

COUNCIL MEETING – 13 DECEMBER 2005

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

Members' Allowances

(a) Recommendations from Members' Allowances Panel

The independent Members' Allowances Panel completed its annual review of members' allowances in November

The report and recommendations were circulated with the papers for the Resources Review Panel which considered the matter at its meeting on 10 November 2005. Our recommendations were arrived at following consideration of background information and comparisons with other local authorities in Taunton Deane's "family" group.

The full details of the Panel's 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 carer's allowance be increased to reflect the standard rate payable by Social Services.

Affordability

We did not see it as part of our remit to consider the affordability of our recommendations. We have deliberately not received any advice on the financial implications of our recommendations, as it was felt that this was a consideration to be made solely by the Council itself.

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. The recommendations reflect 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”, indicate that the level of basic allowance and special responsibility allowances at Taunton Deane are below the average for a local authority of this size.

We believe that the basic allowance should be increased to reflect the commitment in time necessary to be an effective local councillor. An increase of 10% would, we consider, result in a basic allowance that would give parity with other, similar sized local authorities.

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 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 should also be increased by 10%. The amount recommended more accurately compensates Councillors for these important and time consuming duties, which now form such an integral part of administering a modern local authority.

Mayor and Deputy Mayor Allowance

We have received information about the role and duties of both the Mayor and Deputy Mayor. It is obvious that the nature of their duties is such that their expenses during their year of office are considerably more than that required by other councillors. Having looked at the amount of allowances that have been paid historically, we are satisfied that they have been pitched more or less at the correct level. However, we have noticed that the allowances have remained at the same level for the past two financial years. We are, therefore, recommending an increase in line with the level of inflation for those two years.

Approved Duties

Since the Council extended its list of approved duties four 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 can still see no evidence which would make it recommend a change in the Members Allowances Regulations. These clearly state that the basic allowance is intended to cover time spent at political meetings and that approved duty payments should not be made in respect of single party meetings.

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

Appendix.

Parish Council Allowances

Existing powers to pay Parish Councillors allowances were repealed at the end of 2003 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 include a basic 'participation allowance' which could be paid to the Chairman only or to all members and 'travelling and subsistence allowance' which can 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 Councils nationally was that they wished to retain the existing practice whereby Parish Councillors were 'unpaid'. The advice we have received from the Parish Liaison Officer is that Parish Councils within the Deane are currently not seeking any kind of allowance. We feel therefore, that there is no need to consider the 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 previously asked to comment in relation to proposals for Parish Councils to meet the cost of minor expenses incurred by its members, such as the replacement of computer consumables used in respect of parish business

We came to the conclusion that:

- (a) no advice on a level of participation allowance for Parish Councils 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 should remain at the limit which the Inland Revenue would not treat as a taxable benefit – 40p per mile. The rate would apply whatever the size of car engine, because the size of car was a matter for the individual.

With regard to subsistence allowances, the Panel feel that the subsistence rates should be the same as those paid to the Council's officers.

Pensions for Councillors

The Government have previously given local authorities the power to admit councillors to the Local Government Pension Scheme (LGPS).

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

We have previously taken advice from the 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 have considered very carefully in the past. Our view remains unchanged. We acknowledge that the current level of basic allowance might not make membership of the Scheme worthwhile for many 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 continue to feel, therefore, that the Scheme should be made available to all councillors who want to take advantage of its benefits. We were pleased to see that the Council accepted this recommendation last year. We do not intend to make any change to our previous recommendation.

Renunciation

The Panel noted that a Member may, by notice in writing, elect to forgo any part of his/her entitlement to an allowance and associated benefits.

Time Limit

As previously recommended, councillors should submit their allowance claims regularly and we suggest a time limit of 6 months for backdated claims.

Co-optees

Regulations also make allowance for the payment by the Council of allowances for persons co-opted onto the Council. The only category of person this would affect currently would be the Council's Standards Committee. However, for obvious reasons, the Panel do not want to make any recommendation in this respect. Instead they have asked the Member Services Manager to make it clear to the Council that a number of Councils have already set allowances for Standards Committees but that the present co-optees on the Committee are not seeking any kind of remuneration.

Performance Indicators

As the payment of allowances becomes more refined and the levels increase, we feel that councillors should be in a position to justify their payment. To this end, if re-appointed, we will be carrying out further research next year with a view to introducing some basic but meaningful performance indicators. This will confirm the amount of time councillors spend on their duties and the value for money achieved by the payment of allowances.

Future Reviews

As a Panel we consider that we are getting close to the point where we will be able to recommend that annual adjustments of allowance levels are made by reference to an index rather than by a full scale review unless there are significant changes to responsibilities. We think that this should take effect from the financial year 2007/2008 with a full review every four years.

The Panel therefore submits 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 2006.

	£
Basic Allowance (payable to all members)	3873
Leader	10,891
Executive Councillors (8)	4236
Chair, Planning Committee	3631
Chair, Licensing Committee	2200
Chair, Review Board	3631
Chairs, Review Panels	1210
Mayor	8100
Deputy Mayor	1480

2.
 - (i) Travelling and subsistence allowances shall be payable to councillors when 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) The mileage rate remains at 40p per mile. The rate for motorcycles to be 24p per mile and bicycles to be 20p per mile.
 - (iii) Subsistence rates as set out below:

Breakfast	£4.48
Lunch	£6.17
Tea	£2.43
Evening Meal	£7.64
3. Payment for the care of Councillors' Dependents be increased to £5.10 per hour and to 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".
 - i. children under the age of 14
 - ii. elderly person (aged 60 and over)
 - iii. people with disabilities
 - iv. 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 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 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 10 November 2005 considered the report on the annual review of Members' Allowances undertaken by the independent Members' Allowances 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.