

INDEPENDENT REMUNERATION PANEL

1 SUMMARY

- 1.1. This report seeks approval to a new scheme of Members Allowances to take effect from 1 March 2002 and for the financial year 2002/3.

2 BACKGROUND

- 2.1. In accordance with Government requirements, the Council has now received a report from an Independent Remuneration Panel on Members Allowances. The report is attached at [Appendix 1](#).
- 2.2. At Corporate Resources Sub Committee on 6 February and at Finance and General Purposes Committee on 14 February, the issue was discussed and a number of items were agreed. In essence, it was agreed that any new scheme should be constrained by the amount included within next year's budget and that travel and subsistence allowances should be based upon the existing scheme.
- 2.3. In addition, the Corporate Director (Finance and External Services) was instructed to construct a scheme, based on the recommendations of the Panel and consult with Group Leaders.

3 MEETING WITH GROUP LEADERS

- 3.1. An informal meeting with Group Leaders was held on 19 February. The Group Leaders supported unanimously a number of issues, but in some cases it was agreed that no clear recommendation should be made prior to full discussion at Council.
- 3.2. The areas of agreement were as follows:-
- The outline scheme set out by the Corporate Director (Finance and External Services) based on a basic allowance of £1,350 per annum be supported as this can be accommodated within the budget provision.
 - The concept of the Group Leaders Allowance being based on 60% of basic allowance be agreed, but with the following amendments:-
 - ❖ 30% of the total be awarded to each Group on a lump sum basis
 - ❖ 30% of the total be awarded pro rata to the number of Members in the Group

- ❖ The resultant figure split 90% to the Group Leader and 10% for the Deputy Group Leader.
 - The concept of Committee Chairman Allowances being based on 40% of the basic allowance be supported.
 - A new Vice Chairman of Committee Allowance be introduced, based upon 10% of basic allowance.
 - The Chairmans Allowance be supported at 200% of basic allowance with no requirement to submit invoiced claims for expenses, etc.
 - The Vice Chairmans Allowance based on 50% of basic allowance be agreed.
 - The issue regarding pensions as being irrelevant be agreed.
 - The concept of discretionary basic allowances not agreed.
- 3.3. The areas on which the Group Leaders did not wish to make a firm recommendation were:-
- Withdrawal of allowances if a Member did not, without good cause, attend 60% of the meetings allocated to that Member
 - Payment of out of pocket expenses to advisers was not agreed and it was suggested that Council may wish to exclude this item for 2002/03, but give it further consideration for succeeding years.
 - Carers Allowance – no view was given in respect of this proposal.
- 3.4. With regard to the scheme for travel and subsistence, it was agreed that the existing arrangements should continue, but that the rates be increased by 3%.
- 3.5. Details of the proposed scheme of allowances taking into account the above is shown at Appendix 2 to this report.

4 THE WAY FORWARD

- 4.1. It is necessary for Council to agree a scheme before payments can be made. It is also necessary to advertise both the main recommendations of the Independent Remuneration Panel and the scheme finally agreed by Members.

5 RESOURCE IMPLICATIONS

- 5.1. The proposals set out in the report can be met from the budget provisions set for 2002/03.

6 RECOMMENDATION

It is proposed that the Council **RESOLVES**

To agree a scheme of Members Allowances.

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Appendix 2

**MEMBERS ALLOWANCES -
PROPOSALS**

Allowance	Current Scheme £	Scheme To Fit Budget £
Basic	1,140	1,350
Group Leader - Con	925	1,075
Deputy - Con	0	120
Group Leader - Lab	661	700
Deputy - Lab	0	78
Group Leader - Lib	661	700
Deputy - Lib	0	78
Group Leader - Ind	503	439
Deputy - Ind	0	49
Committee Chairman	552	540
Committee - Vice Chair.	0	135
Sub Committee Chair.	80	0
Chairman	2,160	2,700
Vice Chairman	500	675
Total Cost For Year	56,970	65,339
Budget For Year	57,800	65,000
Surplus/-Shortfall	830	-339

Note: Revised Budget for 2001/2 includes additional payment of £1,660 to Vice Chairman

Group Leaders and Deputy payments will change after the May Elections.

Travelling Expenses

Claims for travelling expenses must be based on one of the following:-

Bus fare or first class railway train fare

A mileage allowance for use of the Member's vehicle, together with an additional allowance for passengers. The rates are:-

Private car/motor cycle with cylinder capacity:-

		Pence per mile	
		Current	New
(a)	Not exceeding 999cc	34.6	35.6
(b)	1000cc-1199cc	39.5	40.7
(c)	Over 1199cc	48.5	50.0

Passenger allowance **3p** per mile for first passenger, **2p** per mile for second and subsequent passengers.

Motor cycle rates:

(a)	Up to 150cc	8.5	8.8
(b)	151cc-500cc	12.3	12.7
(c)	Over 500cc	16.5	17.0

In certain circumstances, the amount of the actual fare of a taxi cab. This will only be paid in cases where use of public transport is not available or where excessive travelling time would be involved.

Subsistence Allowance

When attendance at a Conference, course, etc. is as a representative of the Council and involves the purchase of meals and/or overnight accommodation away from home, subsistence allowance is payable. This allowance is intended to cover expenses incurred on meals and hotel accommodation during absence from home and can only be paid when the approved duty is as a representative of the Council.

Subsistence rates have been changed to a meals basis with eligibility based on the time of day meal taken and time away from home.

Current rates of allowance, fixed at national level, are detailed below:-

1.1. The rates shall not exceed:-

- (a) In the cases of an absence, not involving an absence overnight from the usual place of residence:-

		Current	New
i.	Breakfast allowance (more than 4 hours from normal place of residence – before 11a.m.)	£4.92	£5.07
ii.	Lunch allowance (more than 4 hours away from normal place of residence – including lunchtime between 12 noon and 2p.m.)	£6.77	£6.97
iii.	Tea allowance (more than 4 hours away from normal place of residence including period 3p.m. to 6p.m.)	£2.67	£2.75
iv.	Evening meal allowance (more than 4 hours away from normal place of residence, ending after 7p.m.)	£8.38	£8.63
(b)	In the case of an absence overnight from the usual place of residence and for such an absence overnight in London or for attending one of the approved conferences, by a supplementary amount not exceeding	£79.82 £11.22	£82.21 £11.56

- 1.2. For the purpose of this paragraph, London means the City of London, and the London Boroughs of Camden, Greenwich, Hackney, Hammersmith, Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster.
- 1.3. Any rate determined under paragraph 1.1. above shall be deemed to cover a continuous period of absence of 24 hours.
- 1.4. The rates specified in paragraph 1.1. above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an authority or body in respect of the meal or the period to which the allowance relates.