

Constitution Committee meeting on 23rd January 2014

A summary of questions posed to and answers provided by the Chairman of the Independent Remuneration Panel

The following is a brief summary of the key questions posed to and answers provided by the Chairman of the Independent Remuneration Panel in respect of the report of the Panel, which was considered by the Constitution Committee on 23rd January 2014.

It should be noted that the following is not a verbatim account and the questions have been abbreviated.

It should also be noted that members of the Committee made many individual comments, but these are not reproduced in this document, which is confined to the questions posed, and the answers provided.

PG: Why was a draft of the report not issued in advance, so as to allow comment/correction of errors, and do you think that this would have been useful?

Response: This was not done in the past by us. We spent a long time preparing the report. We are totally independent and have our own ways of doing things. We took a very long time in our investigations.

Sending out a draft didn't occur to us. It was not suggested to us that we should do this. We did not wish to issue the report until we felt it was right.

PG: The "sub-header" on your report is dated 1st December 2013. When was the report given to the Council?

Response: 9th January 2014. The 1st December 2013 date was the date when we finished our work.

PG: Why was there a 5 week gap?

Response: We knew it would be coming to this meeting at the end of January and there was no reason to front-load things.

PG: In seeking a reduction in allowances, do you agree that nothing is being done to encourage the young, and to address the need to attract younger people into local government work?

Response: We considered this issue but believed that it was not our role, or the role of the Basic Allowance to address this. We appreciate that it is a big problem but believe it is the role of central government to address.

PG: Do you consider that the recommendations disenfranchise a group of people from local politics?

Response: We discussed the issue but it wasn't a recommendation of the Panel.

GW: How was the Leader advised of the meeting dates of the Panel?

Response: There wasn't a formal letter. We advised the team to do so.

GB: It is disappointing that the Panel has not looked at making an allowance for disabled Councillors to use taxis where needed in order to attend meetings and to help meet the cost of carers.

Response: Taxis are in general allowances. We have had a lot to do this year, and can look at this next year.

DN: Why did the Panel choose the NW formula for average wages? This would produce the lowest figure. There are others, but these aren't included. Why?

Do you think that SRA responsibilities have changed since they were last recognised in the Allowances Scheme? If not, how do you justify the notion of a reduction?

Have Cabinet and Support responsibilities changed also? If not, why are they being reduced?

Have you considered the role of the Whip? This is the Council's interface with the political machinery and without it, the Council would struggle to function.

Why have you chosen a 10% reduction for SRAs, as opposed to any other percentage?

Response: I am a volunteer. It has been hard to analyse/ascribe values to roles. We met with Whips, Cabinet Support members, some other Members. There was no consistency in what we heard. They have no job descriptions etc. We advised last time that this was an issue. We didn't get evidence. We interviewed people and went to PDGs.

It is hard to say that responsibilities changed. Hard to say without a baseline.

The North West standard would have reduced the Basic Allowance, but we decided not to reduce it.

In terms of austerity, my role is to represent people who are having services cut. People are tightening belts.

Regarding mileage; the Borough is long, geographically. Some Members travel a considerable distance to attend meetings and consequently pay more for driving. Mileage allowances are one way of compensating members for what they actually

do. Members can claim what they want (ie choose to claim less) so we believe that the higher rates should remain.

DN: The role of councillors is not analogous to that of volunteers and the comparison is a false one. There is a need to consider value in addition to affordability. Furthermore, whilst noting the notion of austerity underlined the report, why should this lead to a reduction in allowances as opposed to a standstill?

PG: Regarding the role of the Whip. We are sorry that no Job Description was given to you. We were not aware of that. I was given 9 minutes to explain my role. I would have produced a Job Description for you within 48 hours if requested.

Response: We saw the source for this as being the Council in organisational terms. We would expect HR to have them.

CA: With regard to the assumption that 50% of the role of Members is representational, how did you arrive at 50%?

At 4.2, paragraph 3, you paraphrased what the select committee said. What about the Government response?

Response: We firmly agree the quote on page 9 regarding volunteers. We had a lengthy discussion re page 10 and believe that Councillors have “two heads”: governance and electorate. Our best estimate was a 50/50 split.

CA: Average hours same as in method 1?

Response: I would need to look at the paperwork.

GB: Did you survey the time spent by Councillors on their work?

JR: No

PW: In assessing the roles listed in 5.2.2/qualification criteria, what did committees have to be responsible for (tick all of the boxes)?

Paragraph 14 is confusing. 15 comparators and 3 others, but you quote 25. Who are they?

There is no common approach, but a common approach is there for all 25. Why is Cheshire East different?

Re the criteria applied, did you speak to Chairs/Vice Chairs?

Response: (Brief comment on the matrix)

Re page 14, we’re saying 16 do it, 3 others etc. It could have been better laid out. We used CIPFA figures.

There must be legislation underlying the existence of decision-making responsibilities. Some bodies are advisory only.

Any licensing member may chair a licensing sub-committee. Therefore, there is no long-term commitment to chair.

PW: In applying the criteria, we were not consulted?

Response: We saw a chair and a vice chair (not licensing).

BM: You allowed members to write to you but remuneration isn't top of their agenda. I would expect Group Leaders to be invited to see you and there is a strong argument that a draft of the report should have been circulated.

This work should be done every 4 years when people stand for election, to give certainty throughout the period.

With regard to decision-making responsibilities, many decisions are taken collectively; it is for the Council to decide what is affordable; the Panel should address the issue of wholly-owned arms-length companies.

Response: One objective was to put in place a record of how the figures were arrived at. We struggled through lack of evidence as to why previous panels arrived at the figures they recommended. We now have a framework to work from.

A report would be out of date in 4 years. This report was a snapshot in time. It is what we found.

BL: Why is there evidence of an out of date Constitution (September 2013)?

Response: We did the work in question in July. The piece referred to would have been done when we asked for BRs team to do research.

BL: Did you realise that the work of portfolio holders had grown?

Response: the matrix was based on the terms of reference within the Constitution and not on discussions with chairmen and vice-chairmen.

SH: Why did the Panel assume that Members work for only 46 out of 52 weeks; why should Councillors not be entitled to paid holidays and is the calculation contrived to match £11,200?

Response: It is not contrived.

SH: Did you see a Job Description for Whips (quite some time ago, I supplied a Labour Group JD to officers)?

Response: No. Personally and as chair, I wanted to see a JD agreed by Cheshire East Council to set these up. We only asked for a Cheshire East agreed JD.

SH: There is no mention of the use of buses?

Response: No. We can look at this next year.

SH: Why decide to cut the maximum allowance for child care? and why is there a limit if the purpose is to reimburse for payments actually made?

Response: The limit is there to encourage value for money in provision for care. Based on the average number for care per day.

SH: Broadband: Would it be cheaper for me to have another broadband line or to be refunded for using my existing line?

Response: We have stepped back from that as I understand there is an internal review.

DM: I am disappointed that no draft report was made available. When I came to see the Panel, I wasn't asked a single question. I said what I wanted. I would have sought evidence. I was a vice-chairman who attended your meeting. In your answers you have suggested that vice-chairmen were involved in evidence giving. I did not see that we had much of an opportunity to do that.

Why were Birmingham etc chosen?

Response: We used all data from all CIPFA basket but looked closely at some which seemed helpful.

DM: You didn't look at the IRP reports from the CIPFA basket. If CIPFA think that the 16 are comparators, why not look at those IRP reports? and why pick these three in particular?

Response: Each individual council is different: metro/district etc. I cannot say without looking at the detailed background data.

DM: The Panel said that a 10% cut was "widely used by industry". Where is the evidence? Give one example.

Response: I cannot do so off the top of my head.

DM: Regarding the 46/52 weeks, which local authorities have you looked at? Are there any comparators other than Cheltenham?

Response: We didn't do it by looking at others. We made our own decision. We are looking at Cheshire East and making decisions for Cheshire East.

DM: Re the Basic Allowance 50% multiplier; did any other local authorities use this calculation?

Response: The IRP decided to use this multiplier. This is how we arrived at these numbers.

AM: Constitution Committee is in Band 3 and the Audit and Governance Committee is in Band 2. Your reasoning was that there are no legislative responsibilities for the Constitution Committee and no responsibility for projects. But the Constitution embodies the way in which we meet all of our legislative responsibilities. And the Crewe Community Governance Review was a project. Why did you reach these conclusions?

Response: It came down to finding a way of looking at every committee. We are still struggling to do that. The Constitution has since been superseded. I have no idea of what it looks like now or whether it would have changed our opinion. We felt it gave us a good idea. We knew the recommendations would be disappointing. We can look at it again this year.

We looked at the Constitution and at the terms of reference. However, we need to find a mechanism for identifying what each committee actually does.

Final general comment: 'My job was to pull together the views of five individuals based on the evidence provided.'