



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 19/38

MEETING	Dorset & Wiltshire Fire and Rescue Authority
DATE OF MEETING	30 September 2019
SUBJECT OF THE REPORT	Member Allowances
STATUS OF REPORT	Open publication
PURPOSE OF REPORT	For approval
EXECUTIVE SUMMARY	<p>The Fire and Rescue Authority (the Authority) is required by law to make a scheme providing for the payment of a basic allowance to each Member of the Authority. The basic allowance must be the same for each Member of the Authority.</p> <p>A scheme of allowances may also provide for the payment of:</p> <ul style="list-style-type: none"> • Special responsibility allowances to those members who undertake special or additional responsibilities • Dependent carer's allowance • The cost of travelling and subsistence whilst acting as a member of the Authority. <p>Before a scheme of allowances is adopted or amended the Authority must "have regard" to the recommendations of an Independent Remuneration Panel.</p> <p>The recommendations in the appended report are made by a Panel comprising three independent people, resident in the area of the Authority and who have previously served on the independent remuneration panels of other statutory authorities.</p> <p>The recommended Scheme of Allowances has been arrived at by the Panel following a methodology described in their report including:</p>

- An invitation sent to all Members to provide their comments
- Interviews with Members and Officers (paragraphs 5.2 and 5.3 of the report)
- Consideration of background reports and benchmarking data.

The recommendations reflect changes that have taken place since adoption of the current Scheme in 2016, principally the reduction in the size of the Authority from 30 to 18 members.

The principal recommendations are:

- **A basic allowance of £4,200 per annum** (part 8 of the report) – currently £3,200 per annum
- The following special responsibility allowances:
 - Chairman of the Authority £9,600 per annum** – amount unchanged
 - Vice Chairman of the Authority £4,800 per annum** – amount unchanged
 - Chairman of Finance and Governance Committee £7,500 per annum** – currently £3,200
 - Chairman of each Local Performance and Scrutiny Committee £1,600 per annum** – amount unchanged
- **A backdated commencement date of 6 June 2019.**

The Panel have recommended no indexation of special responsibility allowances and have left it to the Authority to determine whether there should be any indexation of the basic allowance. If Members are minded to agree that indexation is warranted, then my advice is that the annual cost of living award for green book conditioned staff is an appropriate measure.

The Authority is not obliged to adopt the recommendations of the Panel but reflecting the independent nature of such recommendations it is customary in many authorities that Independent Panel recommendations are adopted without debate.

RISK ASSESSMENT	The proposed changes are not thought to represent any significant risk for the Authority. They represent the recommendations of an Independent Panel and are evidence based, reflecting changes in the governance of the Authority and the time that has elapsed since the current Scheme was adopted in 2016
COMMUNITY IMPACT ASSESSMENT	None for the purposes of this report.
BUDGET IMPLICATIONS	<p>The recommendations of the Independent Panel are linked to the reduction in the size of the Authority in 2018, from 30 to 18 members, which resulted in a saving of £38,400.</p> <p>If the Authority accepts all of the recommendations of the Independent Panel, then the additional full year cost will be £33,700.</p> <p>Accepting the recommendations will not though result in a net saving to the Authority in 2019-20 because the saving of £38,400 was accounted for in 2018-19 and is not now available in 2019 to set against what will be a new budget pressure.</p>
RECOMMENDATIONS	<p>Members are asked to:</p> <ol style="list-style-type: none"> 1. Consider the recommendations of the Independent Remuneration Panel and adopt a Scheme of Allowances. 2. Agree that any changes from the current Scheme should be backdated to a commencement date of 6 June 2019 3. Consider whether the basic allowance should be indexed (in line with any cost of living award to green book conditioned staff) 4. Thank the Panel for their work in arriving at their recommendations.
BACKGROUND PAPERS	The Fire and Rescue Authority Member Handbook and the 2016 Scheme of Members' Allowances
APPENDICES	Appendix A - Report of the Independent Remuneration Panel

REPORT ORIGINATOR AND CONTACT	Name: Jonathan Mair, Clerk and Monitoring Officer Email: jonathan.mair@dorsetcouncil.gov.uk Tel no: 01305224181
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Report of the Independent Remuneration Panel

Scheme of Members' Allowances for Dorset and Wiltshire Fire and Rescue Authority

1. Introduction

- 1.1 This report has been prepared by the Independent Remuneration Panel (the Panel) for Dorset and Wiltshire Fire and Rescue Authority (the Authority) comprising John Quinton, Keith Strickland and Martin Varley all of whom are resident in the community and who have previously served on remuneration panels for statutory authorities.

2. Legal Basis

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations) apply to local authorities including fire and rescue authorities.
- 2.2 The Regulations require a relevant authority to make a scheme providing for the payment of a basic allowance to each member of that authority. The basic allowance must be the same for each member of an authority.
- 2.3 A scheme of allowances may also provide for the payment of special responsibility allowances (SRAs) to such members of an authority as have special or additional responsibilities. Where members of an authority are divided into two political groups and a majority of members belong to the same political group, an SRA must be paid to at least one member who is not a member of that group.
- 2.4 Member allowance schemes may also provide for the payment of a dependant carers' allowance and also for members' travelling and subsistence whilst acting in connection with their duties as a member of an authority.
- 2.5 Before an authority may make or amend a scheme of allowances it must have regard to recommendations made in relation to such scheme by an independent remuneration panel.

3. Context

- 3.1 The constituent authorities appointing members to the Authority are: Bournemouth, Christchurch & Poole Council – Four Members; Dorset Council – Five Members; Swindon Borough Council – Three Members; and Wiltshire Council – Six Members.
- 3.2 In 2016 the Authority adopted a scheme of members' allowances (the Scheme) and the Panel has been requested to review this Scheme and to make recommendations to the Authority, accordingly.
- 3.3 The Panel was briefed by the Chief Fire Officer and the Clerk in relation to the current governance and oversight arrangements of the Authority. In particular, these had changed significantly following the creation of the Authority in 2016. There had been a significant reduction from 30 to 18 members of the Authority in 2018. On 6 June 2019 there were changes to the membership of the Authority, following local elections, and a new Chairman, Councillor Knox, elected.
- 3.4 The Panel primarily considered if there had been any significant changes in responsibilities of members of the Authority following the reduction in their number and the consequent revised governance arrangements.

4. Panel Deliberations

- 4.1 The Panel met on 31 May, 4 and 6 June 2019.
- 4.2 The Panel had the opportunity to interview those individuals named at paragraphs 5.2 and 5.3 when it met.
- 4.3 Subsequently, the Panel agreed the terms of this report on the review of the Scheme and its recommendations by exchange of emails.
- 4.4 The Panel considered what was the appropriate date at which any changes to the Scheme might take effect.

5. Methodology for the review

- 5.1 The Panel invited comments from all members of the Fire Authority, with one member replying in writing. The Panel sought to interview councillors of all political groups and officers with varying roles and responsibilities in an effort to gain the best possible interpretation of how the Authority was operating.
- 5.2 The Panel interviewed the following members of the Authority:
- Councillor Bob Jones – Chairman of the Finance and Governance Committee;

- Councillor Rebecca Knox – Chairman of the Authority;
- Councillor Abdul Amin – Member of the Authority; and
- Councillor Spencer Flower – immediately past Chairman of the Authority and Chair of the former Governance Task Group.

5.3 In addition, the Panel interviewed Ben Ansell, Chief Fire Officer, Jonathan Mair, Clerk to the Authority and Monitoring Officer, and Marianne Taylor, Democratic Services Officer.

5.4 The Panel wishes to record its thanks to those individuals who gave evidence.

6. Evidence

6.1 The Panel was provided with the following evidence:

- the Scheme;
- reports of the Authority relating to the reduction in the number of members and the change in governance arrangements;
- benchmarking data – levels of current allowances, electorate figures and size of authority for East Sussex, Hampshire, Devon and Somerset Fire Authorities;

6.2 The Panel was informed that the introduction of Local Performance and Scrutiny Committees (LPSC) was a considerable innovation and it is anticipated that the work of those LPSCs will develop over time. The Panel was told that it is intended that the chairmen of the LPSCs will meet as a committee, so as to share information. That committee is to be chaired by the Chair of the Finance and Governance Committee.

6.3 The Panel took evidence concerning the reduction in the number of committees of the Authority. The important role of the Finance and Governance Committee was emphasised overwhelmingly.

6.4 A "Buddy System" has been introduced, whereby individual members develop contact with specific local fire stations/service workplaces. This would enable members to become the "eyes and ears" of the Authority, engaging with staff on the front line and identifying issues speedily.

6.5 The Panel was advised that other elements of the Authority's governance structure will continue to evolve in the foreseeable period.

7. Commencement Date for amendments to the Scheme

- 7.1 The Panel considered what is the appropriate date at which the Scheme should be amended. There had been significant changes to the constituent appointing authorities from 1 April 2019 and on 2 May 2019 elections had taken place. A new Authority was appointed on 6 June 2019 and the Chairman and Vice-Chairman were appointed on 6 June 2019. The Panel is of the view that it would be appropriate to amend the Scheme from 6 June 2019 (the Commencement Date)
- 7.2 ***The Panel therefore recommends that any amendments to the Scheme take effect and may be claimed retrospectively from the Commencement Date.***

8. Basic Allowance

- 8.1 Benchmarking data was provided to the Panel which indicated that the basic allowances currently payable by Devon and Somerset Fire Authority was £2,679 (reviewed in 2016) and by Hampshire Fire Authority was £6,243, both of which served a larger electorate. The structure of East Sussex Fire Authority (which also has 18 members), with numerous committees, results in the basic allowance of £2,472 (reviewed 2017) often being augmented by an SRA. The Panel concluded that the structures and organisation of other combined Fire Authorities made it difficult to make meaningful comparisons.
- 8.2 The Panel is cognisant that the Scheme had not been reviewed since April 2016, when the combination of the fire authorities in Dorset and Wiltshire took place. At that time the Authority had 30 members, and with effect from 6 June 2018 their number was reduced to 18. The Panel was informed that since 2016 the Authority's governance arrangements had been significantly revised. Furthermore, the constituent appointing authorities changed on 1 April 2019, when the new Bournemouth, Christchurch & Poole Council and the new Dorset Council replaced certain former county, district and borough councils. Therefore, this was the appropriate time to review the Scheme.
- 8.3 No allowance provided for in the Scheme has been increased since 2016 and the Panel was informed that for the period April 2016 to April 2020 non-uniformed staff within the Dorset and Wiltshire Fire and Rescue Service had been awarded pay rises in the region of 6% (compounded).
- 8.4 The Panel focussed on the revised governance structures and the impact on members. The Chief Fire Officer and Democratic Services Officer were clear that the revised structures were much leaner and more effective. They were better aligned to the priorities of the Service and the processes across the decision-making structures had been sharpened.
- 8.5 There was a broad consensus of those interviewed by the Panel that there had not been a substantial increase in the workload of members as a consequence of the reorganisation. However, there were several new initiatives that would require more time commitment. The Buddy System needed to develop. Currently take up by members was patchy and the engagement reporting process was not

being consistently followed. Both of these areas needed sharpening up if the role was to be of real value.

- 8.6 Another member role that was evolving was the LPSC. Each member serves on one LPSC. The role of the LPSC is to monitor the performance data for their area, based on the Service's priorities. The introduction of LPSCs was relatively recent and is regarded by others as best practice. The new Chairman of the Authority made it clear that she would be expecting all members to have a good understanding of the data in their areas. The Panel was told that a recently agreed initiative would see the Chairs of all four LPSCs meeting with the Chair of the Finance and Governance Committee to discuss their work, thus ensuring consistency of approach and good communication between them and the Authority.
- 8.7 One consequence of bringing together two fire authorities was the geographical size of the combined Authority. This necessitates members having to travel significant distances to meetings and events. Whilst members are reimbursed their travel expenses, the time commitment is often significant, particularly for those who live a considerable distance from Salisbury and the Service's HQ. This appears to be an issue for a lot of members and the Panel is of the view that this additional time commitment ought to be recognised within the basic allowance.
- 8.8 For the reasons set out above, the Panel is of the view that the basic allowance should be increased both to reflect the increased time commitment and the increase in the cost of living since the last review of the Scheme.
- 8.9 ***The Panel recommends that a basic allowance of £4,200 per annum be paid to members from the Commencement Date.***

9. Special Responsibility Allowances (SRAs)

- 9.1 The Panel notes that currently the Authority's SRAs are calculated as a multiple of the basic allowance. The basic allowance is designed to reflect the time and costs of being a member of the Authority, whereas an SRA is paid to reflect significant additional responsibilities, workloads and accountabilities. The Panel believes that for this Authority it is difficult to establish a correlation between the two types of allowances to support the use of multipliers and recommends that such use be discontinued.
- 9.2 The Panel was informed that in addition to the leadership role of the Chairman of the Authority, there was also a substantial "civic" role. To some degree this also impacts on the Vice-Chairman who is expected to deputise for and assist the Chairman. However, no evidence was presented to the Panel to suggest that the responsibilities of either role have increased since the previous review of the Scheme had been undertaken. Therefore, the Panel recommends that the SRAs for each of the Chairman and Vice-Chairman should remain at the current level.

- 9.3 The Panel received consistent evidence of the increased workload and responsibility of the Chairman of the Finance and Governance Committee. This role is clearly a substantial one, with regular dialogue and consultation with the Chairman of the Authority and the Service's leadership team. The removal of the Policy and Resources Committee from the governance structure in June 2018 clearly increases the role of the Finance and Governance Committee, and with it the responsibilities of its Chairman. The Panel received overwhelming evidence to suggest that this role has more responsibility and calls for a greater time commitment than that of the Vice-Chairman of the Authority. Therefore, the SRA for the Chairman of the Finance and Governance Committee was insufficient.
- 9.4 The Panel notes that the role of LPSCs is evolving and for that reason the Panel recommends that the SRA for Chairmen of LPSCs should remain at the current level. However, the Panel recommends that this SRA should be kept under review as the role of LPSCs evolves.
- 9.5 ***The Panel recommends that the following SRAs be paid from the Commencement Date in recognition of the additional workload and levels of responsibility and accountability placed upon members appointed to these roles:***
- Chairman of the Authority – £9,600;***
- Vice-Chairman of the Authority – £4,800;***
- Chairman of the Finance and Governance Committee - £7,500; and***
- Chairman of each Local Performance and Scrutiny Committee - £1,600.***
- 9.6 ***The Panel further recommends no change to the Scheme, that members may receive only one SRA (and may elect which SRA to receive).***

10. Indexation of Allowances

- 10.1 The Panel considered whether to recommend that an indexation measure be introduced to the Scheme to increase allowances annually. The concern is that because allowances are not salaries the considerations of employers in respect of the costs of living of employees are not entirely germane.
- 10.2 The Panel has not reached a consensus as to whether to recommend the introduction of indexation.
- 10.3 The Panel is unanimous that no indexation should apply SRAs.
- 10.4 ***The Panel makes no recommendation as to whether an indexation measure should be included within the Scheme but recommends that if the Authority chooses to do so, indexation should apply only to the Basic Allowance.***

11. Travel allowance

11.1 The Panel has already recognised the increased travel commitment of members and recommends the continued use of HMRC Mileage Allowance Payments (MAPs).

11.2 The MAP approved amounts are currently:

- Car – 45p per mile up to 10,000 and 25p per mile thereafter;
- Passenger payments – up to 5p per mile per passenger (up to a maximum of four) to be claimed only for passengers who would otherwise be eligible for travelling allowance;
- Motorcycle – 24p per mile;
- Bicycle – 20p per mile;
- In relation to public transport (including rail and bus) - standard fare; and
- parking fees – actual cost.

11.3 ***The Panel recommends that travel allowances be paid to members in line with MAPs for undertaking official business as laid out in the current Scheme.***

12. Subsistence allowances

12.1 The Panel did not receive any evidence on the issue of subsistence payments.

12.2 ***The Panel recommends that subsistence allowances continue to be paid to members that reflect the scheme in place for non-uniformed staff.***

13. Carers' Allowance

13.1 Carers' allowance covers a variety of care costs. The Panel took notice that the costs of specialist care may be significantly more than currently permitted to be claimed under the Scheme.

13.2 The Panel is of the view that no one should be prevented from serving as a member of the Authority exclusively due to the costs of care obligations. Because the current provision in the Scheme is unlikely to be sufficient to cover the cost of specialist care, the Panel considers that there ought to be more flexibility to allow for specific circumstances.

13.3 It is inappropriate, however, that a claim is made for the costs of care where that is undertaken by a person connected with the person being cared for (Recipient). The Panel proposes that a Connected Person is defined as the Recipient's spouse, civil partner, any person with whom the Recipient lives as a partner in an enduring family relationship, a child or stepchild of the Recipient, a child or stepchild of the Recipient's partner, and any child, grand-child or great grand-child of the Recipient's or the Recipient's partner's parent or step-parent or grandparent or step-grandparent.

13.4 ***The Panel recommends that, from the Commencement Date, a dependant carers' allowance be paid to reimburse the actual cost expended for care of dependants for such time as a member is attending to Authority business, where travelling allowances would be payable, at an hourly rate not exceeding £30.00 and no allowance is payable to a Connected Person unless providing care through a CQC approved third party entity.***

14. Suspension of allowances

14.1 The Panel agreed to continue to include provision within the Scheme to provide for the suspension of allowances.

15. Emerging Governance Structure

15.1 The Panel recognises that certain elements of the Authority's governance structure will continue to evolve.

15.2 ***The Panel recommends that should there be any significant change to the Authority's governance structure then a further review of the Scheme should be conducted.***

September 2019