



INDEPENDENT REVIEW

**DEVON AND SOMERSET FIRE AND
RESCUE AUTHORITY MEMBERS'
ALLOWANCES SCHEME**

January 2020

EXECUTIVE SUMMARY

Devon and Somerset Fire and Rescue Authority (“the Authority”) commissioned an Independent Review of their Allowances Scheme following the last review in 2015.

The financial pressures on fire authorities have continued through the period since the last review and look set to continue further. Members will wish to take this into account in considering the recommendations in this report. It is not the role of the Independent Advisor to consider these budgetary pressures.

The recommendations are outlined below. No major changes are suggested recognising that the changes following previous reviews brought the Authority into better alignment with other fire authorities across the country. However some changes are recommended and on two of the allowances Members are being offered a choice as to whether to freeze or reduce allowances.

Recommendations:

- (i) The Basic Allowance be set at £2,786;**
 - (ii) The multiplier for the Chair’s Allowance remains at 5x the Basic Allowance at £13,930;**
 - (iii) The Authority Vice Chair’s Allowance be reduced to 2.15x the Basic Allowance at £5,990 and either:
 - a) implemented from 01 April 2020; or**
 - b) frozen at the current amount (£6,915) until the earliest of either:
 - I. 31 March 2023; or**
 - II. the effect of the new multiplier (2.15 x Basic) resulting in the current amount (£6,915) being exceeded; or**
 - III. a new appointment is made.******
- (iv) The Committee Chair’s Allowance be reduced to 1.0x the Basic Allowance at £2,786 and either:
 - a) implemented from 01 April 2020; or**
 - b) frozen at the current amount (£4,100) until the earliest of either:
 - I. 31 March 2023; or**
 - II. the effect of the new multiplier (1.00 x Basic) resulting in the current amount (£4,100) being exceeded.******
- (v) Non-Executive Directors placed on the Board of Red One Ltd from the Authority, should continue to receive an SRA of £6,305 for 2020/21 and the Authority to review this for 2021/22 for the reasons as set out in the report;**
- (vi) The Authority should continue its policy of allowing individual Members to receive only one Special Responsibility Allowance (at the highest rate payable) in addition to the Basic Allowance;**

- (vii) Previously Members of Red One Ltd had been allowed to claim a second allowance. The recommendation is that this should be discontinued and (vi) should apply to all allowances. It is worth noting that the Authority's Standing Orders [6] already excludes both the Chair and Vice Chair from taking on this role so they would in any case not be eligible for a second allowance;**
- (viii) Uprating of Allowances should continue to be linked to any annual increase agreed by the NJC for Local Government Services, but that this uprating only be applied from 1 April 2021 onwards;**
- (ix) Travel rates should be linked to the rates published by HMRC and amended accordingly;**
- (x) Subsistence be linked to the employee scheme and updated accordingly;**
- (xi) The Authority should continue to provide development support to Members;**
- (xii) That an SRA be introduced for the Authority Member appointed to the Local Pensions Board for Firefighters' Pensions Schemes of 0.15 x the Basic Allowance at £418;**
- (xiii) The next independent review should take place to inform allowances to be paid from the 2025-26 financial year.**

1. Introduction

- 1.1. The Devon and Somerset Fire and Rescue Authority (the Authority) is a body corporate and as such is required to have a scheme of allowances. These Allowances are set under *The Local Authorities (Members' Allowances) (England) Regulations 2003*. In setting the level of Allowances the Authority has to have regard to the recommendations made by any Independent Remuneration Panel in relation to any local authority that nominates Members to the Authority. Fire and rescue authorities are not required to set up their own Independent Remuneration Panel but may conclude that some external, independent advice is appropriate. This Authority decided to appoint an Advisor to undertake a review. The Advisor and author of this report, Bryony Houlden, is Chief Executive of South West Councils. The author is also currently Chair of the Torbay Council, North Devon Council and Torridge Council Independent Remuneration Panels, is a member of the Devon County Council, Somerset County Council and Exeter City Council Panels. She is an advisor to the Bristol City Council and West of England Combined Authority Panels. She also undertook the previous reviews for this Authority in 2012 and 2015. SW Councils also provides training to Independent Panels and regularly collects and produces comparator information on allowances across the South West for the use of Panels and authorities.
- 1.2. The Authority merged in April 2007 and the first review of allowances following the merger took place in 2008. Members did not take an increase in allowances between that period and the 2012 review. The 2012 and 2015 reviews recommended a new level in the allowances scheme and that increases between reviews be linked to the NJC for Local Government Services, a recommendation which was accepted. As a result, the Basic Allowance has risen to its current level of £2,733 for 2019.
- 1.3. The Authority has now requested a further review of the allowances scheme recognising that the Regulations specify that adjustments of allowances must not rely on an index for longer than four years before seeking future recommendations.
- 1.4. In developing the recommendations, I was helped by input from Members. Six Members submitted responses to the contact time questionnaires. I also spoke to the Chair and Vice Chair and the independent Chair of Red One.
- 1.5. In preparing this report I was supported by Mike Pearson and Steve Yates from the officer team who provided factual advice and information. I was very grateful for this excellent and helpful support which I found extremely useful and saved considerable time in undertaking the review.

2. Background

- 2.1. The Authority is the largest non-metropolitan fire and rescue service in the UK covering two County areas:

- The annual budget has been reducing and is now £74m [drawn from Government Grant, income from fees and charges and Council Tax].
- Operates 85 fire stations
- Employs 2,000 staff. Since 2013, it has reduced the number of wholetime firefighters from 670 to 556 and is the largest employer of on-call firefighters
- Covers a population of 1.7m with 400,000 visitors a year to the area
- Is increasingly working collaboratively – the Policing and Crime Act 2017 introduced a new statutory duty of collaboration for all emergency services.

2.2. The Authority is led by 26 elected Members drawn from the four constituent local authorities – Devon County Council, Somerset County Council, Plymouth City Council and Torbay Council. Members set the strategic direction, set and oversee the budget and ensure the delivery of the overall objectives.

2.3. The structure supporting the Authority's work is broadly unchanged although meeting frequency has reduced in some areas:

- Full Authority meetings – now reduced to 4 rather than 6/7 times a year
- A supporting committee structure comprising:
 - the Appraisals & Disciplinary Committee (meeting as and when required)
 - the Audit & Performance Review Committee (meeting 3 times rather than 4)
 - the Human Resources Management & Development Committee (meeting 3 times rather than 4)
 - the Resources Committee (meeting 4 times per year)
 - the Community Safety & Corporate Planning Committee (meeting 3 times rather than 4)
 - the Standards Committee (meeting as a minimum once a year and then as and when required).

The Appraisals & Disciplinary Committee and Audit & Performance Review Committee have full delegated powers. The other committees discharge a mixture of delegated and advisory responsibilities.

- 2.4. Since the last full review there has been continued change across the public sector and within fire and rescue authorities. Budgets have continued to be under severe pressure and the Service has recently agreed significant operational changes. The Authority has also been subject to a new inspection regime. In summer 2017, HMIC (now HMICFRS) took on inspections of England's fire & rescue services, assessing and reporting on their efficiency, effectiveness and leadership. The Inspection of the Service was reported in December 2019 with some positive messages alongside areas for improvement.

3. Purpose

- 3.1. The purpose of this review is to provide recommendations (together with the rationale for those recommendations) covering the following issues:
- The level of the Basic Allowance for 2020/21;
 - The level and number of Special Responsibility Allowances (SRAs) for 2020/21;
 - An appropriate mechanism for annual uprating of the Basic and Special Responsibility Allowances from 2020 onwards; and
 - The level of travel and subsistence reimbursement from April 2020 together with an appropriate mechanism for uprating.

4. Methodology

- 4.1. In producing the Report I have considered:
- i. The Local Authorities (Members' Allowances) Regulations 2003 and the Guidance issued by the Department for Communities and Local Government;
 - ii. The LGA Scheme of Members' Allowances;
 - iii. The current allowances scheme and the previous independent reports particularly the one produced in 2015;
 - iv. Data on meeting attendance and travel time for the last twelve months together with evidence obtained directly from Members all of whom were invited to complete a contact time questionnaire and which 6 members completed (an increase from 4 in the 2015 review). Members were also given the opportunity to contact the Independent Advisor. I spoke to the Chair and Vice Chair and the Independent Chair of Red One Ltd
 - v. DSFRS: Our Fire and Rescue Plan 2018-2022;
 - vi. Terms of Reference of Committee, Working Parties etc;
 - vii. The allowances schemes for the constituent authorities: Devon County Council, Somerset County Council, Plymouth City Council and Torbay Council;
 - viii. Benchmark data on current Fire and Rescue Authority allowances schemes across England;
 - ix. Leading the Fire Sector: oversight of fire and rescue service performance report by the LGA;

- x. Effectiveness, efficiency and people 2018/19 – Devon and Somerset FRS Report by Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS); and
- xi. The Local Authorities (Companies) Order 1995.

5. Basic Allowance

- 5.1. The current Basic Allowance from 1 April 2019 is set at: £2,733.
- 5.2. As set out in the Guidance (referred to at 4.1 (i) above) the Basic Allowance is intended to: “*recognise the time commitment of all councillors, including such inevitable call on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes*”. The Basic Allowance paid “*must be the same for each councillor*” and it cannot be based on measures such as attendance at meetings.
- 5.3. In setting the level of allowances the Guidance suggests considering the rate at which, and the number of hours for which, councillors ought to be remunerated – with an important emphasis on some element of the work continuing to be voluntary – the “public sector ethos”. This “*public sector ethos*” has to be balanced against encouraging participation and ensuring that financial loss is not suffered. There is no set amount recommended for the “public sector” element – in the previous Report setting the current level of allowances a 30% figure was used.
- 5.4. As part of the review Members were invited to record contact time. Six Members completed this log and the information was used alongside information provided by officers on meeting attendance and average travel time to produce a figure for the annual average amount of days involvement by Members in basic duties. The average number of days spent was recorded via this method as 31.65 days per annum (234.24 hours pa), this includes committee meetings which attract a SRA for some members. The previous figure was 14.36 days a year (all based on a 7.4 hour day).
- 5.5. In the previous reviews a number of options were considered in reaching a conclusion about the methodology for setting the Basic Allowance. These included using the current daily rate as advised by the Local Government Association, this remains at £300, as it was at the time of the 2015 review and then applying this to the average number of days as set out above after deducting a public service element of 30%. This would give a figure of £6,646. Other authorities have looked at different approaches. For example, Devon County reflected methodology used by Surrey County Council taking the median salary level for a full-time white-collar worker in the area. In Devon the ONS figure for median gross weekly earnings for in 2018 was £27,144. Under this approach a 33% discount for public service is applied. Applying this and assuming a 37 hour working week and taking the survey data suggesting on average members contact time is 4.5 hours pw gives a figure of £2,212.

- 5.6. Another approach is to consider benchmark data. This can be done in two ways. First the benchmark information from constituent authorities. The Basic Allowance in the four constituent authorities range from £8,668 to £12,859 with an average £10,886. The Guidance does not specifically suggest that this is an appropriate benchmark group given the different nature of the activities and business but it is a useful background figure – and as all the Members of the Authority will be in receipt of one of these Allowances it sets further context.
- 5.7. The other benchmark data is from other combined fire and rescue authorities. Data obtained is the most up to date available on websites but some date back to 2017/18. This reveals a range of Basic Allowances from £1,158 - £6,243, with the average Basic Allowance being £2,786 and the median £2,752.
- 5.8. If different benchmark groups are taken from within the whole fire and rescue authority data set there are other permutations. First, a geographic benchmarking group from the “South West”: Dorset & Wiltshire and Avon and second a benchmark group of authorities with broadly similar sized budget and population type of area: Dorset & Wiltshire, Hampshire, Kent and Lancashire have budgets of between £55m - £74m and populations between 1.4m and 1.9m (website data).

Table 1:

Combined Fire Authorities (Includes Devon & Somerset) Average/median	SW Authorities (Avon, Dorset/Wiltshire)	“similar sized” FRSA (Dorset/Wiltshire, Hants, Kent, Lancashire)
£2,786/£2,752	£2,357	£3,438/£3020

- 5.9. This shows that the current Basic Allowance for the Authority is reasonably aligned with the totality of combined fire and rescue authorities. It is higher than the South West group but it should be noted there are only two in the group and a variation between £1,512 and £3,200.
- 5.10. The average of the “similar size group” is higher but there is a wide variation of levels of Basic Allowance: from £1,471 in Kent to £6,243 in Hampshire. It is worth noting that the highest level paid in Hampshire may be a reflection of the fact the Authority is made up of only 10 Members. The other three Authorities in this benchmark group have 25 Members (Kent and Lancashire) and 18 in Dorset and Wiltshire.
- 5.11. No Members contacted me to express the view that the allowance was out of line with their expectations.

- 5.12. Following the last review allowances have been rising in line with officer pay settlements, I am recommending below that this continues but for the coming year the pay settlement has not been decided. So, in order to give certainty for the Members Allowances budget the recommendation is that the Allowance for 2020/21 be set without the pay settlement data but taking account of information gathered as set out above. **I am recommending the Basic Allowance be set at £2,786 from 1st April 2020. This figure is the average for Combined Fire Authorities and represents an increase of 1.94%.**
- 5.13. Whatever the level of the Basic Allowance, its payment clearly brings with it the expectation that Members will continue to put in the commitment, attending meetings, contribute to the debate and take a lead role in constructive challenge to the Service. The LGA Report "Leading the fire sector" highlights the key governance role for Members and the part they should play in responding to the outputs from the inspection report by the HMICFRS. Just as the Inspection Report highlights the importance of developing staff it is important that the Authority supports Members to develop in order to meet the changing demands of their role and be effective as possible.

6. Special Responsibility Allowances

- 6.1. Special Responsibility Allowances (SRAs) are payable to those Members who have significant additional responsibilities. The Regulations stipulate the grounds upon which an SRA can be paid but do not prohibit the payment of more than one SRA to any one Member. It is often, though, the adopted practice to limit the number of SRAs payable to any individual Member to one. Within the South West authorities, the majority of schemes limit Members to one SRA. One of the reasons may be the view that Members only have so many hours in a day so if they are taking on one demanding role in addition to that of the basic councillor responsibilities then there is limited scope to effectively undertake other roles.
- 6.2. In the case of Devon and Somerset, following the first report in 2008, the Authority agreed to follow others in restricting individual Members to only one SRA. This was first amended when the Commercial Services Committee was established, and Members of this Committee were all allowed to claim an allowance in addition to one other SRA – the rationale behind this was a recognition of increased contact time. This Committee is no longer in operation. In the 2015 Review this was further amended to allow Members also serving as Non-Executive Directors to claim an additional allowance, the Review recommend that they could exceptionally receive one full allowance and 50% of a second allowance. The Authority did not accept this recommendation but instead decided that Red One NEDs could claim the full allowance in addition to one other SRA. The Authority also set the allowance higher than recommended in the Review. The Review author felt at the time there was insufficient evidence to make a well-founded recommendation for a higher level of allowance.

6.3. Taking account of evidence presented including information from a number of other authorities **I am recommending the policy of allowing only one SRA per member (at the highest rate applicable) and should be continued and that this should now include serving on the Board of Red One (i.e. that exemption from this rule should be discontinued).** NB - neither of the existing two Authority NEDs are in receipt of an additional SRA.

6.4. The current scheme pays the following SRAs:

Table 2:

Chair of the Authority (5x Basic)	£13,665
Vice Chair (2.5x Basic)	£6,915
Chair of Committee (1.5 x Basic)	£4,100
Non-Executive Directors Red One Ltd – not set using the multiplier approach	£6,305

6.5. In reaching conclusions on the way forward consideration has been given to benchmarking information. Using the information about the totality of combined fire and rescue authorities and the same benchmark groups of similar fire and rescue authorities and the SW fire and rescue authorities provides the following data:

Table 3:

	Combined Fire Authorities (Includes Devon & Somerset) [Highest to Lowest]	SW Authorities (Avon, Dorset/Wiltshire) [Highest to Lowest]	“similar sized” FRSA (Dorset/Wiltshire, Hants, Kent, Lancashire) [Highest to Lowest]
Chair: Average	£12,461 [£20,883-£8,498]	£9,049 [£9,600 -£8,498]	£14,469 [£19,293-£9,600]
Vice Chair: Average	£6,032 [£14,621-£579]	£4,466 [£4,800-£2,066]	£5,972 [£8,249-£3,122]
Committee Chair: Average	£2,487 [£5,140-£561]	£2,116 [£3,200-£1,033]	£2,267 [£3,300-£1,530] Kent pays no allowance

6.6. The benchmarking data shows there is considerable variation across the Fire Authorities. This is not just variation in amounts paid but what allowances are paid – for example Kent does not pay an allowance for Committee Chairs but pays £5,788 for the Leader of the Second Largest Group. Hampshire pays an allowance of £781 to Committee Vice Chairs and some authorities pay different levels of Chairs allowances (for large and small committees). Comparators are therefore just a guide.

6.7. SRAs are often set by reference to the Basic Allowance with a multiplier assessed for each post which attracts a SRA. This approach has been previously adopted (except for the Red One NEDs) with the multipliers noted in Table 2 above. **I am recommending the continued use of multipliers as a clear and transparent way of setting allowances.**

(i) Authority Chair

6.8. The Authority Chair's Allowance was confirmed at a multiplier of 5x in the previous Reviews, the evidence cited at the time included the fact that the Authority is the largest non-metropolitan fire and rescue authority.

6.9. Evidence suggests the role of the Authority Chair will continue to have a high level of commitment and responsibility given the current challenges, and opportunities, facing the Authority.

6.10. In terms of the constituent authorities I have taken account of the current allowances paid to the Leaders of those councils which range from £20,004-£33,364.

6.11. The benchmarking average for similar sized fire authorities suggests the Chair's allowance is relatively low however, the current Chair expressed broad support for not increasing the allowance multiplier.

6.12. Taking these considerations into account **I recommend that the multiplier for the Authority Chair remain at 5x Basic Allowance. This gives an Authority Chair's allowance of £13,930** (assuming the Basic Allowance is increased as per the recommendation above) **representing an increase of 1.94%.**

(ii) Authority Vice Chair

6.13. The current Vice Chair and Chair clearly work well together, and this relationship is key. The Authority Vice Chair's allowance multiplier was increased in the 2008 Report following evidence presented at the time and then reduced down in 2012 as a result of changes around the Regional Control Centre (although the multiplier was reduced, the Basic Allowance was increased at the same time leading to the Vice Chair's allowance increasing even on the reduced multiplier).

6.14. In looking at benchmarking evidence, this Authority's Vice Chair allowance remains relatively high, higher than the average of all the benchmark groups and within those benchmark groups only Kent pays a higher allowance (£7,344).

6.15. As the Allowance is currently above all the benchmark groups I am recommending a reduction in the multiplier to 2.15x the basic allowance. The 2.15x has been set by reference in particular to the average for similar sized FRSA's which is £5,972. This reduction being either: implemented from 01/04/2020, OR frozen at the current level (£6,915) until the earliest of: 31 March 2023 or the multiplier exceeding the current level or a new appointment is made.

- 6.16. **I recommend that the multiplier for the Authority Vice Chair be set at 2.15x Basic Allowance. This gives an SRA for the Authority Vice-Chair of £5,990 per annum (assuming the Basic Allowance is increased), representing an overall decrease of -13.3%. This change to be implemented either**
- (a). **from 01 April 2020; or**
 - (b). **that the SRA is frozen at its current level (£6,915) until the earliest of either:**
 - (i) **31 March 2023; or**
 - (ii) **the effect of the new multiplier (2.15 x Basic) results in the current amount (£6,915) being exceeded; or**
 - (iii) **a new appointment is made.**
- (iii) **Committee Chairs**
- 6.17. There are currently four Committees with allowances payable to the Chair of the Committee:
- Resources Committee
 - Human Resources Management and Development Committee
 - Community Safety and Corporate Planning Committee
 - Audit and Performance Review Committee
- 6.18. The Authority has a Standards Committee, **I am not recommending an allowance for the Chair as the Committee meets very infrequently.** It would be a subject for future review if the situation changed.
- 6.19. There is an additional committee: the Appraisals and Disciplinary committee which is chaired by the Authority Chair. For avoidance of doubt **I am not recommending an allowance should be attached to the work of this committee.**
- 6.20. Over the last year work has commenced to review the overall governance structure for the Authority to ensure that, as with the Service, it is both effective and efficient, provides value for money and clearly recognises the respective roles of Members and officers. This review is an ongoing process but initial outcomes have seen a slight reduction in the number of scheduled meetings for certain committees during the course of a municipal year (i.e. from annual meeting to annual meeting).
- 6.21. The Benchmarking exercise shows that the Authority's allowance level for Committee Chairs is high. The Authority has the third highest allowance for Committee Chairs after Buckinghamshire & Milton Keynes and Cambridgeshire. The three benchmark groups have the averages: £2,487; £2,267 and £2,116. All substantially below the £4,100 paid by the Authority. At least one authority in the benchmarking group, Dorset and Wiltshire FRS, pays a variable Committee Chair's allowance (ranging from £3,200 - £1,600) and this is something that previous Reviews have suggested exploring.

- 6.22. The last Report noted an increase in responsibility for Chairs of Committees in attending the informal monthly meeting between the Chief Fire Officer, the Authority Chair and Vice Chair and Committee Chairs. There is no question that Committee Chairs work hard and take on additional responsibility. However, the Committee Chairs allowances still seems high in comparison with other SRAs.
- 6.23. **I am therefore recommending that, as with the Authority Vice Chair, there is a reduction in the multiplier for Committee Chairs to 1.00 x the Basic Allowance i.e. £2,786 (assuming the Basic Allowance is increased), representing an overall decrease of -32%. This change to be implemented either:**
- (a). from 01/04/2020;**
 - (b). that the SRA is frozen at its current level (£4,100) until the earliest of either:**
 - (i) 31 March 2023; or**
 - (ii) the effect of the new multiplier (1.00 x Basic) results in the current amount (£4,100) being exceeded**
- 6.24. This is would bring the SRA more in line with the benchmark group averages.
- (iv) Non-Executive Director (NED) roles on Red One Ltd**
- 6.25. The role of NED on Red One Ltd had been developing over the period of the recent reviews. At the time of the last review there were three Authority NEDs, now there are only two. However, the Red One Board of Directors has been restructured since the last review and now provides for: two Independent NEDs (one of whom must be the Chair of the Board); two Authority Member NEDs; two Service officer NEDs; together with Executive Directors as may be appointed by the Board. This restructuring of the Board was a direct result of the Authority's recognition that the governance arrangements for Red One needed to be strengthened.
- 6.26. Guidance recognises that Non-Executive Directors may be remunerated although it is sometimes the case that these positions are not remunerated. Under the Local Authorities (Companies) Order 1995 Part 2, Regulation 5 the Authority Members appointed as non-executive director of Red One Ltd are "regulated directors" for the purposes of the Regulations (with Red One similarly being a "regulated company"). 5(1)(a) limits the amount of remuneration payable to a regulated director, with 5(3)(a) defining that limit as: "greatest amount which would for the time being be payable...in respect of a comparable duty performed on behalf of the Authority, less any amount payable by that authority in respect of the relevant duty" (paragraph 5).
- 6.27. The new Independent Chair was appointed in April 2018 and was interviewed as part of the Review. Her view was that currently the Board members have a very challenging role in ensuring the company has a firm operational footing. This view was shared by the Authority Chair and Vice Chair. The Independent Chair estimates the Member NEDs at present spend about 1½ days a month on the role and that for the time being this is likely to continue but may reduce in the future.

- 6.28. As part of the 2015 Review, the Review author identified the [then] Commercial Services Committee as a potential comparator which had an SRA with a multiplier of 1.5x Basic Allowance because it met once a month (the relevant regulations set out that one of the permitted reasons for an SRA is “acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods”). This would have given an SRA [at that time] of £3,900. However, the Authority did not accept this and set an SRA at £6,000. The Review author felt at the time there was insufficient evidence to make a well-founded recommendation for a higher level of allowance.
- 6.29. As a further guide, as set out at paragraph 5.5, using the current LGA day rate of £300 less the public service element of 30% (giving a day rate of £210), 18 days a year would equate to £3,780 per annum. A multiplier of 1.5x Basic Allowance would give an SRA of £4,179 per annum (assuming the increase in Basic Allowance is accepted).
- 6.30. The circumstances of Red One are constantly changing and from the evidence there has been an increase in workload hence I am recommending that the SRA is maintained at the existing level. The expectation is that this workload should settle down and the SRA should be reviewed for 2021/22.
- 6.31. In the current circumstances given the challenges of the organisation and the pressures on the NEDs and also to align with the approach on other SRAs **I am recommending that the NED role should continue to receive an SRA of £6,305 for 2020/21 and the Authority should review this for 2021/22 with a view to using a multiplier of 1.5x Basic Allowance as set out at paragraph 6.29 above**

7. Uprating mechanism

- 7.1. The previous Reviews’ recommendation that the Authority should link the Allowances with the level of any annual increase agreed by the NJC for Local Government Services (Green Book) was accepted. **I am recommending this approach be continued to take effect in the second year of the period under review i.e. from April 2021.**

8. Travel and Subsistence

- 8.1. I am recommending a continuation of the link to HMRC rates and reimbursement for employees:
- (a). **Reimbursement of approved mileage be linked to the rates published by HMRC.** Currently, these rates are:
- 45p per mile for the first 10,000 miles pa.
 - 25p per mile for mileage over 10,001 miles pa.
 - Passenger rate is 5p per passenger per mile (max 4 passengers).
 - Bicycle allowance: 20p per mile.

Any increases or decreases to these rates by HMRC should automatically be reflected in the payment to Members in the future.

(b). **Subsistence allowances should be the same as for employees, with any changes in rates reflecting changes to the employee scheme.** Currently these rates are:

- Breakfast - £6.90
- Lunch - £9.54
- Tea - £3.76
- Dinner - £11.82

Overnight accommodation would be subject to agreement through the Democratic Services section as under the current arrangements.

9. Other Issues

- 9.1 One issue was drawn to my attention in the Review relating to the Local Pensions Board for Firefighters' Pensions Schemes. Regulations require the Authority to have such a Board, which now features an Authority Member as one of the Scheme Manager representatives. I understand that this is quite a challenging role but probably only involves 6-8 days additional work during the year.
- 9.2 I have not found evidence of other Authorities paying for this role but I have as background the agreement by the Authority in 2019 that the additional Scheme Manager representative should be an independent/co-opted appointment with remuneration attached to this appointment of £500 per annum. I have no evidence from elsewhere to suggest a Member Allowance should be set at a higher level than the independent member.
- 9.3 At the moment the role is carried out by the Vice Chair who is in receipt of an SRA in that capacity and was not seeking an allowance for this work but it is possible in future a Member not in receipt of any other SRA may be appointed to the Board.
- 9.4 **I am recommended that an Allowance be introduced of 0.15x the Basic Allowance at £418.**

Bryony Houlden
January 2020