

Council Meeting – 9 December 2008

Recommendations to Council from John Dewdney, Chairman, Independent Members' Allowances Panel and Councillor Ken Hayward, Chairman of the Strategy and Performance Panel

Members' Allowances

(a) Recommendations from the Members' Allowances Panel

- 1.1 For the past couple of years, it has been a requirement of the Council's Constitution for Members' Allowances to be independently reviewed on an annual basis.
- 1.2 The Members' Allowances Panel, which comprises five independent members appointed following public advertisement, has recently completed its annual review and submitted its report and recommendations to the Strategy and Performance Panel. The Panel considered our recommendations at its meeting on 11 November 2008.
- 1.3 The full details of the Panel's terms of reference, the methodology used and the research undertaken are contained in our report.
- 1.4 From the research we have undertaken and from the information provided to us we feel we have gained an understanding of the roles and responsibilities of the modern day Councillor. We have again requested information and looked in detail at the Overview and Scrutiny requirements of the Council, particularly the pilot scheme which is currently operating.
- 1.5 The comparative data received this year has allowed us to identify the trends that are continuing to develop in respect of the payment of allowances.
- 1.6 As well as the comparative data from other Local Authorities on the level of allowances, we obtained information, again from members of the Council's "family group" and other Local Authorities, regarding payment of the Carer's Allowance, and levels of travel and subsistence allowances.
- 1.7 We have also given Councillors the opportunity to come and speak to the Members' Allowances Panel with any suggestions they might have or representations they might want to make.
- 1.8 We reached the following conclusions:-

Carers Allowance

There is little evidence that this is an issue with many of the current members of the Council. However, we are firmly 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 continues to reflect the National Minimum Wage.

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

We would like to emphasise that in our opinion the Basic Allowance is not a full and proper recompense for the duties performed by a Councillor. 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.

We believe that the Basic Allowance should continue to reflect the commitment in time necessary to be an effective local Councillor. We feel that the level of increase made last year resulted in a Basic Allowance that continued to match that paid by other, similar sized Local Authorities.

We are very mindful of the requirement for Councillors to work in their communities and spend less time in formal meeting situations. The Basic Allowance we are recommending we feel acknowledges the demands placed on front line Councillors. However, we are also mindful of the general economic climate within the country as a whole and how a particularly generous recommended increase might be viewed by the public.

In the past couple of years the increase recommended by the Panel reflected the current Retail Price Index rate of inflation. This rate is currently 5% - well ahead of any public sector pay increases agreed this year. Accordingly, we consider that an increase of 3% is justified for 2009/2010. Such a limited increase had also been suggested by a Councillor.

Special Responsibility Allowances

This was an area we spent some time on, particularly bearing in mind the pilot Overview and Scrutiny arrangements that the Council had been operating over the past year and the discussions that had taken place at the Overview and Scrutiny Board on 13 October 2008.

If the proposals which were approved at this meeting are ultimately accepted by Full Council, this will lead to the establishment of two new Scrutiny Committees to replace the Overview and Scrutiny Board and the Strategy and Performance Panel. These Committees, one of which will deal with Corporate topics, the other Community topics, will have an equal standing. The Chairman of each Committee will therefore have equal responsibility and therefore receive an equal Responsibility Allowance.

The Panel recognised that the overall level of responsibility currently held by the Chairman of the Overview and Scrutiny Board would be reduced if this new Scrutiny Committee arrangement comes into effect.

Although our recommendation was not accepted last year, we continue to recognise the important role that the Task and Finish Groups play in enabling Councillors to make a difference within their communities. We therefore feel that there is a special responsibility on the Chairmen of these Groups to ensure that the Task and Finish Reviews are meaningful. In the circumstances we again recommend that a small Special Responsibility Allowance should be paid to Chairmen of the Task and Finish Groups for the duration of their reviews. We hope that this will go some way to reflect the added value that the Groups do provide.

We considered a request from a Councillor to include the Constitutional Sub-Committee within the same bracket as Task and Finish Groups. We decided however, that the level of responsibility held by the Chairman of this Sub-Committee was not sufficient to warrant a payment.

We 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 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 3%. We also feel the amount recommended, accurately compensates Councillors for these important and time consuming duties, which now form such an integral part of administering a modern local authority.

One of the Members expressed the view that the Council's recognition for carrying out the full range of duties within any of the Executive portfolios was set too low compared with the allowance paid to County Council Executive Members. The Panel felt that the comparisons made with similar sized District Councils showed that the Special Responsibility Allowance paid by Taunton Deane was at the right level.

We also looked again at the level of allowance for the Chairmen of the Regulatory Committees and feel these should also be increased by 3%.

Mayor and Deputy Mayor Allowance

Although it does not form part of the Members' Allowances Scheme the Council are entitled, by virtue of Sections 3 and 5 of the Local Government Act 1972 to pay an allowance which enables the Mayor to meet the expenses of his/her office. We are satisfied that the overall level of allowance paid to the Borough's First Citizen and the deputy accurately reflects the duties of those roles and we recommend an increase of 3%.

Approved Duties

We have taken a detailed look at the current list of approved duties and we are happy that this list is satisfactory.

We were again made aware of Members' views as to the non-payment of expenses for attending political group meetings. We are of the view that there is no evidence which would make the Panel 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. This is a Government Regulation which means that we are unable to recommend any change even if we were convinced of the need to do so.

Our suggested list of Approved Duties is set out in the 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 this 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 Taunton 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 agreed with the deliberations of the Panel last year and 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 Regulations allow Local Authorities to determine their own travel and subsistence allowances after having regard to the recommendation of their independent Members' Allowances 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. These have recently been reviewed nationally and the level of subsistence allowances payable to Councillors should be revised accordingly.

Pensions for Councillors

The Government have given Local Authorities the power to admit Councillors to the Local Government Pension Scheme (LGPS).

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

The independent Panel can 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.

Our view remains unchanged from that of the previous Panel. 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 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

The 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. A number of Councils have already set allowances for the Independent Members of their Standards Committees. In the past the position at Taunton Deane has always been that Members of the Standards Committee are voluntary – although they are, of course, entitled to claim appropriate expenses.

However, new guidance received from the Standards Board for England states that Local Authorities must introduce an annual scheme for the payment of a Basic Allowance to their Independent Members. This is due in part to the introduction during May 2008 of the Local Assessment Scheme which requires all complaints made against Borough and Parish Councillors to be investigated and determined by Members of the Standards Committee.

Based on comparative information from other Local Authorities, the Panel recommends that a Basic Allowance is paid to the seven Independent Members who serve on the Standards Committee with an additional Special Responsibility Allowance being payable to the Chairman.

Recommendations

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 2009 (The current scheme for 2008/2009 is in brackets).

Basic Allowance (payable to all members (£4,176)	£4,301
Leader (£11,746)	£12,098
Executive Councillors (8) (£4,568)	£4,705
Chairman, Planning Committee (£4,568)	£4,705
Chairman, Licensing Committee (£1,305)	£1,344
Chairman, Corporate Governance Committee (£1,305)	£1,344
Chairman, Corporate Scrutiny Committee	£2,700
Chairman, Community Scrutiny Committee	£2,700
Chairmen of Task and Finish Groups	£250
Chairman, Standards Committee	£500
Independent Members, Standards Committee	£300

Mayor (£8,736)	£8,998
Deputy Mayor (£1,596)	£1,644

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 for cars, motorcycles and bicycles be set at the upper limit which the Inland Revenue would not impose taxation. At present, the rate for cars is 40p per mile, motorcycles is 24p per mile and bicycles is 20p per mile.

(iii) Subsistence rates as set out below:

Breakfast	£6.48
Lunch	£8.91
Tea	£3.51
Evening Meal	£11.04

3. Payment for the care of Councillors' Dependents be increased to £5.73 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 was 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.

John Dewdney
Chairman
on behalf of the Members' Allowances Review Panel

(b) Recommendations of the Strategy and Performance Panel

The Strategy and Performance Panel at its meeting on 11 November 2008 considered the report on the annual review of Members' Allowances undertaken by the independent Members' Allowances Panel.

Although the report and recommendations of the Independent Members' Allowances Panel were noted, the Strategy and Performance Panel decided to recommend to Full Council that **no increases** should be made to either the Basic Allowance or the Special Responsibility Allowances for the 2009/2010 financial year.

Councillor Ken Hayward
Chairman, Strategy and Performance Panel

APPENDIX

Recommended List of Approved Duties

Approved duties for the payment of travelling and subsistence allowances:

- (a) meetings of the Council, the Executive, its 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.