

# MEMBERS' ALLOWANCES

2010/11

## REPORT OF THE INDEPENDENT PANEL

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MIKE PRESS

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## 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.
- 1.2 The Independent Panel for this year, consists of David Dixon, (Media Representative), Paul Kunes, (Chamber of Commerce rep) and Michael Press (Citizens Panel Rep). The Panel met to look at the current scheme of allowances and to consider any recommendations for changes for 2010/11. The effective date for the changes is proposed to be 14 May 2010.
- 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, Kings Lynn Lions, Treasurer.

**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 – Citizens' Panel 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 advised 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 **14 May 2010**.

### **4 Independent Panel's Methodology**

- 4.1 The Panel has undertaken a "light touch" review of the Allowances Scheme which it first recommended to the Council in 2003. It compared all the levels of allowances with those from other authorities across the country, in particular the Eastern Region. It is still content that the basis of the overall Scheme is sound.
- 4.2 The Panel feels that the recommendations it made following its review in 2008/09 are still valid, despite the Council deciding not to make any increases for the past 2 years, and in considering the review for this year considered that those recommendations should be used as the baseline for where the Panel should begin. The Panel feels that 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.
- 4.2 In line with the practice in earlier reports, the Panel acknowledged 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 Hall, which had also been used by the Panel the previous year.
- 4.3 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.
- 4.4 **The Panel agree that taking into account the levels of allowances that it recommended to the Council in 2008/2009, it now would be appropriate to apply a general 1.1% increase (for consistency, the CPI figure used in September 2009) to those 2008/09 figures for 2010/2011. For ease of administration, the figures should be rounded.**

## 5 Panel Recommendations

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

### 6 *Regulation 4 - Basic Allowances*

- 6.1 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	2008/9 recommendations	Proposed
Basic Allowance	£5,086	£5,230	<b>£5,290</b>

### 7 *Regulation 5 – Special Responsibility Allowances*

- 7.1 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.
- 7.2 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.

#### 7.3 **Cabinet Members**

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

Position	Current	2008/9 recommendations	Proposed
Leader of Council and Chairman of Cabinet	£14,600	£15,020	£15,190
Vice Chairman	£7,980	£8,210	£8,300
Members of Cabinet	£6,530	£6,720	£6,800

#### 7.4 Cabinet Scrutiny Committee

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.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Chairman CSC	£1,980	£2,040	£2,060
Vice-Chairman CSC	£860	£880	£890

#### 7.5 Policy Review and Development Panels

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Chairmen Panels	£1,980	£2,040	£2,060
Vice-Chairmen Panels	£860	£880	£890

#### 7.6 Scrutiny and Overview Liaison Committee

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

#### 7.7 Development Control Board

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

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Chairman DCB	£5,000	£5,150	£5,210
Vice-Chairman DCB	£2,180	£2,240	£2,260

In 2008/09 the Panel referred to the fact that it was very conscious of the heavy workload of the Board, and the requirement for all members of the Board to be present for lengthy meetings and training sessions.

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 Board. The Panel felt that a recommendation for a payment at a level of 10% of the Chairman's allowance for all other Members of the Board was warranted. This was currently still the case, therefore, whilst the workload of the board continues at the current levels the Panel considered this still to be relevant.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Member of Development Control Board	Nil	£510	£520

### 7.8 Licensing Committee and Licensing and Appeals Board

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

The level of Special Responsibility was reflected in the increase recommended and agreed in previous years. Whilst the current level of hearings remained at this level it was considered that this level of allowance should continue.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Licensing and Appeals Committee/Board Chairman	£5,000	£5,150	£5,210
Vice Chairman	£2,180	£2,240	£2,260

### 7.9 Standards Committee

As identified in its 2008/09 review the Panel is aware of the workload of the Standards Committee and is conscious that the legislation is now in place for complaints regarding Borough and Parish Councillors to be dealt with directly by the local Committee. The fact that this legislation had been awaited for some time and was not yet in place was reflected in a lower level of allowance for the Chairman and Vice-Chairman. As in the 2008/09 review the Panel re-iterated its acknowledgement that the Chairman's position was 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 increased workload and responsibility.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Standards Committee Chairman	£750	£2,040	£2,060
Vice-Chairman	£380	£880	£890

#### 7.10 Standards Committee Co-Optees

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.

The Council currently has a small number of Co-optees who serve on its Standards Committee (who are not the Chair). 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 introduction of the legislation to refer complaints directly to local Standards Committees, they are required to attend a number of meetings during the course of the year. It was recommended in 2008/09 that it was felt appropriate that they be paid an allowance of £410 to reflect the responsibility that these individuals hold as non Councillors. This is a level set at 20% of the Chair's allowance.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Standards Committee Co-optees	£200	£410	£410

#### 7.11 Task Groups

The Panel is conscious that at present there are no major Task Groups in existence 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.) 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.

<b>Position</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed</b>
Task Group	£170	£180	£180

Chairman			
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## 7.12 Mayor and Deputy Mayor Allowances

The Panel considered the level of allowances payable to the Mayor and Deputy Mayor. It is felt that because many of the expenses of the Mayor and Deputy are specific purchases which are material to their being in office, that wherever possible they should always continue to be encouraged to submit receipts for expenditure under this heading in order that the maximum value for both the Mayor/Deputy and the Council, can be obtained from this level of allowance.

Position	Current	2008/9 recommendations	Proposed
Mayor	£5,800	£5,970	£6,040
Deputy Mayor	£2,030	£2,090	£2,110

## 7.13 Political Allowances

The Panel recognises the work carried out by the Opposition Group Leaders in motivating and co-ordinating activities and therefore proposed the following acknowledging the size of the opposition groups but also ensuring there is the opportunity for opposition:

Position	Current	2008/9 recommendations	Proposed
Larger Oppn Group Leader/s	£675	£690	£700
Larger Oppn Group D/Leader/s	£340	£350	£350
Other Oppn Group Leader	£400	£410	£410
Other Oppn Group D/Leader	£210	£220	£220

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

## 8 *Regulation 7 – Dependants’ Carers’ Allowance*

- 8.1 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.

- 8.2 The present level of the Carers Allowance paid by the Council is £6.12 per hour which is geared up to the Council's minimum pay levels.
- 8.3 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 £6.12 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
- 8.4 **RECOMMENDATION: 1) The Panel recommends that the Carers Allowances be £6.12 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.**

## 9 *Regulation 8 - Subsistence Allowance*

- 9.1 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.

9.2 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.**

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

## 10 *Travelling*

- 10.1 The Panel again wishes to express the view that the allowable level of mileage set by the tax office ensures that Councillors can receive this amount without being subject to tax up to a maximum of 10,000 miles. It is therefore considered appropriate that the Tax office recommended figure (currently 40p per mile) should still apply and the level increased in the event that this is increased.
- 10.2 **RECOMMENDATION: That the Tax Office recommended figure (currently 40p 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
<b>Public Transport</b> -Actual cost not exceeding first class fare	
<b>Motor Bike</b> - mileage rate	24p
<b>Bicycle Allowance</b> - mileage rate	20p

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

11.1 The Panel has again given consideration to the issue of the admittance of Members to the Local Government Pension Scheme. It does not feel it is appropriate to admit members to the scheme, as again, it is reiterated that the position of a Councillor is one which to a degree should be a voluntary one, and that Members do have the opportunity to make their own provision, should they so wish.

11.2 **RECOMMENDATION: The Panel recommends that no member be given access to the LGPS.**

## 12 ***Other Issues***

### 12.1 ***Limit of number of Special Responsibility Allowances***

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

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

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

## 13 **Telephone Allowances**

The Panel did not give consideration to setting a telephone allowance as the Council provide Councillors with a Broadband line and IT equipment.

## SUMMARY OF INDEPENDENT PANEL RECOMMENDATIONS 2010/11

<b>Allowance/SRA</b>	<b>Current</b>	<b>2008/9 recommendations</b>	<b>Proposed including 1.1% increase</b>
Basic Allowance	£5,086	£5,230	£5,290
Leader of Council and Chairman of Cabinet	£14,600	£15,020	£15,190
Vice Chair	£7,980	£8,210	£8,300
Members	£6,530	£6,720	£6,800
Cabinet Scrutiny Committee and Policy and Review Panel			
Chairmen	£1,980	£2,040	£2,060
Vice-Chairmen	£860	£880	£890
Development Control Board			
Chairman	£5,000	£5,150	£5,210
Vice-Chairman	£2,180	£2,240	£2,260
Members	None	£510	£520
Licensing and Appeals Board and Licensing Committee			
Chairman	£5,000	£5,150	£5,210
Vice-Chair	£2,180	£2,240	£2,260
Standards Committee			
Chairman	£750	£2,040	£2,060
Vice-Chairman	£380	£880	£890
Co-Optees	£200	£410	£410
Key Task Groups – if any			
Chairman	£170	£180	£180
Mayor	£5,800	£5,970	£6,040
Deputy Mayor	£2,030	£2,090	£2,010
Larger Oppn Group Leader/s	£675	£690	£700
Larger Oppn Group	£340	£350	£350

D/Leader/s			
Other Oppn Group Leader	£400	£410	£410
Other Oppn Group D/Leader	£210	£220	£220

## **CARERS ALLOWANCES**

£6.12 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 40p 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 not exceeding 1st class  
fare

Motor Bike - mileage rate 24p

Bicycle Allowance - mileage rate 20p

## **PENSION SCHEME**

The Panel recommends that no member be given access to the LGPS.

## **NUMBER OF SPECIAL RESPONSIBILITY ALLOWANCES CLAIMABLE**

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