



CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY
Working together to improve community safety

**The Independent Review
of
Members' Allowances
for the
*Cambridgeshire and Peterborough Fire Authority***

**A Report
by
East of England LGA
Mark Palmer
March 2023**

Foreword

This is an independent review of Members' Allowances for Cambridgeshire and Peterborough Fire Authority.

This review was commissioned to provide recommendations on the number and level of allowances. In line with good practice, the Authority has chosen to seek independent advice that has followed the principles undertaken by the statutory independent remuneration panels (or IRPs) that are required to review the allowances' schemes of the nominating councils at least every 4 years.

The recommendations of the Members Allowances Review are evidence based, respond to the current structure and are underpinned by a logical construct that is transparent, easy to understand and that will stand up to scrutiny.

Mark Palmer
Development Director
East of England LGA

March 2023

Executive Summary

Post	Formula	Numbers Payable	Level Payable
All Fire Authority Members		17	£2,724.57
Chair	5 x Basic Allowance	1	£13,622.85
Vice Chair	75% of Chair	1	£10,217.14
Fire Authority Leader of the Group	Basic Allowance plus 1/17 th of the Chair per Group Member (£801.34)	1	£2,724.57 plus £801.34 per Group Member
Chair, Policy and Resources Committee	40% of Chair	1	£5,449.14
Chair, Overview and Scrutiny Committee	40% of Chair	1	£5,449.14
For ad-hoc additional responsibilities as defined by the Policy and Resources Committee			SRA Withdrawn
Members Sitting on Type 3 Project Boards			SRA Withdrawn
Additional Special Responsibilities on Task Groups or Project Boards	10% of Chair	0	£1,362.29
Basic Allowance		17	£46,317.69

It is also recommended that:

Confirming the '1-SRA only' rule

The 1-SRA only rule be maintained and specified in the Cambridgeshire and Peterborough Fire Authority Members' Allowances scheme.

Travel and Subsistence Allowances

The maximum rates for which travel, and subsistence allowances can be claimed remain unaltered, subject to any future indexation that may be applicable.

Claiming Travel and Subsistence Allowances

All Members are required to claim for any relevant travel and subsistence allowances directly from Fire Authority. It is further recommended that any claims that are received through a Members' nominating council will not be paid.

Approved Duties: Outside Bodies and Travel and Subsistence Allowances

The Members' Allowances scheme clarifies those outside bodies for which Members can claim directly for travel and subsistence allowances and those for which Members have to claim from the Authority.

Indexation of Allowances

The following indices are applied to the specified allowances:

- **Basic Allowance and SRAs:**
 - Indexed to the annual local government percentage salary increase, (known as the National Joint Councils' agreement) to be implemented from the date of the Authority's Annual Meeting for the year that the index applies to staff.

- **Travel and Subsistence:**
 - **Mileage Allowances:**
 - Indexed to HMRC rates.

 - **Subsistence Allowances:**
 - Maximum rates payable indexed to the same rates that apply to Officers.

It is further recommended that the indices recommended in this review are utilised for four years from the date of the Annual Meeting, or until the Authority requires a further review whichever is sooner.

The Independent Review of Members' Allowances for the *Cambridgeshire and Peterborough Fire Authority*

The Regulatory Context and Paying Regard to Nominating Councils

1. This independent review of the Cambridgeshire and Peterborough Fire Authority (C&PFA or the Authority) Members' Allowances Scheme has been conducted in accordance with the sections 1-3 of the *Local Authorities (Members' Allowances) (England) Regulations 2003* (SI 1021) (or 2003 Regulations) as they apply to Combined Fire Authorities (or CFAs). While the 2003 Regulations permit C&PFA, like principal councils, to determine its own scheme of allowances, unlike principal councils, it is not required to maintain an independent remuneration panel (IRP) to provide advice.
2. Instead, the 2003 Regulations require that before a joint authority:

Makes or amends a scheme that authority shall have regard to the recommendations made by any independent remuneration panels in relation to ... [the nominating councils].¹
3. In effect, the IRPs for the nominating councils, by acting as proxies, are how the allowances' schemes of joint authorities are derived. Thus, the requirement to pay regard to the recommendations of allowances' reviews in the nominating or appointing councils is taken to mean the actual allowances' schemes that are in place, which in turn arise out of the recommendations of their local remuneration panels.
4. **This review, through its consideration of the wider evidence and in its deliberations, has fulfilled the Authority's regulatory requirement to pay regard to the allowances' schemes arising out of the recommendations of the statutory independent remuneration panels for the nominating councils.**

¹ *The Local Authorities (Members' Allowances) (England) Regulations 2003* (SI 1021), 19 (2), May 2003.

The Review

5. The C&PFA appointed the following to undertake the review:
- Mark Palmer, East of England LGA (Chair)
 - Amanda Orchard- local resident
 - Ged Dempsey- local resident

The Panel Members were also Members of the Independent Remuneration Panels for the two- nominating Councils; Cambridgeshire County Council and Peterborough City Council.

6. The Review was supported and serviced throughout by the following Officer:
- Deb Thompson – Scrutiny and Assurance Manager

Terms of Reference

7. The terms of reference as determined by the Authority for this independent review are to conduct a full review of the Members' Allowances' Scheme for C&PFA.
8. Specifically, the review will consider and make recommendations to the Authority on the following:
- (i) The level of Basic Allowance
 - (ii) The range and levels of the Special Responsibility Allowances (SRAs), taking in to account the full range of duties expected of various post holders, with specific reference to the following posts:
 - a. Chair of the Authority
 - b. Vice Chair of the Authority
 - c. Fire Authority Leader of the Group
 - d. Chair of Policy and Resources Committee
 - e. Chair of Overview and Scrutiny Committee
 - f. Additional Special Responsibilities for designated Task Groups and Project Boards
 - (iii) The terms and conditions and rates at which Members can claim travel and subsistence allowances.
 - (iv) Whether any of the allowances should be indexed and if so, what index should be applicable.
 - (v) Implementation of the new scheme.

9. The review should also be in accordance with the requirements of the Local Government Act 2000 and the subsequent 2003 Regulations and accompanying 2006 Statutory Guidance as they apply to joint authorities.
10. Furthermore, in arriving at its recommendations the reviewer has considered:
 - (i) The current structure of the Fire Authority,
 - (ii) The views of elected members, both oral and in response to the questionnaire,
 - (iii) Members' Allowances' schemes in other comparable fire authorities.

Methodology and Approach

11. The Panel met via MS Teams on the following dates:
 - 14th March 2023
 - 15th March 2023
 - 16th March 2023
12. The interview sessions were undertaken to meet and hear from a range of Members and Officers including the Chief Fire Officer (CFO). The meeting with the CFO was to obtain briefings and background information on the current and future challenges for the Authority and the impact on the workload of Members. Further sessions were held with the Deputy Chief Executive Officer (DCEO) and the Monitoring Officer (MO).
13. The meetings with Members were to obtain a qualitative sense of their roles and responsibilities. The meetings were also used to get the Members' perspective on the impact of the governance structure in respect of individual roles and the overall corporate impact. The Panel used a structured interview process to ensure that a similar range of questions was put to each interviewee. The interviews were also discursive, in that statements and views expressed were taken to their logical conclusion, thus posing not simply questions, but also positions for Members to consider for their validity and robustness.²
14. For benchmarking purposes, the allowances' schemes of all CFAs have been reviewed (see Appendix 3 for summary). As per statutory requirements, regard has been paid to the allowances' schemes in the two nominating councils.

² See Appendix 1 for list of all Members and Officers consulted.

Key Messages and Comments: Placing the Review in Context

The Key Message from Member Feedback

15. There were a range of views and recommendations from Members. All seventeen Fire Authority Members were given the opportunity to complete a questionnaire, nine responses (53%) were received. An analysis of the questionnaire findings is attached as Appendix 2. The analysis of the questionnaire responses and individual interviews recognised that their allowances were fine, 62% of respondents to the questionnaire felt that the Basic Allowance was appropriate.

Recognising the current economic context and role of review

16. The recommendations for 2023/24 need to have the support of the Authority as the Members make the final decision on their scope and levels of remuneration. Consequently, Members felt it was important that for the recommendations to be accepted they must stand up to public scrutiny.

Recalibrating the recommended Basic Allowance

17. The Basic Allowance is to recognise the time commitment of all Members. It is paid to recompense for the roles that are common to all Members regardless of whether they hold a position of responsibility or not. It is also intended to cover “incidental costs” that Members incur in carrying out their duties.

The Public Service Discount

18. In the nominating councils IRPs usually discount a proportion of the time requirement (typically between 30% - 50%) to recognise the voluntary element to be an elected member, often termed the ‘public service discount’. However, it is not normal practice to apply a public service discount to the Basic Allowance for members of joint authorities. The Basic Allowance they receive through their nominating councils is already subject to a public service discount.
19. Consequently, no public service discount should be applied to the Basic Allowance.

The Rate of Remuneration

Basic Allowance for 2023/24

20. The Basic Allowance has now been calibrated to reflect the current time expectation and the Panel are of the view that this should be based on the Basic Allowances of the two nominating Councils, Cambridgeshire County Council and Peterborough City Council.

21. The Basic Allowance for the two nominating Councils is set out in Table 1.

Table 1: Basic Allowance - Nominating Councils 2022/23

Council	Basic Allowance
Cambridgeshire County Council	£11,133.53
Peterborough City Council	£10,663
Mean	£10,898.27

22. Following the structured interviews, the Panel was of the view that the Basic Allowance for the Fire Authority should be based at a percentage of the mean Basic Allowance for the two nominating Councils.
23. The Panel was of the view that the Basic Allowance should be 25% of the mean Basic Allowance of the two nominating Councils, 25% of £10,898.27.
24. **Consequently, it is recommended that the annual Basic Allowance (2023/24) should be £2,724.57, subject to any future indexation that may be applied.**

The Chair's SRA

25. The Chair continues to chair the full authority.
26. The Chair is the leader of the largest group on the Authority. Although the Authority works on a more collaborative than party political basis, being Leader of the largest group is also recognised as being part of the role of being C&PFA Chair and should be recognised as a major aspect of the role.
27. In arriving at the current SRA, the Panel have adopted a factor approach – which is specifically suggested by the 2006 statutory guidance. It states:

One way of calculating special responsibility allowances may be to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance for either the elected mayor or the leader.³

28. Although the guidance is referring to Leaders and elected mayors of principal councils the guidance is just as applicable to CFAs. It is a common approach that is readily understood. The current factor used is 5 times the recommended Basic Allowance on the basis that it reflected the typical

³ See 2006 Statutory Guidance paragraph 76.

differential between the Basic Allowance and Chair's responsibility and time commitment to the role.

29. Multiplying the recalibrated Basic Allowance (£2,724.57) by a factor of 5 x, the proposed Basic Allowance would lead to an SRA of **£13,622.85**.
30. The Chair of the Fire Authority has a key role in respect of the internal leadership role and external role in representing and promoting the Authority. The Chair also has a key strategic role that was reflected as part of interview process.
31. **Consequently, the recommendation is for the Chair's SRA to be £13,622.85 subject to any indexation that may be applied. The calculation is based on a continued factor of 5 x the Basic Allowance.**

The Other SRAs – The Pro Rata Approach

32. In line with the approach suggested by the 2006 Statutory Guidance the recommended SRAs have been arrived at by following the following approach:

A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time-consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance.⁴

33. This is also known as the 'pro rata' approach. It has the advantage of being simple and readily understood, particularly by Members as it is also the approach adopted by the IRPs in the two nominating Councils.

The Vice Chair

34. The Vice Chair's SRA is currently arrived at by assessing it at 75% of the Chair's recommended SRA. The Vice Chair has a significant role and is expected to stand in for the Chair when necessary.
35. The Vice Chair is there to function as a sounding board for the Chair and provide a strategic view and support for the Chair.
36. **Thus, the recommended annual SRA for the Vice Chair should continue to be at 75% of the Chair's allowance, £10,217.14; subject to any indexation that may apply.**

⁴ See 2006 Statutory Guidance, paragraph 76.

Fire Authority Leader of the Group(s).

37. The Fire Authority Leader of the Group(s) currently receive an SRA based on the Basic Allowance and an additional per Member rate based on the Chair's SRA. The role of Fire Authority Group Leader is similar to an opposition group member receiving an SRA in a nominating Council. However, the nomenclature is somewhat misleading as they don't necessarily replicate the role as normally understood in nominating councils. The nature of a CFA is such that all members have an overriding interest in ensuring the most effective fire safety and protection for the area's residents within the resources available.
38. No representation was received to indicate that the current SRA for the Fire Authority Leader of the Group(s) require any change. **The recommended SRA for the Fire Authority Leader of the Group(s) is the Basic Allowance, £2724.57 plus a per Group Member Rate of 1/17th of the Chair's allowance (£801.34) per Group Member. This will be subject to any indexation that may be applied.**

Chair of the Policy and Resources Committee and Chair of the Overview and Scrutiny Committee.

39. The Panel was of the view that the Chair of the Policy and Resources Committee and Chair of the Overview and Scrutiny Committee continue to have a significant role that warrants a Special Responsibility Allowance. The SRA's for both roles are at 40% of the Chair's role and the Panel received no feedback or responses during the interviews that this rate should change.
40. **The Panel therefore recommends that the Chair of the Policy and Resources Committee and the Chair of the Overview and Scrutiny Committee should continue to receive an SRA of 40% of the Chair's allowance, £5,449.14. This will be subject to any indexation that may be applicable.**

Additional Special Responsibilities on Task Groups and Project Boards

41. Currently, the allowance scheme provides for SRA's payable to Members involved in ad-hoc additional responsibilities as defined by the Policy and Resources Committee at a rate of £53 per month. In addition, an SRA is payable for Members sitting on Type Three Project Boards at a rate of £1,071.93 per annum.
42. The Panel was of the view that these two allowances should both be 'withdrawn' and replaced by a single easier to understand and administer allowance for Members who are requested to take on additional responsibilities on Task Groups or Project Boards.

43. **Any Project Board or Task Group that is set up that requires Member involvement, the Member should receive an SRA (pro-rated) for the duration of the Project Board or Task Group. The Panel was of the view that the SRA should be at the rate of 10% of the Chair's Allowance, £1,362.29. This will be payable on a pro-rata basis for the duration of the Member involvement on the Project Board or Task Group. The SRA is subject to the '1-SRA only' rule and any indexation that may apply.**

Confirming the '1-SRA only' rule

44. Currently, the Members' Allowances' scheme specifies that a member who holds more than one remunerated post is eligible to receive one SRA only, normally it would be the higher SRA. While the 2003 Regulations do not prohibit members from receiving more than 1 SRA, it is a condition that is normally placed in Members' Allowances' schemes, dependent on whether they are principal or joint authorities. The two nominating councils specify in their Members' Allowances' scheme that regardless of remunerated posts held only 1 SRA is payable.
45. **It is recommended that the 1-SRA only rule be maintained and specified in the C&PFA Members' Allowances scheme.**

Travel and Subsistence Allowances

46. **It is recommended that the maximum rates for which travel and subsistence allowances can be claimed remain unaltered, subject to any future indexation that may be applicable.**

Indexation of Allowances

47. This review is obliged to fulfil the statutory requirements and recommend whether any indices should apply and if so, which indices should be used.
48. **It is recommended that the following indices continue to be applied to the specified allowances:**
- **Basic Allowance, SRAs and IP remuneration:**
 - Indexed to the annual local government percentage salary increase, of the National Joint Councils agreement to be implemented from the date of the Authority's Annual Meeting for the year the index applies to staff.
 - **Travel and Subsistence:**
 - **Mileage Allowances:**
 - Indexed to HMRC rates.

- **Public Transport**
 - Maximum rates payable indexed to the same rates that apply to Officers.
- **Subsistence Allowances:**
 - Maximum rates payable indexed to the same rates that apply to Officers. However the Panel was of the view that the rates of Subsistence Allowance appeared very low and the rate of Subsistence Allowance should be addressed separately outside of this review.

49. It is further **recommended that as per the 2003 Members' Allowances Regulations the indices recommended in this review are used for four years from the date of the Annual Meeting June 2023, or until the Authority requires a further review whichever is sooner.**

Members and Officers Interviewed via MS Teams 14 to 16 March 2023

Members:

Cllr Edna Murphy	Chair of the Fire Authority
Cllr Bryony Goodliffe	Chair of the Policy and Resources Committee (Labour)
Cllr Kevin Reynolds	Fire Authority Leader of a Group (Conservative Group)
Cllr Mohammed Jamil	Vice Chair of the Fire Authority

Officers:

Chris Strickland	Chief Fire Officer
Matthew Warren	Deputy Chief Executive Officer
Shahin Ismail	Monitoring Officer

