

Item 6

Meeting: OVERVIEW AND SCRUTINY COMMITTEE

Portfolio Area: The Leader

Date: 23 January 2014

SCRUTINY REVIEW OF MEMBERS' EXPENSES & HOSPITALITY

Author – Stephen Weaver Ext No.2332
Lead Officer – Jackie Cansick Ext No.2216
Contact Officer – Stephen Weaver Ext No.2332

Contributors – Councillor Jeannette Thomas, Chair of Overview & Scrutiny Committee

1 PURPOSE

- 1.1 To consider the recommendations of the scrutiny review into Members' Expenses & Hospitality that was undertaken by the Overview & Scrutiny Committee.

2 BACKGROUND & SCRUTINY ISSUE IDENTIFIED

- 2.1 At its meeting on 3 July 2013 Overview & Scrutiny Committee agreed to scrutinise Members' Expenses and Hospitality, as there had not been a review on this theme undertaken by Members and it is of public interest.

2.2 Scope and Focus of the review

- 2.2.1 During consideration of the scope for the review Members commented that it was important that the review be as thorough, and with as higher degree of transparency as possible given the level of public interest in the subject.

- 2.2.2 The possibility of reviewing Members' Allowances and Special Responsibility Allowances (SRAs) was discussed by Members. It was concluded that given the extent of the study undertaken by the Independent Remuneration Panel before recommendations were made to Council in this instance the Scrutiny concentrate on other expenses and hospitality received by Members.

- 2.2.3 Members identified a number of strands of the topic that they wished to review and lead roles for research and questioning were agreed as follows:

- Town Twinning – Councillor M Cherney-Craw
- Comparative data for other authorities – Councillor S Speller

- Equalities and Diversity – Councillor J Brown
- Community Reception – Councillor H Tessier
- Conference expenses and training – Councillor J Thomas
- Refreshments – Councillor G Clark
- Mayoral Expenses – Councillor B Underwood
- Travel and Car Parking – Councillor M Hearn

2.3 Process of the review

2.3.1 The Committee met informally on 7 August and again formally on 29 August to interview witnesses. The following Members carried out the formal witness interviews on 29 August: Cllrs J Thomas (Chair) J Brown, S Speller, H Tessier and S Walker.

2.3.2 Prior to meeting Members asked officers to provide information on the following areas:

- The profile and cost of Members refreshments
- The cost of Town Twining
- The cost of Members attending Conferences
- The cost of providing a meal for Members attending the Community Reception
- The cost of providing a taxi for the Mayor to attend formal events from 2011-12 (prior to this the Council provided a Chauffeur and a Mayoral car)

2.3.3 Having received a response from officers to Members initial questions and information requested Members agreed to meet informally prior to holding a formal evidence gathering and witness interview session. The purpose of the informal meeting was to help Members formulate questions and refine their information requests. Following the informal meeting Members asked officers to provide further information and provide a written response to their requests. The following requests are a summary of the further key issues Members raised:

- Why did Members travel to Autun by flight and not coach as they did for the Ingelheim trip?
- What's the process of approval for Members attending conferences, and are all Members given a fair chance to attend conferences in line with their duties?
- Further information on the information previously received regarding conferences to detail the duration of events and whether residential or not; yearly totals for previous years and a total so far for 2013/14
- Further detail on travel and subsistence claims
- Further information and comment on the costs of the Community Reception

- Further information and comment on the value for money of the Mayor using Taxis to attend formal events on behalf of the Council compared with the former Mayoral lease car and Chauffeur

2.3.4 At the meeting on 29 August the Committee received written and oral evidence from the following people:

- Cllr Sharon Taylor, Leader of the Council
- Scott Crudgington, Strategic Director (Resources)
- Stephen Hollingsworth as Independent 'Critical Friend' to the review
- Jackie Cansick, Constitutional Services Manager
- Maureen Nicholson, Members Services Officer

3 REVIEW FINDINGS

3.1 Conclusions of the Overview and Scrutiny Committee one day review into Members' Expenses and Hospitality

3.1.1 Members of the Overview and Scrutiny Committee who undertook the one day review into Members' Expenses and Hospitality stated that the review had established the cost to the Council of Members' Expenses and Hospitality, much of which was already available as a matter of public record.

3.1.2 Members were satisfied that the review had established that the cost of providing Members Expenses and Hospitality had reduced significantly in recent years for instance with the use of Taxis compared to the cost of leasing a Mayoral Car and employing a Chauffeur and for Members' Refreshments before meetings. Also in terms of Members attendance at conferences these were vital for Members on-going training, providing knowledge and competency to Members and presented good value for money.

3.1.3 Based on the input provided by officers and witnesses the Committee have made the following conclusions.

3.2 Member Refreshments

3.2.1 The Committee was advised that the provision of refreshments for meetings was in lieu of claiming a subsistence allowance. The cost of providing refreshments to Members in 2012/13 was £2,500. Providing Member refreshments this way has resulted in savings in excess of £12,000 for the Council, but there remained a belief with some Members that the cost of Refreshments could be further reduced by, for example imposing a cap on the cost of the refreshments. During discussion on this item other Members spoke in favour of the existing system. The Leader requested that Members advise Member Services in good time when they required refreshments before a meeting in order to reduce wastage.

3.2.2 Members asked what the charges were for using the drinks machine in the

civic suite meeting room. The civic suite vending machines were free of charge to Members and for officer meetings, as such it was not possible to determine what the Member usage was. The cost of operating the vending machines, water coolers and other consumables used in the Civic Suite for 2012/2013 was £5,858.

- 3.2.3 On balance, Members were of the view that providing modest refreshments were preferable and cheaper to administer on two counts. Firstly, Members making individual subsistence claims for purchasing their own refreshments would create far more of an administrative burden to process and verify those claims and secondly, subsistence claims could potentially be to a far greater monetary value per claim (up to £11.21 for an evening meal, which is when most Member level meetings are held) than the cost of providing refreshments at circa £3 to £4 per head.

3.3 Town Twinning

- 3.3.1 When Stevenage hosts the tri-partite event, SBC pays for the Councillors meals, drinks and entertainment costs for the Councillors in attendance who act as hosts to visiting delegations. Costs for these events are shared between the Council and the Stevenage, Ingelheim, Autun Association.

2011 Ingelheim

5 Councillors (including the Mayor) travelled by coach (with the townsfolk) at a cost to the Council of £100 each. The total cost was £500.

2012 Autun

Flights & Transport to and from the airport for 4 Councillors was £162.11 each. The Leader had to return separately due to another engagement at a cost of £446.15. The Deputy Mayor had to return separately due to illness at a cost of £227.76. The total travel expense for all Members for the trip was £1,322.35.

2013 – Stevenage

13 Councillors took part in hosting events and attended one or more of the 8 events/meals. The costs of meals ranged from £15 per head to £40 per head excluding drinks. Other expenses included a Cambridge Guided Walk (£4.75 per head) and entry to Knebworth House & Gardens (£9.17 per head).

- 3.3.2 The Leader explained to Members the circumstances around traveling by aeroplane to tripartite meetings and made a sound business case for the use of flights to some of the tripartite meetings when circumstances warrant it. The Leader was engaged in important meetings just prior to and following the tripartite meeting in Autun and needed to be present at these meetings, therefore on this occasion alternative arrangements needed to be made. Members of the Committee acknowledged the case for these arrangements.

3.3.3 The Committee was advised by the Leader that Town Twinning activities might be given a low priority by the community in consultation events and that the Leader was intending to conduct a review of Town Twinning activities and would be liaising with counterparts in France and Germany.

3.4 Conferences and Training

3.4.1 Any Member wishing to attend an external conference or training course is required to seek the approval of the Leader to authorise the payment for attendance. It is rare for approval not to be granted and would only happen if it was considered that the conference or training was not clearly related to the Members duty as a Councillor.

3.4.2 The Committee expressed the view that there was a disproportionate number of Executive Members attending conferences compared to non-executive Members and that the purpose of conferences was often inadequately explained to non-Executive Members. During the Committee's interview with Councillor Sharon Taylor, Leader of the Council, acknowledged this and explained that it was necessary for the Portfolio Holders to remain up to date in their particular areas of responsibility. The Leader also suggested that there should be an expectation that all Members, especially Chairs, should take advantage of conferences and training opportunities to add to their skills knowledge base and would wish to see all Members with a Personal Development and Training Plan. It was felt by the Committee that attendances at events might increase if a brief description of the event in any publicity issued to Members was included.

3.4.3 A Member of the Committee expressed concern that a Members individual financial circumstances may affect whether they attended a conference or training event if they felt pressure to attend but not make a claim which another Member may be able to pay for from their own means. The majority of Members on the Committee did not feel this was a particular hindrance but supported the view that Members need to be aware of the training and personal development opportunities that are available.

3.4.3 During the Committee's interview with the Strategic Director (Resources), Scott Crudginton advised the Committee that despite the budget cuts the amount available for Member training had not been reduced and that Directors and Heads of Service could liaise more with Executive Portfolio Holders and Chairs to proactively encourage other Members to take advantage of training and conferences. As well as supporting Members training and personal development needs, the Strategic Director (Resources) cautioned the Committee against overtly raising expectations to unrealistic levels, as the Council was operating under tremendous financial pressure.

3.5 Community Reception

3.5.1 Members of the Committee were of the view that perhaps consideration should be given to the Community Reception being renamed to reflect the civic element implicit in the evening, for example 'The Mayor's Community

Reception', however the Leader reminded Members that the event received significant sponsorship in recent years which had allowed the event to continue.

3.5.2 The Committee was advised that the event was seen as a 'thank you' for those in the community that had contributed to the Town during the year and was, as such, not an extravagant event. There was no desire within the Council to further reduce the significance of the event.

3.5.3 A member of the Committee was in favour of Members being given the option of paying for their meal.

3.5.4 Since 2008/09 to 2012/13 the average number of Councillors attending the Community Reception meal was 27. The average number of guests is 240 people. Since 2011/12 the Advertiser has part funded the Community Reception - Pride of Stevenage Awards. The cost of the meal in 2012/13 was £30 a head.

3.6 Mayoral Expenses

3.6.1 The Committee was advised that considerable savings for the Council had been realised following ending the lease for the Mayor's car and no longer employing a part time Chauffeur. Now that the Council had embarked on this policy and taken the savings it would not be possible for the decision to be revisited.

3.6.2 The importance of the public's perception of the Mayor was stressed by the Committee and this view was supported by Stephen Hollingsworth who was supporting the review as an independent 'Critical Friend'. The Committee was advised that the Mayor's visits were reviewed on a weekly basis and that a higher quality vehicle was requested from the taxi company if appropriate. It was also suggested by Members that the Mayor should only self-drive to less formal low key events around Stevenage.

3.6.3 By no longer employing a Chauffeur and leasing a Mayoral car a saving of £26,000 have been realised. However, there are still expenses incurred regarding the transport needs of the Mayor to attend official functions on behalf of the Town. Regular use of a taxi for the Mayor started in 2011/2012 the total cost for that year for taxis was £6079.67 and in 2012/2013 the total costs was £8748.90.

3.7 Equalities Issues

3.7.1 The Committee debated whether a lack of understanding of the structure of the allowances and expenses scheme inadvertently debarred interest from minority groups or those with caring or childcare responsibilities in becoming a Councillor.

3.7.2 It was noted that as a matter of principle persons from the equalities protected characteristics groups should not be excluded from serving as a

Councillor.

- 3.7.3 The Committee suggested that the Carers Attendance Allowance should be reviewed, particularly in respect of the ability to pay family members for performing caring duties and the monthly payment cap.

3.8 Travel and Car Parking

- 3.8.1 The Committee noted that there was a voluntary agreement that Members would not claim mileage for attending events in town and had a responsibility to use the most cost efficient method of transport to events held outside of the town. Members were at all times assisted in the process by Member Services, who would arrange the most cost effective travel for Members.

- 3.8.2 At the time of the review the Committee were advised that car mileage rates paid by the Council were above the levels set by HMRC and therefore had tax and National Insurance implications for both staff, Members and the Council. However, since the review was undertaken this situation regarding mileage rates had been altered and now that the Single Status arrangements had been agreed by Council the HMRC levels had been adopted for both Members and staff.

3.9 The 'Critical Friend'

- 3.9.1 To help the Committee have an independent perspective on their review into Members' Expenses and Hospitality Stephen Hollingsworth was invited to join Members and provide comment on the information the Committee had received and on the discourse with witnesses during the day. Stephen Hollingsworth advised the Committee that the allowance and expenses scheme should cover the costs of Members so that people could undertake the role without either being financially disadvantaged or feeling that they could not afford to do so. He considered that there might be too much emphasis on cost cutting without looking at the value that the allowance and expenses scheme added either in encouraging people to stand for office or promoting the town (through the office of the Mayor) in the eyes of the community.

4 RECOMMENDATIONS

- 4.1 That the Overview and Scrutiny Committee considers the conclusions of the review, contained within this report and the recommendations below be presented to the Leader, and the Strategic Director (Resources) and that a response be provided from these and any other named officers and partners within two months of the publishing of this report.
- 4.2 That the input into the review from Stephen Hollingsworth be noted and that the use of a 'critical friend' be encouraged in subsequent reviews.

- 4.3 That the real and symbolic value of the Mayor, and the level of support required to carry out this important role be recognised.
- 4.4 That the proposed realignment of staff and Member mileage rates under the Single Status agreement to those advised by HMRC as detailed at paragraph 3.8.2 in the report be noted
- 4.5 That the reduction in the spending on Members refreshments as detailed at paragraph 3.2 in the report be noted.
- 4.6 That consideration be given to renaming 'The Community Reception' 'The Mayor's Community Reception' as detailed at paragraph 3.5.1 in the report.
- 4.7 That any future policy regarding Mayoral transport should be supportive of a situation whereby the Mayor attending particular high profile civic functions should not self-drive as detailed at paragraph 3.6.2 in the report.
- 4.8 That the Committee is supportive of a Leader led review into Town Twinning activities as detailed at paragraph 3.3.3 in the report.
- 4.9 That there should be more publicity to advise Members of the availability of conferences and training events to assist Members development, as detailed at paragraph 3.4.1 in the report.
- 4.10 That Members attending courses and conferences should be encouraged to share their experiences with all Members, perhaps through MMP sessions and where they consider the content to be of poor value they should be encouraged to give feedback to the provider.
- 4.11 That there should be (i) a review of the induction process for new Members especially with regard to expenses, allowances and support services so that new Members are clear as their entitlement to claim for and take advantage of training opportunities and (ii) new Members induction should consider teaming new Members with a mentor.
- 4.12 That all Members should have a Personal Development and Training Plan as detailed at paragraph 3.4.1 in the report.
- 4.13 That the Carers Attendance Allowance be reviewed, particularly in respect of the ability to pay family members for performing caring duties and the monthly payment cap Plan as detailed at paragraph 3.7.3 in the report.

5 IMPLICATIONS

5.1 Financial Implications

There are no direct financial implications for this scrutiny report. Claims made by Members for Expenses are submitted to Constitutional Services

and paid for from existing budgets. There are no recommendations to increase any of the expenses that Members can be reimbursed for.

5.2 Legal Implications

There are no direct legal implications for this report.

5.3 Equalities Implications

Equalities issues have been considered in the review and are detailed at paragraph 3.7

BACKGROUND DOCUMENTS

Minutes of the Committee meeting held on 29 August 2013

Information provided to Members prior to the meeting held on 29 August 2013

APPENDICES

Appendix A – Scrutiny Scoping Proforma