

COUNCIL MEETING – 24 FEBRUARY 2004

RECOMMENDATIONS TO COUNCIL FROM DAVID BAKER OBE, CHAIR, MEMBERS' ALLOWANCES REVIEW PANEL AND COUNCILLOR MRS WHITMARSH, CHAIR RESOURCES REVIEW PANEL

Members' Allowances

(a) Recommendations of Members' Allowances Review Panel

The independent Members' Allowances Review Panel completed its review of members' allowances in November last year.

The report and recommendations were circulated with the papers for the Resources Review Panel which considered the matter at its meeting on 13 November 2003. Our recommendations were arrived at following consideration of much background information and comparisons with other local authorities in Taunton Deane's "family" group.

The full details of the Panels' terms of reference, the methodology used and research undertaken to carry out the review are contained in our report.

We reached the following conclusions:-

Carers Allowance

There is still little evidence that this is an issue with the current membership of the Council. However, we remain of the view that every opportunity should be given to any individual who might want to stand as a candidate. We are therefore recommending that the current level of carers allowance, which covers all forms of care assistance, should remain unchanged.

Basic Allowances

Once more we would like to emphasise that the basic allowance is not a full and proper recompense for the duties performed and that it does not reflect a similar level of responsibility in the private sector. It also reflects the fact that a proportion of any Councillor's work continues to be voluntary.

Our comparisons with other authorities, including those in our "Family Group", indicates that the level of basic and special responsibility allowances at Taunton Deane are below the average. It is clear from this information that the gap between Taunton Deane and other authorities has widened since last year. The limited increase that the Council awarded to Councillors in April 2003, rather than the full recommendations of the Panel, has contributed in no small measure to this situation.

Therefore we believe that last year's recommendations, together with an appropriate increase to reflect the rate of inflation, should be submitted.

Special Responsibility Allowances.

We saw no reason to make any alteration to the posts previously identified as having special responsibilities. We now have a good understanding of the responsibilities of those offices that attract special responsibility allowances. The "Cabinet" system has meant greater responsibility and time commitment for those given Executive roles. It is also very evident from the figures of the other "family" authorities that there is now a general recognition of the extra responsibilities that such Councillors have. We feel that the level of special responsibility allowances we have recommended accurately compensates Councillors for these important and time consuming duties which now form such an integral part of administering a modern local authority.

The new Regulations make provision for the consideration of payment for special responsibility allowances to members of a committee that deals with a licensing function. We are aware of the new Licensing legislation but as this function has not yet been implemented we feel that a special responsibility allowance is not justified.

Approved Duties

Since the Council extended its list of approved duties two years ago we are happy that this list is satisfactory. Concern has been raised in the past regarding the non payment of expenses for attending political group meetings.

The panel continue to feel that the payment of expenses for these meetings would not comply with the spirit of openness and transparency that formed such an important theme within the local government legislation. Although we acknowledge that Group meetings might help the administration of Council meetings we remain of the view that they are primarily used for party political purposes and should not therefore qualify as an approved duty.

Our suggested list of Approved Duties is set out in the attached Appendix.

Parish Council Allowances

Existing powers to pay Parish Councillors allowances have been repealed and replaced with a new system which involves this Panel.

Under the new system, although a Parish Council would determine the level of allowances payable itself, it has to have regard to the advice received from the Panel.

Allowances payable in the future included a basic 'participation allowance' which could be paid to the Chairman only or to all members and 'travelling and subsistence allowance' which, in the future, could be claimed for duties within the parish as well as those outside.

As far as the participation allowance was concerned, the general view from Parish Council's nationally was that they wished to retain the existing practice whereby Parish Councillors were 'unpaid'. We feel therefore that there is no

need to consider this matter until a formal request for advice as to the level of allowance that should be paid is received.

As well as seeking the Panel's views on the level of travelling and subsistence that should be payable to Parish Councillors, we were also asked for comments in relation to proposals for Parish Council's to meet the cost or minor expenses incurred by its members, such as the replacement of computer consumables used in respect of parish business.

We have come to the conclusion that:

- (a) no advice on a level of participation allowance for Parish Councillors be offered by the Panel until a formal request was received from a Parish Council;
- (b) allowances for travelling and subsistence should be identical to those payable to Borough Councillors and that the same level of such allowances should apply for all Parishes throughout Taunton Deane; and
- (c) it would be in order for Parish Councillors to seek the reimbursement of the actual cost of items used for Parish Council business, such as computer consumables, or a nominal sum, provided such payments were approved by the Parish Council.

Travel and Subsistence Allowances

The new Regulations now allow local authorities to determine their own travel and subsistence allowances after having regard to the recommendation of their independent remuneration panels.

As far as mileage rates are concerned, the Panel consider that car expenses should be limited to the tax free amount allowed by the Inland Revenue.

It was therefore felt that the basic mileage allowance for cars should be standardised to the limit which the Inland Revenue would not treat as a taxable benefit – that is 40p per mile. This rate would apply whatever the size of the car engine, because the size of car was a matter for the individual.

With regard to subsistence allowances, the Panel noted that a small difference existed between that paid to officers and that paid to Councillors. Following consideration of the information received from other Authorities, the Panel felt that Councillors should receive the same subsistence rates as officers.

Pensions for Councillors

The Government has agreed to give local authorities the power to admit Councillors to the Local Government Pension Scheme (LGPS).

The Regulations require that the Council's independent remuneration panel will make binding recommendations on which Councillors may be eligible for access to the LGPS.

We have taken advice from a Pensions Fund Advisor from Somerset County Council on this matter.

The original rationale behind the Governments' decision to admit Councillors to the LGPS was to compensate those members who spent so much time on Council duties that it affected the amount they were able to contribute to a work based pension.

This was the position taken by the Government when the legislation was in its draft form.

Following representations, the Government decided not to restrict membership of the LGPS just to members of a local Authority's Executive and Chairs of Overview and Scrutiny Committees. The independent remuneration panel can now make recommendations as to which members (under 70 years of age) should be entitled to membership of the Scheme and whether the basic allowance or the special responsibility allowance or both should be made pensionable.

This was a matter that we considered very carefully. We acknowledge that the current level of basic allowance might not make membership of the Scheme worthwhile for some Councillors. However, we agree with the principle that all Councillors should be treated equally on this issue. Every opportunity should be taken to encourage individuals to stand as candidates and an enhancement of the overall remuneration package for Councillors will help this aim. We feel, therefore, that the Scheme should be made available to all Councillors who want to take advantage of its benefits.

Time Limit

The Panel are aware of the recommendation of the Council's own Audit and Review Unit that allowance claims be submitted regularly. They are also aware that a former Councillor submitted a claim which went back three years.

Although not strictly within our remit we would suggest that the Council might wish to impose a time limit of six months for backdated claims.

Recommendations

The Panel therefore submit the following recommendations for consideration by the Council:

1. The existing Members' Allowance Scheme be discontinued and replaced with the following scheme with effect from 1 April 2004.

	£
Basic Allowance (payable to all members)	3,312
Leader	9,315
Executive Councillors (8)	3,623

Chair, Planning Committee	3,105
Chair, Review Board	3,105
Chairs, Review Panels (5)	1,035

2. (i) Travelling and subsistence allowances shall be payable to Councillors incurred by them in the necessary carrying out of those official activities as a Councillor as appear on the list of "Approved Duties" set out in the Appendix to this report.
- (ii) A new mileage rate of 40p per mile be paid with effect from 1 April 2004. The rate for motor cycles to be 24p per mile and bicycles to be 20p per mile.
- (iii) Subsistence rates be as set out below:

Breakfast	£4.48
Lunch	£6.17
Tea	£2.43
Evening Meal	£7.64

3. Payment for the care of Councillors' Dependent be in accordance with the following conditions:
 - (a) Councillors shall be reimbursed, up to a specified maximum limit, for costs actually incurred in providing care for any of the following who are at the time part of the claimant's household living with him/her and who would normally be looked after by him/her, whilst the claimant is undertaking an "approved duty".
 - children under the age of 14
 - elderly person (aged 60 and over)
 - people with disabilities
 - people with learning difficulties
 - (b) In addition to living as part of the claimant's household the dependent must be unable to be left unsupervised by the carer.
 - (c) The carer must not be someone who also ordinarily lives with the claimant as part of the household.
 - (d) For the purposes of (a) above:
 - (i) "approved duty" would be a duty under the Council's scheme
 - (ii) the maximum hourly rate repayable should be consistent with the statutory minimum wage
 - (e) The claimant must produce a receipt for payments he/she has made to the carer and must sign a certificate which, amongst other things, will state that the costs were properly and necessarily incurred in the course of, or to permit, him/her undertaking his/her duties as a Councillor.
4. (a) no advice on a level of participation allowance for Parish Councillors be offered by the Panel until a formal request be received from a Parish Council;

- (b) allowances for travelling and subsistence be identical to those payable to Borough Councillors and the same level of such allowances should apply for all Parishes throughout Taunton Deane;
 - (c) Parish Councillors be permitted to seek the reimbursement of the actual cost of items used for Parish Council business, such as computer consumables, or a nominal sum, provided such payments were approved by the Parish Council;
5. (a) that all members of the Council be entitled to membership of the Local Government Pension Scheme;
- (b) both the basic and special responsibility allowance be treated as amounts in respect of which such pensions are payable.

David Baker O.B.E, D.L.
Chair
on behalf of the Members Allowances Review Panel

(b) Recommendations of Resources Review Panel

The Resources Review Panel, at its meeting on 13 November 2003 considered the report on the annual review of members' allowances undertaken by the Members' Allowances Review Panel.

The Resources Review Panel RECOMMEND that the recommendations of the independent Members' Allowances Panel be agreed.

Councillor Mrs M Whitmarsh
Chair, Resources Review Panel

RECOMMENDED LIST OF APPROVED DUTIES

Approved duties for the payment of travelling and subsistence allowances:

- (a) meetings of the Council, the Executive, its Executive Boards, Panels, Committees, Working Parties and sub groups;
- (b) meetings of County Council's committees where the Councillor has been appointed by Taunton Deane as a member or representative;
- (c) any national conference authorised by the Council and involving an overnight stay;
- (d) meetings of other bodies to which the Council make appointments (representatives of the Council on outside bodies);
- (e) the following types of meetings:-
 - briefing meetings convened in The Deane House for members by an officer
 - Council organised induction/training seminars
 - agenda setting meetings
 - meetings on Council business with officers, MPs, VIPs and others holding official positions.
 - Informal Council
 - civic functions (twinning ceremonies, Britain in Bloom awards, Design Awards, etc).
 - meetings of Parish Councils or Community Associations where the Councillor attends as a representative of the Council (not as a member of the Parish Council or Community Association).
 - meetings within a ward, generated by business with a constituent (any such claims be supported by completion of a form indicating the area of the journey and the nature of the business).
 - site visits by members of the Planning Committee
- (f) such other duties approved by the Council.