic allowance of each authority applies equally to the business of the Shadow Dorset Council as a function of all councils as they transition into a new Council from 1 April 2019. A basic allowance of £0.00 will be paid to members of the Shadow Dorset Council.
- 3.3 The basic allowance for the Dorset Council from 1 April 2019 will be reviewed by an Independent Remuneration Panel and reported to the Shadow Dorset Council before the cessation of the Shadow Period.

**Special Responsibility Allowances (SRAs)**

- 4.1 SRAs are payable in equal monthly instalments. The payment of authorised SRAs to certain office holders is set out below:



| <u>Role</u>                                     | <u>Allowance</u> |
|---|------------------|
| Chairman of the Shadow Dorset Council           | £5,000           |
| Chairman of the Shadow Executive (Leader)       | £10,000          |
| Member of the Shadow Executive                  | *see below       |
| Chairman of the Overview and Scrutiny Committee | £3,500           |

*\* No SRA will be paid to a Member of the Shadow Executive who is in receipt of an SRA from the council by whom they have been nominated. In the event that a Member of the Shadow Executive is not in receipt of an SRA from the council by whom they have been nominated, they should receive an SRA equivalent to that paid to a Cabinet Member, Portfolio Holder, or equivalent by that council.*

- 4.2 Where a member is suspended or partially suspended from his/her duties as a District/Borough/County Councillor in accordance with Part III of the Local Government Act 2000, or regulations made under that part, the part of SRA payable to him/her in respect of the period for which he/she is suspended or partially suspended shall be withheld.

### **Travelling, Subsistence and Dependant Carers' Allowances**

- 5.1 Travel, subsistence and dependant carers' claims must be made in accordance with the schemes operated by each of the Dorset area councils, and claims will be made by members to their respective council. The rates for travelling and subsistence allowances are set out in the schemes below:

- [East Dorset District Council](#)
- [North Dorset District Council](#)
- [Purbeck District Council](#)
- [West Dorset District Council](#)
- [Weymouth and Portland Borough Council](#)
- [Dorset County Council](#)

- 5.2 If any member is in any doubt about a particular duty or scheme please check with the clerk to the Shadow Dorset Council.

- 5.3 Where a member is suspended or partially suspended from his/her duties as a District/Borough/County Councillor or the in accordance with Part III of the Local Government Act 2000, or regulations made under that part, the part of travelling and subsistence allowance payable to him/her in respect of the period for which he/she is suspended or partially suspended shall be withheld.

### **Co-opted and Independent Members**

- 6.1 There will be no co-opted members of committees appointed to sit on panels and for a constituted meeting by the Shadow Dorset Council, so no allowance is required.
- 6.2 During the Shadow Period, the independent person to be consulted on any complaints about councillors' conduct will be drawn from the independent persons appointed by the existing Dorset area councils. No allowance is required.

### **Submission of Claims**

7. Claims for allowances must be made in accordance with the existing arrangements within each existing scheme of the relevant Dorset area council of which the claimant is a member.

### **Entitlement to Travelling Allowances for Members who are also Members of a Borough or District Council**

- 8.1 A member who is both a County Councillor and a Borough or District Councillor may claim allowances from both authorities should he or she undertake two separate duties - one for each authority - on the same day. The same position would apply to any member who also serves on any other body from which allowances may be claimed direct.
- 8.2 A member who is both a County and Borough or District Councillor may not however claim from both Councils for undertaking the same duty. Members must take particular care to avoid duplication or overlap of claims for travelling and subsistence expenses when, as may happen, they attend two separate events on the same day one as a County Councillor and one as District Councillor both of which take place at the same venue. Claims for the full return journey should not be made to both Councils. To avoid the impression that a member may be seeking to maximise income in such instances it is suggested that members should alternate claims to provide a balance between their representation on the Shadow Dorset Council. Where a member is appointed on a body such as the Shadow Executive it will be clear which authority they represent and should therefore claim from the appropriate Dorset area council.
- 8.3 If a member is in any doubt about entitlement he or she is urged to seek advice from the clerk to the Shadow Dorset Council before submitting a claim.

### **Forgoing Allowances**

9. Members may, if they wish, forgo all or any part of their entitlement to basic allowance or special responsibility allowance by giving notice in writing to the clerk to the Shadow Dorset Council (contact details at 11 below).

## **Taxation of Allowances and Social Security Benefits**

10. Allowances will be subject to the normal PAYE and National Insurance regulations in force at the time, and will be detailed within the schemes of each council.

## **Enquiries**

11. If you have any queries about this scheme please direct any enquiries to your respective Democratic Services Team:

Dorset Councils Partnership - Susan Dallison - 01305 252216 -  
sdallison@dorset.gov.uk

East Dorset District Council - Sarah Culwick - 01202 795273 -  
SCulwick@christchurchandeastdorset.gov.uk

Purbeck District Council - Kirsty Riglar - 01929 557221 –  
kirstyriglar@purbeck-dc.gov.uk

Dorset County Council - Lee Gallagher - 01305 224191 -  
l.d.gallagher@dorsetcc.gov.uk