

MEMBERS' ALLOWANCES

2012/13

REPORT OF THE INDEPENDENT PANEL

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MIKE PRESS

FEBRUARY 2012

1 Introduction

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 were laid before Parliament on 7 April 2003, and came into force on 1 May 2003. Under the Regulations, changes to Member allowances cannot be made a Council without having regard to the views of an Independent Panel set up specifically to advise on the matter.
- 1.2 The Independent Panel for the Council currently consists of David Dixon, (Media Representative), Heather Farley (Voluntary and Community Sector Representative), Paul Kunes, (Chamber of Commerce Representative) and Michael Press (Citizens Panel Representative). The Panel met to look at the current scheme of allowances and to consider any recommendations for changes for 2012/13. The effective date for the changes is proposed would be 11 May 2012, post Annual Council.
- 1.3 Biographical information of the Panel

David Dixon – Publishing Director, Lynn News – Media Representative. Publishing Director of East Midlands Newspapers, Festival Too Chairman of Fund Raising, King's Lynn Lions, Treasurer.

Heather Farley - Representative from the Voluntary and Community Sector

Chief Executive West Norfolk Voluntary and Community Action, Vice Chair of the West Norfolk Partnership Board, Chair - CVS East, a regional grouping of Chief Executives of 'Councils for Voluntary Service' in the East of England and Trustee - COVER the Eastern regional general infrastructure organisation and School Governor at North Wootton Community School.

Paul Kunes B.A.(Hons) - Representative of the Business Community - Director MTL, Director Norfolk Chamber of Commerce and Industry, West Norfolk Chamber Council Member, Fenland Chamber Council Member, West Norfolk Partnership Board Member

Mike Press – Community Representative

Retired Executive Manager Vauxhall Motors (General Motors), and former Councillor, Chairman of Committee/s and previous Chairman and Vice-Chairman of a District Council in Bedfordshire.

- 1.4 The Panel is supported by Dave Thomason, Deputy Chief Executive and Samantha Winter, Democratic Services Manager.

2 The Regulations

Allowances

- 2.1 The Regulations are designed to give local authorities discretion to establish remuneration schemes reflecting local circumstances.
- 2.2 Local authorities must have regard to the recommendations of their Independent Panel before making decisions on matters relating to the Member's Allowances Scheme. The Council may not introduce pensions for Councillors if the Independent Panel does not recommend it.

3 Timetable

- 3.1 It is recommended that all the proposed allowances payable, once agreed by Council should apply from **11 May 2012**, after the Annual Council meeting.

4 Invitation to all Members

- 4.1 The Panel sent an invitation to all Members to either come to the Panel meeting to discuss the issue of allowances, or to submit some comments or thoughts in writing. Three members submitted views in writing which were taken into account in considerations, the Leader of the Council came to the Panel to discuss allowances.
- 4.2 The Panel feels it should point out that it is not able to recommend the payment of attendance allowances for Members so they are paid for each meeting they attend, as this was prevented in the introduction of the regulations governing the new arrangements set in the Local Authorities (Members' Allowances)(England) Regulations 2001. This was a point raised by a member who responded to the invitation to comment.

5 History

- 5.1 The Panel made recommendations for an increase in 2008/09 which the Council chose not to implement. The Panel did not meet in 2009/10 and allowances remained unchanged. In 2010/11 the Panel made the recommendation that the figures in 2008/09 were still valid and recommended a 1.1% increase to those figures. Council chose not to incorporate the 2008/09 recommendations, but agreed a 1.1% increase on the existing allowance figures. The Panel did not meet in 2011/12 and allowances remained unchanged.

6 2012/13 Review

- 6.1 The Panel decided against a detailed review in the current climate and examined the key elements established during previous reviews. In doing so it has compared all the levels of allowances with those from other authorities across the country, in particular the Eastern Region.
- 6.2 The Panel acknowledges that the Council has to take a political decision in awarding any increases in its allowances for Members taking into account the Council's budgetary position and the national and local economic picture.
- 6.3 The Panel feels that there is a danger where by not making any increases on a reasonably regular basis the levels of allowance would be eroded, so potentially requiring a larger increase in future years.
- 6.4 In line with the practice in earlier reports, the Panel again draws attention to the fact that the role of Councillor should not be considered as salaried, and the allowances should not be considered as payment for a "job", but remuneration for costs incurred and a degree of the time spent on Council business. The "Councillors Commission" document set out the principal of how a basic allowance ought to be calculated. This was the recommendation from Dr Declan Hall, which had also been used by the Panel in coming to their conclusions, with a member of the Panel having attended training run by the author.
- 6.5 The Regulations provide for the payment to Members of a Special Responsibility allowance designed to take into account the additional degree of responsibility and some of the additional time spent in certain roles.
- 6.6 In considering the position for this year, the Panel consider that the recommendations it made following its reviews in 2008/09 and 2010/11 are still valid. However, in the current economic climate it did not feel it appropriate to recommend any further increases on those previous recommendations.

7 Summary of recommendation

- 7.1 **The Panel's recommendation is that it feels its recommendations made to the Council in 2008/2009 and 2010/2011 still stand. However, in the current economic climate, it could not recommend any further increases on those figures. (For ease of administration, the figures should be rounded.)**

8 Panel's Detailed Recommendations

The Panel's considerations and recommendations are set out in the following sections of the report:

8.1 Regulation 4 - Basic Allowances

- 8.1.1 This part of the Regulations state that an authority shall provide for the payment of a basic allowance for **every member of the Council and it will be the same amount for each such member.**

Position	Current	Proposed including 2008/09 and 2010/11 recs
Basic Allowance	£5,140	£5,290

8.2 Regulation 5 – Special Responsibility Allowances (SRA)

- 8.2.1 This Regulation states that an authority may provide for the payment for each year for an allowance to such members of the authority as have special responsibilities in relation to the authority.

- 8.2.2 Any scheme must specify the amount of each special responsibility allowance and it must provide that where an authority is divided into at least two political groups that a special responsibility allowance is paid to at least one person who is not a member of the controlling group.

8.3 Cabinet Members

- 8.3.1 The responsibility of the **Leader of the Council and Deputy and Cabinet Members** has been considered.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Leader of Council and Chairman of Cabinet	£14,760	£15,190
Vice Chairman	£8,070	£8,300
Members of Cabinet	£6,600	£6,800

8.3.2 Assistant to the Leader

Following a request from the Leader of the Council, the Panel has been requested to give consideration to recommending an SRA for a

Councillor to act as an Assistant to the Leader. The role would involve assisting the Leader with day to day correspondence and tasks, ensuring the Leaders attention was drawn to important information, but would not have any delegated authority to take decisions. The Panel recommend that if Council approve the establishment of such a position with and SRA, then it should be awarded equal to 10% of the Leader's SRA. The Panel feels that as this is a new position, once the role has been established for some time, it is appropriate for the level of SRA to be reviewed in 12 months time.

Position	Current	Proposed
Assistant to the Leader	Nil (new position)	£1,520

8.4 **Cabinet Scrutiny Committee**

8.4.1 The Panel has in previous years made the recommendation that the allowances for these posts should reflect those of the Policy Review and Development Panels as it is important that this role is facilitated. The Panel still consider that this should be the case.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Chairman CSC	£2,000	£2,060
Vice-Chairman CSC	£870	£890

8.5 **Policy Review and Development Panels**

Position	Current	Proposed including 2008/09 and 2010/11 recs
Chairmen Panels	£2,000	£2,060
Vice-Chairmen Panels	£870	£890

8.6 **Scrutiny and Overview Liaison Committee**

8.6.1 It is noted that the Chairmanship of the Committee is rolling and comprised of the Panel Chairmen who do receive an allowance in their Panel role. Therefore it is not considered appropriate to recommend an allowance for this position

8.7 Planning Committee

8.7.1 The Panel considers that the responsibilities of the Chairman and Vice-Chairman of this Committee should reflect the considerable responsibility carried out behind the scenes with officers and the public as well as at the meetings of the Committee.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Chairman Planning Committee	£5,050	£5,210
Vice-Chairman Planning Committee	£2,200	£2,260

8.7.2 In 2008/09 the Panel referred to the fact that it was very conscious of the heavy workload of the Committee, and the requirement for all members of that Committee to be present for lengthy meetings and training sessions. The Panel is still of the same view as the workload of that body has not diminished in any way.

8.7.3 The suggestion of an SRA was included in the Councillors Commission document, and some other local authorities in the region do now allow for the payment to all members of the Planning Committee. The Panel recommended in 2008/09 and continue to recommend that whilst the workload of the Committee continues at the current levels, a payment at a level of 10% of the Chairman's allowance for all other Members of the Committee was warranted.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Member of Planning Committee	Nil (New SRA)	£520

8.8 Licensing Committee and Licensing and Appeals Board

8.8.1 The Panel is aware of the workload for the Chairman and Vice Chairman of the Committee/Board.

8.8.2 The level of Special Responsibility was reflected in the increase recommended and agreed in previous years. The current level of

hearings remained around the same level it was considered that this level of allowance should continue.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Licensing and Appeals Committee/Board Chairman	£5,050	£5,210
Vice Chairman	£2,200	£2,260

8.9 Standards Committee

8.9.1 As identified in its 2008/09 review the Panel is aware of the workload of the Standards Committee. As in the 2008/09 review the Panel wishes to re-iterate its acknowledgement that the Chairman's position is that of an Independent person (not receiving a basic allowance) and the Vice-Chairman a Councillor. The Panel continues to recommend an increase in the allowance in line with that of the Panel Chairmen and Vice-Chairmen to reflect the workload and responsibility of the roles.

8.9.2 The Panel is also aware that the situation regarding a Standards Committee is likely to change with the enactment of the relevant sections of the Localism Act, so would recommend a revisit of the situation once new arrangements are in place.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Standards Committee Chairman	£760	£2,060
Vice-Chairman	£380	£890

8.10 Standards Committee Co-optees

8.10.1 Regulation 9 - Co-optees Allowance provides for payment of an annual allowance to people who are not members of the authority but who are members of a committee or sub-committee of the authority.

8.10.2 The Council currently has a small number of Co-optees (non Borough Councillors and who are not the Chairman) who serve on its Standards Committee. As set out in the 2008/09 report the Panel continues to feel that as these Standards Committee Co-optees do not receive a basic allowance, and with the current workload of the Committee, they

are required to attend a number of meetings during the course of the year with levels of responsibility in those roles. This is a level set at 20% of the Chairman's allowance recommended by the panel.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Standards Committee Co-optees	£200	£410

8.11 Task Groups

8.11.1 The Panel is conscious that at present there are still no major Task Groups in existence but feel that it is appropriate to continue to have the ability to pay a Chairman of such a Task Group a one off fee for the additional responsibility of that work (if they do not already draw a special responsibility allowance) should the need arise. It should be remembered that on setting up any such task group this matter should be considered at that time and the recommendation for such a payment made to Council for approval.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Task Group Chairman	£170	£180

8.12 Mayor and Deputy Mayor Allowances

8.12.1 The Panel considered the level of allowances payable to the Mayor and Deputy Mayor.

Position	Current	Proposed including 2008/09 and 2010/11 recs
Mayor	£5,860	£6,040
Deputy Mayor	£2,050	£2,110

8.13 Political Allowances

8.13.1 The Panel recognises the work carried out by the Opposition Group Leaders and Deputies in motivating and co-ordinating activities and therefore continue to propose the following to ensure there is the opportunity for opposition:

Position	Current	Proposed including 2008/09 and 2010/11 recs
Larger Oppn Group Leader	£680	£700
Larger Oppn Group D/Leader	£340	£350
Other Oppn Group Leader/s	£400	£410
Other Oppn Group D/Leader/s	£210	£220

RECOMMENDATION: The Panel recommends to the Council the above Special Responsibility Allowances.

9 ***Regulation 7 – Dependants’ Carers’ Allowance***

- 9.1 The Regulations allow for a scheme to include for payment to members of the authority of an allowance in respect of such expenses of arranging for the care of their children or dependants as are necessary in performing their duties as a councillor.
- 9.2 The present level of the Carers Allowance paid by the Council is £6.36 per hour which is geared up to the Council's minimum pay levels.
- 9.3 The Panel, as in previous years, feels that the flat rate does not deal fairly with the difference demands of the type of care necessary. For example, the costs involved with childcare would generally be less than those associated with the provision of agency care for more specialised attention. For these reasons the Panel recommends that the Carers Allowances be £6.36 per hour for childcare and £11.20 per hour for Agency Care. Payment of both of these allowances must be covered by receipts. In the case of the Agency Care Allowance, medical evidence that this type of care is required must also be provided as no other carer is available.
- 9.4 **RECOMMENDATION: 1) The Panel recommends that the Carers Allowances be £6.36 per hour for childcare or at the minimum pay adopted by the Council and £11.20 per hour for Agency Care. Payment of these allowances must be covered by receipts. In the case of the Agency Care allowance, medical evidence that this type of care is required must also be provided and no other carer available.**

10 **Regulation 8 - Subsistence Allowance**

10.1 This Regulation provides for the payment of an allowance in respect of travelling and subsistence. The Regulation sets out the categories within which duties must lie in order to be eligible for such payments.

10.2 In its report to the Council previously the Panel made recommendations that the subsistence levels should mirror those which are available to officers which are set nationally. **This is still the view of the panel.**

10.3 It is also acknowledged that although no specific overnight allowance is payable, the Council will pay reasonable hotel bills submitted.

11 **Travelling**

11.1 The Panel again wishes to express the view that the allowable level of mileage set by the tax office (increased this year by 5p per mile), ensures that Councillors can receive this amount without being subject to tax up to a maximum of 10,000 miles. The Panel gave consideration to the following figures:

Reference: £1.41/ Litre (£6.35 / gallon)

MPG	Cost /Pence per mile	Diff @45p per mile	5000 miles pa	Per 1000 miles
30	21.2	23.8	£1,180	£236
40	15.9	29.1	£1,455	£291
50	12.7	32.3	£1,515	£303

11.2 It is therefore considered appropriate that the Tax office recommended figure (currently 45p per mile) should still apply and the level increased in the event that this is increased.

11.2 **RECOMMENDATION: That the Tax Office recommended figure (currently 45p per mile) apply and that the level be increased automatically in the event that this is increased.**

plus for every passenger (max 4) for whom a travel allowance would otherwise be payable

5p

Overnight garaging (absence 24hrs)

Actual cost

Public Transport -Actual cost not exceeding first class fare (with prior agreement)

Motor Bike - mileage rate	24p
Bicycle Allowance - mileage rate	20p

12 ***Regulation 11 - Pensions for Elected Members***

12.1 The Panel has always taken the view that Members should not enter the LG pension scheme.

13 ***Other Issues***

13.1 ***Limit of number of Special Responsibility Allowances***

13.2 The Panel again considered the issue of payment of more than one special responsibility allowance to any one Member.

13.3 The Panel recognises that the work carried out by a person holding more than one position which attracts a special responsibility allowance.

13.4 **RECOMMENDATION: The Panel recommends that a Councillor is only eligible to receive one Special Responsibility Allowance (the highest).**

SUMMARY OF INDEPENDENT PANEL RECOMMENDATIONS 2012/13

Allowance/SRA	Current	Proposed for 2012/2013 (including 2008/09 and 2010/11 recs)
Basic Allowance	£5,140	£5,290
Leader of Council and Chairman of Cabinet	£14,760	£15,190
Vice Chair	£8,070	£8,300
Members	£6,600	£6,800
Asst to Leader	Nil (new SRA)	£1,520
Cabinet Scrutiny Committee and Policy and Review Panels	£2,000	£2,060
Chairmen	£870	£890
Vice-Chairmen		
Planning Committee		
Chairman	£5,050	£5,210
Vice-Chairman	£2,200	£2,260
Members	None	£520
Licensing and Appeals Board and Licensing Committee		
Chairman	£5,050	£5,210
Vice-Chair	£2,200	£2,260
Standards Committee		
Chairman	£760	£2,060
Vice-Chairman	£380	£890
Co-Optees	£200	£410
Key Task Groups – if any		
Chairman	£170	£180
Mayor	£5,800	£6,040
Deputy Mayor	£2,030	£2,110
Larger Oppn Group Leader	£680	£700
Larger Oppn Group D/Leader	£340	£350
Other Oppn Group Leader/s	£400	£410
Other Oppn Group D/Leader/s	£210	£220

CARERS ALLOWANCES

£6.36 per hour for childcare
£11.20 per hour for Agency Care.

Payment of these allowances must be covered by receipts. In the case of the Agency Care allowance, medical evidence that this type of care is required must also be provided.

SUBSISTENCE – TO MIRROR OFFICER LEVELS

TRAVELLING

That the Tax Office recommended figure (currently 45p per mile for a car) apply and that the level be increased in the event that this is increased.

plus for every passenger (max 4) for whom a travel allowance would otherwise be payable	5p
Overnight garaging (absence 24hrs)	Actual cost
Public Transport -Actual cost	
Motor Bike - mileage rate	24p
Bicycle Allowance - mileage rate	20p

NUMBER OF SPECIAL RESPONSIBILITY ALLOWANCES CLAIMABLE

One Special Responsibility Allowance (the highest), with the exception of the Deputy Mayor Allowance.