

REPORT REFERENCE NO.	DSFRA/18/23
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	14 DECEMBER 2018
SUBJECT OF REPORT	CONFIRMATION OF MEMBERS ALLOWANCES SCHEME 2019 - 20
LEAD OFFICER	Director of Corporate Services
RECOMMENDATIONS	<p>(a) that, as required by the relevant Regulations, the Authority:</p> <p>(i). considers the content of this report with a view to confirming the Scheme of Allowances (as set out in Section 2 of the report) to operate for the 2019-20 financial year;</p> <p>(ii). authorises the Director of Corporate Services to publicise details of the Scheme so confirmed in one or more local newspapers circulating in the area served by the Authority; and</p> <p>(b) that the Authority authorises the Director of Corporate Services to arrange for an independent review of the Authority's allowances scheme, the review to report in sufficient time to inform the 2020-21 budget setting process.</p>
EXECUTIVE SUMMARY	<p>Regulations require the Authority to have in place its own Scheme for the payment of a basic allowance to each of its Members. The Authority may also provide for the payment of Special Responsibility Allowances and reimbursement of travel and subsistence expenditure. The Regulations also require the details of any such Schemes to be confirmed and published by the Authority for each financial year in question.</p> <p>This report details allowances currently payable and invites the Authority to confirm the Scheme to operate for the 2019-20 financial year. Additionally, while the Regulations do not require the Authority to have its own Independent Remunerations Panel, they do require that any automatic uprating mechanism should only operate for a maximum of four years. Previously, the Authority has commissioned an independent review of its allowances scheme to be undertaken every four years. The last such review was undertaken to inform the 2016-17 budget setting process. Consequently, it is proposed that a further independent review be undertaken to inform the 2020-21 budget setting process.</p>
RESOURCE IMPLICATIONS	Provision has been made within the draft Revenue Budget 2018-19 for the payment of allowances at the rates as indicated in this report.
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The content this report is considered compatible with equality and human rights legislation.
APPENDICES	Nil.

LIST OF BACKGROUND PAPERS

The Local Authority (Members' Allowances)(England) Regulations 2003
Report DSFRA/15/29 ("Devon & Somerset Fire & Rescue Authority Approved Scheme of Members' Allowances 2016-17), together with report of Independent Consultant, as submitted to the Authority meeting on 14 December 2015).

1. **BACKGROUND**

1.1 The Local Authority (Members' Allowances)(England) Regulations 2003 require the Authority to make a Scheme of Members Allowances that:

- MUST provide for payment of a basic allowance to every Member of the Authority (to recognise the time commitment of all Members and cover incidental costs such as postage, telephone calls etc. in connection with Authority duties); and
- MAY provide:
 - for payment of a Special Responsibility Allowance (SRA) for those Members undertaking additional roles (e.g. Authority and Committee Chairs); AND
 - payment of travel and subsistence expenses in relation to Authority duties.

1.2 The Regulations also require the Authority to confirm its Scheme of Allowances for each financial year in question and for this information to be published in one or more local newspapers circulating in the area served by the Authority.

2. **AUTHORITY APPROVED SCHEME**

2.1 At its meeting on 15 December 2015 the Authority considered a review of its Allowances Scheme as conducted by an independent consultant and determined – in accordance with the review recommendations - rates payable for basic and special responsibility allowances in the 2016-17 financial year together with an automatic annual uprating mechanism to apply (Minute DSFRA/41 refers). Although the Regulations do not require combined fire and rescue authorities to establish their own Independent Remuneration Panels, they do provide that application of any automatic uprating mechanism should be constrained to a maximum period of four years after which a further independent review should be undertaken.

2.2 The annual uprating so approved following the last independent review in 2015 was by reference to any pay award made by the National Joint Council for Local Government Services (“the Green Book”) but the Authority approved that this should only apply from 1 April 2017 onwards. The rates currently payable for Basic and SRAs are shown in the table below. These rates have applied from 1 April 2018 and reflect the Green Book pay award for the 2018-19 financial year.

Rates Payable for Basic and Special Responsibility Allowances

Type of Allowance	Amount per annum £
Basic	2,676
Special Responsibility	
• Authority Chair (5 x basic)	13, 395
• Authority Vice-Chair (2.5 x basic)	6, 698
• Committee Chairs (1.5 x basic)	4,019
• Non-Executive Directors appointed by the Authority to the Board of Red One Ltd.	6,181

2.3 The Allowances Scheme also provides that Members may, normally, receive only one SRA, at the highest appropriate rate, in addition to the Basic Allowance irrespective of how many eligible positions they hold. The exception to this relates to non-executive directors to the Board of Red One Ltd. who may receive the SRA attracting to that role in addition to any one other SRA that they may be eligible to. It should also be noted here that the Authority's Standing Orders preclude both the Chair and Vice-Chair from being appointed to serve as a non-executive director on any company controlled by the Authority.

2.4 The Allowances Scheme also provides for the reimbursement of travel and subsistence expenses as shown below:

Rates Payable for Reimbursement of Travel Expenses

	Rate per mile	
	First 10,000 miles	Above 10,000 miles
Cars	45p	25p
Motorcycles	24p	24p

- 5p per passenger per mile (up to 4 passengers);
- 20p per mile bicycle allowance

2.5 The annual uprating mechanism is by reference to rates published by Her Majesty's Revenue and Customs (HMRC). It should be noted that "home-to-Service Headquarters" journeys are classified by HMRC as taxable, with any tax element being deducted at source.

Rates Payable for Reimbursement of Subsistence Expenses

Breakfast	£7.00
Lunch	£10.00
Tea	£4.00
Evening meal if returning home after 8.00pm	£12.00
Evening meal if staying overnight	£22.00

2.6 The rates payable for subsistence expenses are referenced to the rates and conditions on reimbursement of expenses as per Devon & Somerset Fire & Rescue Service employees.

3. CONCLUSION

3.1. The Authority Scheme was last subject to a major review in 2015 and the existing automatic uprating mechanism can only remain in place for a maximum period of four years after which a further, major review should be undertaken. The next major review is scheduled to inform the 2020-21 budget setting process.

3.2. The Authority is invited to consider this report and:

- (a). in accordance with the relevant Regulations, to:
 - (i) confirm the Scheme to operate for the 2018-19 financial year;
 - (ii) authorise the Director of Corporate Services to publish the rates so confirmed in one or more local newspapers circulating in the area served by the Authority; and

- (b). to authorise the Director of Corporate Services to arrange for an independent review of the Authority's Allowances Scheme, the review to report in sufficient time to inform the 2020-21 budget setting process.

MIKE PEARSON
Director of Corporate Services