

**To:**  
**All members of the**  
**Council**

*Please reply to:*

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Date: 19 July 2018

### Supplementary Agenda

### **Council - Thursday, 19 July 2018**

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Council meeting to be held on Thursday, 19 July 2018:

- |  |                |
|--|----------------|
| <b>10. Recommendations of the Cabinet</b>  | <b>3 - 6</b>   |
| To consider the recommendations of the Cabinet from its meeting held on 18 July 2018.                                |                |
| e) Members' Allowances Scheme 2018-2019  | <b>7 - 22</b>  |
| <b>11. Report from the Leader of the Council</b>   | <b>23 - 26</b> |
| To receive the report from the Leader of the Council on the work of the Cabinet at its meeting held on 18 July 2018. |                |
| <b>12. Report from the Chairman of the Overview and Scrutiny Committee</b>   | <b>27 - 28</b> |
| To receive the report from the Chairman of the Overview and Scrutiny Committee on the work of her Committee.         |                |

Yours sincerely

Gill Scott  
Committee Services

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To the members of the Council

Councillors:

M.M. Attewell	T.J.M. Evans	A.J. Mitchell
C. Barnard	K. Flurry	S.C. Mooney
R.O. Barratt	M.P.C. Francis	D. Patel
I.J. Beardsmore	A.E. Friday	J.M. Pinkerton OBE
J.R. Boughtflower	N.J. Gething	O. Rybinski
S.J. Burkmar	A.L. Griffiths	D. Saliagopoulos
S. Capes	A.C. Harman	A. Sapunovas
R. Chandler	I.T.E. Harvey	J.R. Sexton
C.A. Davis	N. Islam	R.W. Sider BEM
S.M. Doran	A.T. Jones	R.A. Smith-Ainsley
S.A. Dunn	J.G. Kavanagh	B.B. Spoor
P.C. Edgington	V.J. Leighton (Mayor)	H.A. Thomson
Q.R. Edgington	M.J. Madams	H.R.D. Williams

## **Recommendations of the Cabinet**

### **Cabinet meeting held on 18 July 2018**

#### **1. Supplementary Capital Programme provision for Asset Acquisitions**

- 1.1 Cabinet considered a report requesting approval of a supplementary capital estimate for property acquisitions within the Borough to facilitate sufficient income to enable the Council to deliver its housing and regeneration programme and to help meet the needs of its residents, as identified in the Corporate Plan.

#### **1.2 Cabinet recommends that Council agrees:**

1. to approve a supplementary capital estimate for property acquisitions within the Borough of £594.859m for 2018/19 to facilitate generating sufficient income to enable the Council to progress its housing and regeneration projects across the Borough;
2. the revised set of prudential indicators which include increasing the operational boundary to £1,500m and £1,520m for Authorised Limit for 2018/19;
3. the interim policy on Borrowing in Advance of Need until Council agrees its new Investment Strategy; and
4. to reconfirm the Council's Minimum Revenue Provision policy to ensure prudent provision is made to cover repayment of loans

#### **2. Proposal for future arrangements for terms and conditions for Spelthorne employees**

- 2.1 Cabinet considered a report proposing a move from nationally agreed pay awards and terms and conditions for staff to local Spelthorne arrangements for pay awards, and incorporating the current national conditions of service that apply to Council employees into local Spelthorne terms and conditions of employment. The proposal would enable the Council in future to be more self-sufficient and able to take account of local circumstances and affordability.

#### **2.2 Cabinet recommends that Council agrees:**

1. to take steps to move to local arrangements for agreeing future pay awards for all employees;
2. to take steps to move to local terms and conditions for all employees;
3. formal proposals for consultation with UNISON and employees;

4. a timetable and process for implementing the move to local pay and conditions from April 2019;
5. to delegate to the Chief Executive (in consultation with the Leader) authorisation to formally conclude a Collective Agreement with UNISON on local pay awards and local terms and conditions; and
6. to delegate to the Chief Executive authorisation to consult directly with staff on local pay awards and local terms and conditions if a Collective Agreement with UNISON cannot be reached by 31 August 2018. This may run in parallel with any continuing consultation with UNISON to finalise the terms of any Collective Agreement.

### **3. Members' Allowances Scheme 2018-19**

- 3.1 Cabinet considered the recommendations of the Independent Remuneration Panel (IRP) on the type of allowances and amounts to be paid in the Members' Allowances Scheme for 2018/19.

#### **3.2 Cabinet recommends to Council that:**

1. The report of the IRP be received and the Panel thanked for its work;
2. The recommendations of the Panel be accepted with the exception of increases to Special Responsibility Allowances. These should increase by the same amount as the Basic Allowance, which is by reference to the staff pay award for 2018/19; and
3. The reasons for this decision be respectfully communicated to the Panel for its information.

### **4. White House construction advisors and design team – Key Decision**

- 4.1 Cabinet considered an exempt report recommending capital expenditure for a design team for the redevelopment of the White House site across 2018/19 and 2019/20.
- 4.2 Redevelopment of the site will provide affordable housing for Borough residents and the ongoing revenue stream (once the works have been completed) will assist in the future long-term financial stability of the Council.
- 4.3 **Cabinet recommends that Council** approves the budget for the design phase of the project for the creation of a target of 28 affordable units on part of the White House site.

**5. Investment Acquisition (O) – Key Decision**

- 5.1 Cabinet considered an exempt report regarding the acquisition of Property 'O'.
- 5.2 The acquisition will bring in a steady income stream once the site is developed, to enable the Council to move forward with its ability to deliver a significant housing and regeneration programme across the Borough to help meet the needs of its residents. The Council needs to generate additional income to offset the revenue impacts of undertaking these projects across the Borough.
- 5.3 **Cabinet recommends that Council** approves the budget of £10.7 million for the design team and the contractor, for the development of the site.

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**REPORT OF THE**

**INDEPENDENT REMUNERATION PANEL**

**ON**

**THE MEMBERS' ALLOWANCES SCHEME 2018-2019**

**FOR**

**SPELTHORNE BOROUGH COUNCIL**

November 2017

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## INTRODUCTION

1. This report has been prepared in accordance with the *Local Authorities (Members' Allowances) (England) Regulations 2003* ("the 2003 Regulations") as amended, which require all local authorities to appoint an Independent Remuneration Panel ('the Panel') to advise on the terms and conditions of their Scheme of Members' Allowances ('the Scheme').
2. The Panel acknowledges that it is a matter for the Council to decide the level of Members' Allowances. The statutory position (Paragraph 19 of the 2003 Regulations) is that Spelthorne Borough Council "**shall have regard to**" the advice from the Panel and the Council cannot make any changes to its Scheme without first considering the Panel's advice on the issues involved. In "having regard" to the Panel's advice, the Council is to "give proper consideration" to the Panel's report. In this way, the Council can take full account of its particular circumstances and be directly accountable to its electorate.
3. The function of the Panel is therefore to provide the Council with advice on the type of its allowances and the amounts to be paid.
4. The 2003 Regulations require the authority to make copies of the Scheme available for inspection by members of the public at all reasonable hours and publish a notice in a local newspaper giving details of the Scheme and the amounts payable in respect of each allowance mentioned in the Scheme.

## INDEPENDENT REMUNERATION PANEL

5. Spelthorne Borough Council appointed the following persons to comprise the Panel at its meeting on 27 April 2017:  
Sir Ivan Lawrence QC (Chairman)  
Mr. George McLaughlin  
Mr. Colin Squire
6. The members of the Panel have between them diverse experience in central Government, the law, local business, local authorities and charity work.
7. The Panel is fully independent of the Council and is not fettered in any way from providing impartial enquiry, scrutiny, advice and recommendation.
8. The Panel does not receive any payment for the time or work that it expends in undertaking the annual review of Members' Allowances.

## TERMS OF REFERENCE

9. Our terms of reference are in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" ("the Guidance") issued in 2003. We are required to make recommendations to the Council about the following:
  - a) The amount of basic allowance payable to all Council members;
  - b) The categories of Council members who should receive a special responsibility allowance (SRA) and the amount of that allowance;

- c) Whether the Scheme should include an allowance for the expenses of arranging for the care of children and dependants, and, if so, the amount of this;
- d) The amount of travel and subsistence allowances and the approved duties in respect of which they can be paid;
- e) Allowances for co-optees (for example the independent members appointed by the Council to serve on the Council's Members' Code of Conduct Committee); and
- f) Whether adjustments to the level of allowances may be determined according to an index and, if so, which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

## PRINCIPLES UNDERPINNING OUR REVIEW

10. The following principles, which were established at the time of the Panel's review in 2000, continue to underpin this review: -
  - (i) The basic allowance is intended to recognise the time devoted by councillors to their work, not just work in formal council meetings, but in the community and in meetings with constituents, officers and their political group, and also to cover incidental costs (such as the use of their homes and private telephones).
  - (ii) Special responsibility allowances (SRAs) are used to recognise the *significant additional responsibilities* which attach to some roles, not just the extra time required.
  - (iii) Members' allowances are not intended to compensate for loss of earnings, nor are they to recompense for the total number of hours councillors spend on their duties, bearing in mind the voluntary element of service in fulfilling the role of a local councillor, as recognised in government guidance. Councillors are not paid employees of the Council and their allowances should not be treated as salary.
  - (iv) The Scheme<sup>1</sup> should be fair, easy to understand and straightforward to administer.
11. Alongside the general principle that the payment of an allowance is not intended to compensate for loss of earnings, the Panel advocates a principle of fair remuneration and subscribes to the view promoted by the Independent Councillors' Commission which says that remuneration should not be an incentive for service as a councillor, nor should lack of remuneration be a barrier. The level of remuneration should be sufficient to allow most people to consider becoming an elected member without suffering unreasonable financial disadvantage and equally applies to existing councillors who may be deterred from fulfilling their role successfully if the remuneration is not sufficient.<sup>2</sup>
12. The Panel has sought to reflect the views of ordinary ratepayers in considering its recommendations. It aspires to a Scheme that is both fair to members and seen to be fair by council taxpayers.

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<sup>1</sup>Proposed Scheme payments for April 2018 is attached at Annex 1

<sup>2</sup>Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007.

## **CURRENT SCHEME**

13. The Panel's last review of Members' Allowances for the financial year 2017/18 took place in July 2017. Due to the Panel's appointment after Council had already agreed its budget for 2017/18, it confined its review to the following matters only:
  - a) The amount of Basic Allowance payable to all Council members;
  - b) The roles of Council members which should receive a Special Responsibility Allowance (SRA) and the amount of that allowance;
  - c) Whether adjustments to the level of allowances may be determined according to an index and, if so, which index and how long that index should apply, subject to a maximum of four years before its application is reviewed; and
  - d) Whether the rules relating to payments of Special Responsibility Allowances (SRAs) should be varied.
14. The Panel recommended that the Basic Allowance and Special Responsibility Allowances should each be increased by 2% from 1 April 2017. This uplift closely reflected the cost of living increase over the previous 12 months and although not formally linked to staff pay increases reflected the pay award for 2017/18.
15. The Panel chose not to commit to an index at the 2017/18 review but agreed to return to this issue at a future point to consider if the level of staff pay increases would be a useful index for Members' allowances.
16. The Panel recommended the following changes in relation to the rules on claiming Special Responsibility Allowances:
  - a) that the 'one SRA only' rule be waived only in the situation where the Chairman/Vice-Chairman of the Joint Committee is a Borough Councillor already in receipt of an SRA under the Scheme.
  - b) that the 'one third' rule be maintained as a standard by which the Panel will consider if it is happy with the numbers of SRAs designated, rather than a hard and fast rule to which it must abide.

## **SOURCES OF INFORMATION FOR 2018/19**

17. The Panel met with the Leader to discuss his views on the Scheme for 2018/19 and to invite comments; no negotiations or decisions were made. The Panel found the discussion useful and is grateful to the Leader for his contributions. The Panel also contacted the Cabinet members and Chairmen and sought specific information regarding their Special Responsibility Allowances which has assisted its deliberations.
18. All members were also given an opportunity to complete a questionnaire on the Scheme for 2018/19 and 21 responses were received from councillors, which represents almost 54 per cent of the Council. The Panel has worked on the assumption that the 18 councillors who did not respond to the survey are happy with the current arrangements. The information obtained was very helpful to the Panel and was used as a significant element of the evidence upon which it has based this report and recommendations. Reference to the questionnaire results is made throughout this report.

19. A summary of the questionnaire responses is available on request.
20. The Panel was also provided with:
- The current Members' Allowances Scheme
  - Details of member attendance at meetings from September 2016 to August 2017
  - Data on staff pay awards and Consumer Price Index and Retail Price Index since 2009
  - Data from Boroughs and Districts compared across Surrey and across the Southeast, on Basic Allowance for 2017/18, number of councillors, overall budget for member allowances and percentage of Public Service discount
  - Data from Boroughs and Districts across Surrey comparing Special Responsibility Allowances (SRA) and the amalgamated figures of Basic Allowance and SRA for each authority.
  - Data from Boroughs and Districts across the Southeast comparing Special Responsibility Allowances and Basic Allowance.
  - Data from Boroughs and Districts across the Southeast comparing Travel allowances
  - Data from Boroughs and Districts across the Southeast comparing the methodology for calculating SRAs; details of any formula established for updating allowances annually; and hours worked per week by Leaders and Cabinet members.
  - Information from Boroughs and Districts across Surrey in relation to their list of Approved Duties.
  - Details of members' travel expenses claims for 2016/17.
21. The Panel wishes to record that it was impressed with the work of the officers in Committee Services, Mrs Gill Hobbs and Mr Dan Skerten, in supporting the Panel's review.

## **CONSIDERATIONS AND RECOMMENDATIONS**

### **Public Service element discount**

22. Statutory guidance to Panels requires them to recognise the Public Service Discount (PSD) principle when arriving at the recommended Basic Allowance. This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated; a portion of their time should be given voluntarily.
23. The current estimation is that a councillor spends fifteen hours per week on average in the role. Since 2008 a Public Service Discount of 33% has been applied which means that the councillor gives five hours '*pro bono publico*' and is remunerated for the remaining ten hours through the Basic Allowance.
24. The Panel agrees with the principle of such a discount.
25. Members were asked in the survey whether they thought the current discount of one third for the voluntary element of the role was about right, too high or too low. 86% said that the PSD was about right; 14% said the discount was too high and no-one said it was too low.

26. The Panel concludes that discounting a percentage of the time spent by all councillors on their work for the public service element is still appropriate and on the basis of the survey, agrees that the current discount of 33% should continue to apply. This percentage sits at the low end of the range of PSD applied to basic allowances by councils in the southeast.<sup>3</sup>

### **Attendance**

27. The Panel is pleased to note that attendance at meetings by individual councillors is generally good although is concerned that four members have attended less than 40% of the meetings at which they were expected between September 2016 and August 2017. Under the 2003 Regulations, it is not permissible to pay individual (Attendance) Allowances in recognition of attendance at meetings.<sup>4</sup> The attendance records are published on the Council's web site.

### **Workload**

28. The current Basic Allowance is based on an overall average time spent on undertaking the councillor role of 15 hours per week.
29. Analysis of the survey responses on time spent on ward work and general council business suggests that although some councillors spend more time on their role than a year ago (38% said they had seen a small increase and 38% a large increase), in general the time commitment has remained fairly similar. Backbenchers' responses indicate councillors spend on average between 7 and 18 hours a week (with most respondents answering between 10 and 14 hours per week) on fulfilling their councillor duties.
30. The Panel is satisfied that calculating the Basic Allowance on the current assumption of a 15 hour per week workload is about right.

### **Basic Allowance**

31. The Scheme must include provision for a Basic Allowance, payable at an equal flat rate to all councillors.<sup>4</sup>
32. The Basic Allowance is intended to recognize the time commitment of all councillors including such inevitable calls on their time as attending Council and other formal meetings, training/briefings, civic events and political group meetings and undertaking general constituency work. It is also intended to cover incidental costs such as the use of their homes and telephones.
33. Analysis of the survey responses indicated that all but three of the respondents i.e. 86%, considered that the Basic Allowance needed to be increased.

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<sup>3</sup> Data from South East Employers, Members' Allowances Survey 2017 (October 2017)

<sup>4</sup> The Local Authorities (Members' Allowances) (England) Regulations 2003: Part 2, Regulation 4.

34. Since 2000, the Basic Allowance has been calculated on the basis of the daily average earnings of employees across all occupations in the south east. The Panel believes this is a reasonable multiplier to use and is not minded to use an alternative for this review.

### Comparison to Surrey Boroughs and Districts

35. The Panel compared Spelthorne's current Basic Allowance against the other Surrey Boroughs and Districts and considered that the most relevant comparators are our closest neighbours; namely, Runnymede, Elmbridge and Woking. It notes that Spelthorne ranks third highest in Surrey.

Council	Basic Allowance (£) 2017-18 <sup>5</sup>
Woking Borough Council	7200
Guildford Borough Council	6616
<b>Spelthorne Borough Council</b>	<b>5901</b>
Reigate & Banstead Borough Council	5436
Surrey Heath Borough Council	5040
Elmbridge Borough Council	4942
Waverley Borough Council	4619
Mole Valley District Council	4285
Tandridge District Council	4129
Runnymede Borough Council	3440
Epsom & Ewell Borough Council	3341

36. Comparing the Basic Allowances paid by Boroughs and Districts across the Southeast, Spelthorne ranks 11<sup>th</sup> highest out of 50. The median payment is £5055 <sup>5</sup>.
37. The Panel notes the Basic Allowance payments made by other Borough and District councils in 2017/18 both in Surrey and more widely across the Southeast and that as a benchmark Spelthorne is performing very well against them.
38. The Panel considered other factors which may influence the allowance paid by other authorities, such as number of members, total budget and population in the authority area. The Panel could not find any direct correlation between these factors and the differing amounts of Basic Allowance paid, to suggest that any one factor is a contributory element in determining the levels of payment.
39. The Panel is of the opinion that Spelthorne Borough Council is generous in both the amount of the Basic Allowance paid and the number of hours allocated to it and considered whether an increase is appropriate.
40. Responses to the Members' Survey showed that 44% of councillors thought the current Basic Allowance should be increased by reference to the staff pay award and 33% each by reference to CPI and RPI, although 17 councillors (81%) did not consider themselves to be 'out of pocket' as a result of their role.

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<sup>5</sup> Data from South East Employers, Members' Allowances Survey 2017 (October 2017)

41. Across the Southeast, 26 authorities index annual increases in the Basic Allowance to staff pay awards, compared to 4 which index to Consumer Price Index (CPI) and 1 which indexes to Retail Price Index (RPI).
42. The Panel notes that the Leader and councillors responding to the survey are in favour of an increase in allowances by reference to the staff pay award, and this is overwhelmingly the index by which other authorities in the Southeast uplift their allowances annually.
43. The Panel is persuaded that an increase in the Basic Allowance which reflects the staff pay award for 2018/19 would be both fair and reasonable and ensure that most councillors continue to not be financially disadvantaged as a result of undertaking their role.
44. For the purposes of illustration, assuming a staff pay award of 2% would mean the Basic Allowance for 2018/19 will be £6019.
45. The Panel considered whether to index link future year's payments of Basic Allowance. In view of the fact that the previous 'dropping behind' in allowances has been made up and Spelthorne's rates now compare well to others in the Southeast, the Panel prefers to undertake an annual review rather than formally commit to an index for future uplifts in the Basic Allowance. The Panel will return to consideration of this matter at future reviews.
46. In making its recommendation the Panel has sought to maintain a sensible balance between:
  - (a) the financial constraints facing the Council due to the fall in Government Grant during the years 2018-2022 which will continue to be a pressure for Council finances;
  - (b) the need to maintain a Scheme which is fair, easy to understand and straightforward to administer; and
  - (c) the need to ensure the level of remuneration continues to be sufficient to allow existing councillors to fulfil their role successfully.

### **RECOMMENDATION**

**The Panel recommends that the Basic Allowance payable to all members of Spelthorne Borough Council should be increased by reference to the staff pay award for 2018/2019.**

### **Special Responsibility Allowances**

47. An SRA may be paid to recognize the significant additional time and responsibility that certain roles in the Council require of councillors. The payments for SRAs do not have to be the same across different roles. SRAs do not have to be paid but there is a requirement that, if they are paid, at least one Member of a minority group should receive an SRA.

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<sup>6</sup> Office for National Statistics, Consumer Price Index 2017

48. The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA allowance to any one Member. The Regulations specify the categories of role which the Council may make provision for paying an SRA. Amongst these is: chairing meetings of a council committee or a sub-committee, or a joint committee of the council and one or more other authorities, or a sub-committee of such a joint committee.
49. Under the current Scheme of allowances for Spelthorne there are 5 categories for Special Responsibility Allowances which are paid to a total of 15 councillors:
  - Leader (1)
  - Deputy Leader (1)
  - Cabinet Member (7)
  - Chairman (Planning, Licensing, Audit, Overview and Scrutiny and Joint Committees) (5)
  - Opposition Group Leader (1)
50. The Panel agrees that these roles should continue to be awarded an SRA in recognition of the significant additional responsibilities for the councillors appointed to those roles.
51. The Panel then considered the methodology for calculating SRAs which under the current scheme involves agreeing the allowance for the Leader and then establishing the allowances for the other roles as a percentage of the Leader's allowance.
52. The responses from those in receipt of an SRA suggest that the current methodology of calculating SRAs as a percentage of the Leader's allowance is appropriate. This method also came out as equally popular to using a multiplier of the Basic Allowance in the authorities across the Southeast.
53. The Panel is content to continue to use this same methodology for future years.
54. The Panel compared Spelthorne's payments for SRA with those paid across Surrey and the Southeast. It notes that Spelthorne ranks in the top third for SRA payments when compared to other Surrey authorities, (Annex 2) and in several instances pays the most. The Panel then compared the total amount paid in both Basic and SR allowances and concludes that Spelthorne pays either the highest or second highest total allowance in all but one instance and fares particularly well against its nearest neighbours.
55. Of those councillors in receipt of an SRA who responded to the survey, 8 believed their payments were about right although 2 felt it was too low.
56. The Panel considered whether the current percentages (below) for calculating SRAs are set at the right level (for the numerical amounts being paid see Appendix 1 Page 13):
  - Leader – 230% of the Basic Allowance
  - Deputy Leader - 66% of the Leader
  - Cabinet members – 50%
  - Planning Committee Chairman – 40%
  - Licensing Committee Chairman – 35%
  - Overview and Scrutiny Committee Chairman – 35%
  - Audit Committee Chairman – 25%

57. The Panel notes the Leader's estimate of the time he spends in his role and that this is fairly comparable to those of other Leaders across the Southeast, against which the Leader's allowance performed well. So although the Panel is of the opinion that the % multiplier for the Leader's allowance is arguably too high, it has resisted the temptation to reduce the multiplier by 5-10%.
58. The time commitment of Cabinet members varied more and was less well known at other authorities so the Panel is unable to draw any conclusions from this. The Panel agrees that time commitment is only one factor by which to determine the value of the SRAs and that the responsibility of the role is particularly relevant.
59. Compared with the 49 other authorities across the Southeast, all Spelthorne's SRA payments generally sit just above the midway point. The Panel therefore concludes that Spelthorne's SRAs are fair and reasonable.
60. The Panel notes the comments of the Leader that some councillors in receipt of SRAs have experienced increased responsibilities in the last year as the Council was forced to expand its activities to meet funding gaps.
61. The Panel considered these extra responsibilities in more depth as part of this Review and invited comments from all those councillors in receipt of an SRA on both the time spent on their role and the level of their remuneration.
62. The Panel considered the response of the Overview and Scrutiny Committee Chairman who believed the allowance for his role was too low. The Panel concludes that this is not borne out by the comparison with other Southeast authorities nor with our nearest neighbours and is not minded to amend the allowance for this role.
63. The Panel considered at length the clear fact that the Finance Cabinet member had experienced a heavier workload over the past year that brought an additional level of responsibility and whether this should be reflected in a greater SRA for this role. The role also requires the holder to take up a position as an unpaid director of Knowle Green Estates Ltd.
64. The Panel is of the opinion that it is in the nature of the role of a Cabinet member to experience fluctuating levels of work. Whereas any role may have additional responsibility one year, it may not continue in the following year. The Panel is happy to reconsider this matter at the next review if the workload for this role continues to be high.
65. The Panel notes that the other director of KGE Ltd (the Chief Finance Officer) does not receive extra payment for his role in the Company, nor does the Company Secretary, (the Monitoring Officer).
66. In coming to its decision, the Panel has borne in mind that setting apart one Cabinet member role as being worthy of a higher SRA than the others, would distort the current arrangements.
67. Weighing up all the evidence before them, the Panel concludes that it is appropriate to freeze SRA payments at the numerical amounts paid in 2017/18 but retain the current multiplier methodology for use in future years. This conclusion is considered to be both fair and reasonable for the purposes of this review.

68. In making its recommendations, the Panel wishes to emphasise that they should not be interpreted as a reflection of any individual councillor's performance in the role.

#### **RECOMMENDATION**

**The Panel recommends that all Special Responsibility Allowances are frozen at their current amounts for 2018/19.**

### **OTHER ALLOWANCES**

#### **Co-Optees Allowance**

69. The current Scheme pays an allowance of £1000 and £500 to the Chairman and Vice-Chairman respectively of the Members' Code of Conduct Committee, both of whom are co-opted members.
70. The work of this Committee is mainly ad-hoc in that the main Committee only meets two or three times a year but Assessment and Hearings Panels convened to consider complaints against councillors under the Code of Conduct (and Chaired by one of the co-opted members) meet as and when required.
71. There have been no meetings of the aforementioned Panels in the past year, but in previous years their work has been more onerous.
72. There was no comparable data for the Panel to consider as every authority has different arrangements for considering 'Standards' issues. The Panel therefore does not propose to make any changes to the existing arrangements for allowances paid to co-optees.

#### **RECOMMENDATION**

**The Panel recommends that the co-optees on the Members' Code of Conduct Committee continue to receive an allowance of £1000 and £500 for the Chairman and Vice-Chairman respectively.**

#### **Dependants' Carer's allowance**

73. The Panel notes that the current Scheme for Dependants' Carer's allowance (DCA) provides that members are simply reimbursed the actual costs incurred for expenditure in relation to the care of dependent relatives or children while they are undertaking approved Council duties, subject to submission of receipts/invoices in support of claims. We were advised that no claims had been made for this allowance for at least the last five years.
74. The Panel had regard to the lack of claimants for DCA and does not consider there is any reason for the current Scheme to be revised.

#### **RECOMMENDATION**

**The Panel therefore recommends that no change be made to the current scheme for Dependants' Carer's allowances.**

## **Travel and subsistence allowance**

75. The Panel considered the current payments for travel allowances which are payable at the same rate as for Council officers on a sliding scale dependent on engine size for car use, and for motorcycles, for journeys undertaken in relation to approved duties.
76. The current payments for cars, per mile, is:

	<b>2017/18</b>
up to 999cc	46.9p
1000cc - 1199cc	52.2p
1200cc and over	65p

77. The current payment for motorcycles is 24p per mile and for bicycles is 20p per mile.
78. In the past year, 6 members submitted travel expense claims, 2 of which were for reimbursement of bus and train fares in relation to approved duties, but the majority of members do not reclaim this expense.
79. The Panel notes that the amount paid by Spelthorne for travel allowance for cars is higher than most other authorities in Surrey and the Southeast; 95% of whom pay the HMRC rate of 45p per mile for car use, regardless of engine size.
80. The Panel also notes that the Scheme provides for reimbursement of subsistence expenses actually incurred in carrying out the Member's approved duties, subject to submission of receipts/invoices in support of claims. Only two such claims had been received during the past year.

### **RECOMMENDATION**

**The Panel recommends that the current arrangements for payment of travel and subsistence allowances be retained as at present.**

## **Approved Duties**

81. The Panel undertook a review of the list of Approved Duties as part of this review of Members Allowances.
82. One of the activities which is agreed as an approved duty is "deputations, delegations or other representation at meetings with a government department or another local authority". The Council is obliged to appoint an Armed Forces Champion under the Covenant and the duties undertaken by that Champion on behalf of the Council often oblige him to travel in Surrey to military bases, County Hall and the like. Claims have previously been permitted on the basis it would appear inequitable that the Champion is not reimbursed for out of pocket expenses for undertaking a voluntary role. For clarity the Panel agreed that the Armed Forces Covenant be included specifically in the list of those bodies in respect of which travel expenses can be claimed.
83. The Panel had regard to the responses to the Member Survey in which the majority of members (58%) were in favour of removing claims for meetings within the Borough. The Panel was minded to say that claims for travel to meetings within the Borough should be discouraged but bearing in mind the few claims which have been made for

such travel, the Panel does not wish to change the current arrangements in this regard.

84. Most members (56%) also responded in the survey that they were not in favour of allowing travel claims under the Scheme for visits to Knowle Green to meet with officers. The Panel concludes that it is those members in receipt of an SRA who are most likely to meet with officers at the Council offices and is of the opinion that their additional allowance covers this expense in any case.
85. The Panel considered whether it should recommend the inclusion of informal visits by Planning Committee members to sites for applications that are coming before the Committee. Most members (65%) were in favour of this.
86. The Panel wishes to encourage those Planning Committee members who are not in receipt of an SRA in connection with their membership of this Committee, to visit application sites in order to better fulfil their role on the Committee. The Panel is therefore recommending that such visits are included on the list of Approved Duties (Annex 3). The Panel will review this matter next year in light of any claims received.

#### **RECOMMENDATION**

**The Panel recommends for approval the inclusion of the following to the list of Approved Duties:**

- **Armed Forces Covenant**
- **Site visits by Planning Committee members in relation to applications coming before them at Committee.**

## SUMMARY OF PANEL'S RECOMMENDATIONS

The Panel makes the following recommendations to the Council on the Members' Allowances Scheme for 2018-2019:

Allowance	Current amount	Number	Recommended Allowance for 2018/19
<b>Basic:</b>	<b>£5901</b>	<b>39</b>	<b>£6019<sup>1</sup></b>
<b>Special Responsibility:</b>			
Leader of the Council	£13572	1	£13572
Deputy Leader	£8958	1	£8958
Cabinet Members	£6786	7 <sup>2</sup>	£6786
Spelthorne Joint Committee Chairman/Vice-Chairman	£4758	1	£4758
Planning Committee Chairman	£5428	1	£5428
Licensing Committee Chairman	£4750	1	£4750
Overview and Scrutiny Committee Chairman	£4750	1	£4750
Audit Committee Chairman	£3394	1	£3394
Opposition Group Leader	£3162	1	£3162
Co-Optees' Allowance	£1000 (Chair) £500 (Vice-Chair)	1 1	£1000 (Chair) £500 (Vice-Chair)
<b>Total Budget</b>	<b>£327,913</b>		<b>£332,515</b>

<sup>1</sup> On an assumption of a 2% staff pay award

<sup>2</sup> Based on the existing Cabinet and excluding the Leader and Deputy Leader

<b>Allowance for expenditure incurred in relation to Approved Duties (Schedule 1 to Scheme)</b>	<b>Unchanged allowances for 2018/19</b>
<b>Dependants' Carer's Allowance</b>	<b>Reimbursement of actual costs incurred</b>

<b>Travelling and Subsistence Allowances</b>	
<b>Motor Mileage Allowance (per mile)</b>	
<b>Cars</b>	<b>Up to 999cc – 46.9p 1000cc – 1199cc – 52.2p 1200cc and over – 65p</b>
<b>Motorcycles</b>	<b>24p</b>
<b>Cycle</b>	<b>Nil</b>
<b>Day Subsistence Allowance</b>	<b>Reimbursement of actual costs incurred</b>

**Sir Ivan Lawrence (Chairman)**  
**George McLaughlin**  
**Colin Squire**

**16 November 2017**

## **Report from the Leader of the Council on the work of the Cabinet**

### **Meeting held on 18 July 2018**

This is my report as the Leader of the Council on the work of the Cabinet. It is an overview of the business considered by the Cabinet at its meeting on 18 July 2018, with the exception of the following items which were all recommendations to Council and therefore have already been considered at item 10 on the agenda: supplementary capital programme provision for asset acquisitions, proposal for future arrangements for terms and conditions, Members' Allowances Scheme 2018-19, White House construction advisors and design team, investment acquisition O.

#### **1. Mandatory Licensing of Houses in Multiple Occupation – fee setting**

- 1.1 We considered a report on a proposed fee setting policy and fees for the licensing of Houses in Multiple Occupation (HMOs). A revised licensing scheme is required as the definition of a licensable HMO will change with effect from 1 October 2018 and consequently the number of properties in Spelthorne requiring a licence will significantly increase.
- 1.2 We agreed to:
  - 1. adopt the proposed fee setting policy for the licensing of houses in multiple occupation, and
  - 2. delegate authority to determine the fees under this policy for 2018/19 to the Leader in consultation with the Portfolio Holder.

#### **2. Treasury Management Annual report 2017-18**

- 2.1 We noted the Treasury Management Annual Report for 2017-18, covering the council's activities in the borrowing and investment market and the associated financial risks.

#### **3. Use of compulsory powers to enable development – 15 London Road and 116,118 and 120 High Street, Staines-upon-Thames**

- 3.1 We considered two reports seeking confirmation of the Council's willingness, in principle, to use compulsory purchase and / or appropriation powers in order to enable development of 15 London Road, and an unregistered site next to it, and 116, 118 and 120 High Street, Staines-upon-Thames.
- 3.2 Knowing the Council is prepared to use compulsory purchase powers may be sufficient to bring parties to the negotiating table. The report also sought specific authority to commence preparatory compulsory purchase

procedures in respect of the sites so that the Council would be in a position to proceed quickly to make a Compulsory Purchase Order(s) so that it can acquire all necessary interests in the respective pieces of land to enable development.

3.2 We noted that the use of compulsory powers are subject to:

- the Council using reasonable endeavours to assemble the development site by agreement or private treaty;
- approval by the Planning Committee of a suitable scheme for the comprehensive development of each site;
- the Council being satisfied that there is a viable business plan and funding strategy, together with a preliminary property cost estimate detailing the costs of making and confirming any Compulsory Purchase Order and/or appropriation; and
- in the event the Council and its development partners are unable to assemble the development land by agreement or private treaty, that a further report is presented to the Cabinet seeking authority to make a full and unconditional Compulsory Purchase Order for the site and to acquire or appropriate the site for Planning purposes.

3.3 We agreed:

1. to approve the principle of the Council's willingness to use compulsory powers to acquire or appropriate third party land and buildings for planning purposes, shown edged red/green on the respective plans attached to the reports and such other incidental and adjoining interests in land which would facilitate and enable viable and deliverable development in connection with the creation of a housing development at 17-51 London Road and Charter Square (formerly known as Majestic House), High Street, Staines-upon-Thames, respectively, in order to improve the Borough's economic, environmental and social wellbeing;
2. that the Head of Regeneration Growth in consultation with the Cabinet Members for Finance and Planning and Economic Development be authorised to undertake preparatory work up to an initial budget of £150,000 for the making of a compulsory purchase order in connection with each of the sites.

#### **4. Annual Report 2017/18**

- 4.1 We noted the Annual Report for 2017-18 which summarised the Council's key achievements over the past year and how those achievements are measured against the Council's corporate priorities.

#### **5. Tender for Staines Market – Key Decision**

- 5.1 We considered an exempt report on the management of Staines Market as the current contract is due to expire in November 2018. Contracting

out the management of the market will maintain the current income levels from the market whilst retaining control over how the market operates.

**5.2 We agreed to:**

1. authorise the Group Head of Neighbourhood Services to progress with a tender exercise for a contract to operate Staines-upon-Thames market on behalf of the Council; and
2. delegate the selection of the shortlist of tenderers and the selection of the contractor to the Group Head of Neighbourhood Services in consultation with the Portfolio Holder.

**6. Investment Acquisition (N) – Key Decision**

6.1 We considered an exempt report on the acquisition of Property 'N' which would bring in a steady income stream for the term of the multiple leases with different durations.

6.2 In order for the Council to deliver its ambitious housing and regeneration programme across the Borough to help meet the needs of its residents, the Council needs to generate additional income to offset the revenue impacts of undertaking these projects across the Borough.

**6.3 We agreed:**

1. the acquisition of the investment assets identified in the report;
2. formally, the offer submitted, and authorised the Chief Executive (and delegated Officers) to undertake any necessary subsequent negotiations (including a further bid if required) and to complete the acquisition of the asset (in consultation with the Chief Finance Officer, the Leader and the Cabinet Member for Finance);
3. to authorise the Chief Finance Officer to decide (i) the most financially advantageous funding arrangements for the purchase, (ii) the most tax efficient method of holding the asset, and overall to ensure the acquisition is prudentially affordable;
4. to authorise the Head of Corporate Governance to enter into any legal documentation necessary to acquire the asset; and
5. to exempt Contract Standing Orders in respect of our advisors.

**7. Urgent Business – Meals on Wheels vehicle procurement**

7.1 We considered an item of urgent business relating to the procurement of new vehicles for the Meals on Wheels contract to ensure that the

Council is able to provide for the continuation of services with a fit-for-purpose fleet of vehicles.

- 7.2 We agreed, subject to further details of the current arrangements being circulated to Cabinet, to delegate approval of an exemption to Contract Standing Orders to the Portfolio Holder for Community Wellbeing, in consultation with the Leader or the Portfolio Holder for Finance, to enable officers to make an order for specialised vehicles for the Meals-on-Wheels contract with Apetito by 1 September 2018.

## **Report of the Chairman on the work of the Overview and Scrutiny Committee**

This report gives an overview of the issues considered at the 10 July 2018 meeting.

### **1. Financial Reports**

- 1.1 The Committee noted two financial reports setting out the provisional outturn position for both revenue and capital for 2017/2018.
- 1.2 The Committee raised a number of queries on specific items to which written responses will be provided.

### **2. Project Management Dashboard update**

- 2.1 The Committee discussed the Project Management update and requested that future reports contain more detailed summaries of each project.

### **3. Committee Work Programme 2018-2019**

- 3.1 The Committee identified topics of interest/concern for inclusion in the work programme for 2018-19. The Vice-Chairman and I will be considering these over the summer and drafting the Committee's work programme for the coming year.

**Councillor Sinead Mooney**

*Chairman of the Overview and Scrutiny Committee*

**19 July 2018**

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