



General Purposes Committee

Date:	21 February 2012
Classification:	For General Release
Title:	Members' Allowance Scheme 2012/13
Report of:	Head of Legal and Democratic Services
Wards Involved:	None
Policy Context:	Management of the Council
Financial Summary:	There are no additional financial impacts arising from the proposals set out in this report
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1. Executive Summary

- 1.1 The Council is required, if it wishes to pay such allowances, to adopt a Members' Allowances Scheme on an annual basis with effect from 1 April each year. No changes to the scheme are proposed.
- 1.2 In drawing up the revised Members' Allowances Scheme, regard has been had to the recommendations of the Independent Remuneration Panel, whose report is listed with the relevant statutory guidance as background documents.
- 1.3 The Members Allowances base budget has remained unchanged since 2009. During this period no increase for inflation has been made. It is recommended that no provision be made once more for inflation and accordingly no changes to the scheme are recommended.

2. Recommendation

- 2.1 That the Council be recommended to approve the Members' Allowances scheme attached to the report for 2012/13 with effect from 1 April 2012.

3. Background

- 3.1 There is a requirement for Local Authorities if they wish to adopt a Members' Allowance Scheme on an annual basis, with effect from 1 April each year. Schemes can be amended at anytime.
- 3.2 The General Purposes Committee has previously considered the Independent Panel's findings and recommendations. The Panel's most recent report updated the original recommendations, which are broadly the same as those in the original report. These were fully considered when the scheme was approved last year when the last panel report was published. The Panel's report is listed as a background document and is available upon request.

Members' Allowances

- 3.3 The current Members' Allowances Scheme was adopted by the Council on 3 March 2011. When considering a new scheme, or amending an existing scheme, local authorities must have regard to the report of the London Councils' Independent Panel on the Remuneration of Councillors and relevant guidance from the Secretary of State. The Committee and the Council gave consideration to both of these when agreeing previous schemes and these documents are available as background papers to this report.
- 3.4 The Chief Whip of the Majority Party has, as in previous years, been consulted on the proposals, which have also been shared with the Chief Whip of the Minority Party.
- 3.5 The changes to the scheme introduced last year intended, within the constraints of the existing budget provision, to ensure the scheme rewards more fully duties and tasks actually undertaken. Accordingly, no changes to the Scheme are proposed.

Basic Allowance

- 3.6 It is proposed to retain the level of Basic Allowance payable to all Members at the same level, i.e £9,000 per annum.

Special Responsibility Allowance (SRA)

- 3.7 Significant adjustments were made to the SRAs in 2010. No changes proposed to the scheme which reflect those changes. Accordingly the scheme set out at Appendix A is recommended for approval with no amendment.

ICT Allowance

- 3.8 As part of the Members Allowances Scheme approved at the time of the City Council elections in 2006, provision for the payment of an one off allowance of £1,000 on election was made to allow for the purchase of ICT equipment. This was paid again in 2010 and is next due for payment in 2014.

Travel and Subsistence Allowance

- 3.9 The Council's scheme is more restrictive than the Panel's recommendations and only allows for travel claims for approved duties outside of the Greater London area (travel to other London Boroughs is not reclaimable). No change to this part of the scheme is proposed. Reference is now included in the scheme to the availability of all zone permits for Members, for use when undertaking official duties.

Co-opted Members' of the Children, Young People and Community Protection Policy and Scrutiny Committee Allowances x 4

- 3.10 It is proposed that they be paid a one off allowance of £300 upon election to cover the expenses this is instead of being able to make claims for expenses during their period of office. Government guidance suggests that IT and travel expenses should be paid. The term of office is two years.

4. Legal Implications

- 4.1 There is a requirement that councils must make any scheme for the following year to commence on 1 April. Schemes can be amended at any time but new schemes can be introduced only from the start of each year commencing on 1 April. The approval of the full Council is necessary to any amendments to existing schemes or the adoption of new schemes.
- 4.2 Regulations relating to Members' Allowances require the publication of the report of the Independent Remuneration Panel, the scheme of allowances and details of the total sums paid to each Member under each category of allowance in each year. The statutory guidance on the publicity requirements suggests that details of allowances paid are made available on the Council's website together with information on the responsibilities of elected Members and the duties and time commitment which the basic allowance is intended to remunerate. This has previously been agreed by this Committee.

5. Financial Implications

- 5.1 The Members' Allowances budget for 2012/13 is £1m. This budget includes provision for the employer National Insurance contributions and the base budget has remained unchanged since 2009 with no increase for inflation. No inflationary element is proposed for 2012/13.

**If you have any questions about this report, or wish to inspect one of the background papers, please contact Mick Steward: 020 7641 3134;
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**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1972
BACKGROUND PAPERS**

The documents referred to in compiling this report are as follows:

- Report of the Independent Remuneration Panel
- Guidance Issued by Secretary of State
- Report of the General Purposes Committee – 22 February 2011

MEMBERS' ALLOWANCES SCHEME FROM 1 APRIL 2012 TO 31 MARCH 2013

1. This Scheme is made under, and in accordance with, the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003.
2. The rates of allowances specified will apply until the Scheme is amended or replaced, in which event the revised rates of allowances will be paid from the date from which the amendment takes effect.
3. Subject to the relevant form being completed at the appropriate time, entitlement to allowances under the Scheme commences on the date upon which a Member is elected to the Council or is elected or appointed to an office qualifying for special responsibility. The entitlement ceases on the date upon which a Member ceases to hold a qualifying office or ceases to be a Member of the Council (the fourth day after polling day in the year of City Council elections, i.e the Monday). An apportionment of the relevant allowances will be made in the same proportion as the number of days that the Member held Office or was a Member, bears to the number of days in the relevant year.
4. Any Member may by notice in writing to the Head of Legal and Democratic Services elect to forego for any period any part of an entitlement to an allowance under the Scheme which will take effect from the date upon which the notice is received by the Head of Legal and Democratic Services.
5. Allowances will be paid by equal monthly instalments on the 20th day of each month. A £1,000 lump sum Basic Allowance for Members to purchase ICT equipment will be paid to any Member elected at a by-election. No ICT allowance shall be payable unless the confirmation is received that ICT and an email address for Council use is available in the Members' home. This allowance will not be paid if a Member received this allowance upon having been elected at a by-election in the previous 12 months.
6. Except where so authorised by the Head of Legal and Democratic Services any claim for travel and subsistence allowances must be made within two months of the date of the duty to which the claim relates.

Basic Allowance

7. A Basic Allowance of £9,000 pa from 1 April 2012 will be paid to every Member of the Council who formally elects to receive it.

Special Responsibility Allowance

8. Payments of Special Responsibility Allowances will be made to Members of the Council who hold special offices unless they formally elect not to receive them. Attached as Annex A is a list of the Special Responsibility Allowances payable from 1 April 2012.

Conferences

9. Councillors are entitled to have their Conference fees met when approved by the appropriate Cabinet Member, Committee or the Head of Members Services in consultation with the relevant party Chief Whip and to receive payments at the approved rates for travel and subsistence in respect of their attendance at conferences held outside the City to discuss matters relevant to the discharge of the Council's functions.

Travel Expenses

10. Members and Co-opted Members are entitled to claim payment of Travel Allowances at the rates of allowance set out in Annex B where expenditure has necessarily been incurred to enable them to attend an approved duty, defined as set out in Annex C, but only when travelling outside the Greater London area. Members of Education Admissions and Exclusions Appeal Committees are entitled to claim travel allowances for attendance at meetings relating to their membership at the rates set out in Annex B.

Members of the Council shall be entitled to a City Council all zones official parking permit for use when undertaking official council duties and otherwise used in accordance with the rules relating to their use.

Subsistence

11. Subsistence may be claimed only for accommodation or meals at conferences (approved in accordance with paragraph (i) of Annex C) where such costs are not included in the conference fee, subject to the maximum allowance referred to in Annex B.

Payments whilst under Suspension

12. Payments of allowances, basic and special responsibility, shall not be paid to a Member who is suspended or if partially suspended that element of special responsibility allowance which may be payable in respect of an office held by the Member to which the partial suspension relates.

Pensions

13. No Members of the Council shall be entitled to membership of the Local Government Pension Scheme in accordance with Section 7 of the Superannuation Act 1972.

Publication

14. This scheme will be published as required by legislation. At the end of each financial year the City Council is required by legislation to publish the sums paid to councillors under the Scheme.

ANNEX A

AMENDMENT TO MEMBERS ALLOWANCE SCHEME – SPECIAL RESPONSIBILITY ALLOWANCES WITH EFFECT FROM 1 APRIL 2012

Office Holders	Allowances (from 1.4.12) Proposed	Total Cost (from 1.4.12)
Leader/Deputy Leader	£	£
Leader of the Council (Chairman of the Cabinet)	35,000	35,000
Deputy Leader of the Council (Vice Chairman of the Cabinet)	17,500	17,500
Cabinet Members		
Each Cabinet Member (excluding the Leader and the Deputy Leader) (x8)	10,000	80,000
Opposition Leader/Whips		
Leader of the Opposition	7,700	7,700
Chief Whip (Majority)	5,000	5,000
Chief Whip (Minority)	4,000	4,000
Westminster Scrutiny Commission Members		
Each Scrutiny Commission Member (x7)	8,000	56,000
Other Committee/Sub-Committee Chairmen		
Audit and Performance	8,000	8,000
Standards (see note below)	2,000	2,000
*Planning and City Development	6,000	6,000
Planning Applications Sub-Committee (x3)	3,000	9,000
Licensing Sub-Committees (x5)	3,000	15,000
Superannuation Committee	3,000	3,000
Deputy Cabinet Members		
Each Deputy Cabinet Member appointed to support a Cabinet Member (x16)	4,000	64,000
Other Panels		
Panel Members of the Discretionary Housing and Benefits Review Panel and the Rating Panel (x9)	1,500	13,500
Council Members of CityWest Homes Board (x5)	1,500	7,500

Panel Members of the Licensing Sub-Committees, Members of the Planning and City Development Committee and the Planning Applications Sub-Committees rate of £2,000 (x24 - £48,000). This separate SRA is not payable to the Chairmen of these bodies.

* SRA only payable if Chairman is not a Member of the Cabinet.

Panel Members of the Adoption and Fostering Panels (x2)	3,000	6,000
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Total provision for Basic Allowance is:	£540,000
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Total provision for Special Responsibility Allowances is	<u>£394,700</u>
	£934,700

The remainder of the budget is used to fund the employer's National Insurance contributions.

NOTE REGARDING SPECIAL RESPONSIBILITY ALLOWANCES PAYABLE IN RESPECT OF THE STANDARDS COMMITTEE, INDEPENDENT MEMBERS AND CO-OPTED MEMBERS ON OTHER COMMITTEES

The Special Responsibility Allowance proposed to be payable to the Independent Chairman of the Standards Committee shall become payable from their appointment. Until such appointment has been made the existing Special Responsibility Allowance to the Chairman will continue to be paid on a pro rata basis.

The Independent Members on the Standards Committee, other than the Chairman, shall be entitled to claim a Special Responsibility Allowance of £100 per meeting up to a maximum of £500 per annum.

In respect of co-opted Members of the Children, Young People and Community Protection Policy and Scrutiny Committee those Members be paid upon election a sum of £300 to cover their out of pocket expenses for the period of office.

ANNEX B

TRAVEL AND SUBSISTENCE ALLOWANCES: (OUTSIDE THE GREATER LONDON AREA)

(A) TRAVEL

(a) Travel by own private vehicle

Motor Mileage Allowance	Pence Per Mile
Motorcycles:	
Up to 150cc	8.5
151-500cc	12.3
Over 500cc	<u>16.5</u>
 Cars & Tri cars:	
500cc-999cc	35.8
1000-1199cc	39.9
Over 1199cc	<u>49.4</u>

(b) Travel by Public Transport

The ordinary fare or any reasonably available cheap fare actually paid.

(c) Travel by Taxi

Members are not permitted to claim for travel by taxi except as part of onward or return travel to or from a conference held outside the Greater London area where a claim for other travel expenses has or could be made.

The Head of Legal and Democratic Services shall be authorised to reimburse claims for taxi fares, on an exceptional basis, for example on medical advice, to and from approved duties. Such authority to be obtained in advance, if possible.

(d) Travel by Rail and Air

(i) The ordinary fare or any available cheap fare actually paid.

(ii) Actual expenditure incurred on:
Reservation of seats
Sleeping accommodation for an overnight journey
Deposit on portorage of baggage

(iii) Travel by Air shall only be allowed when included as part of the formal approval of the attendance at a conference or overseas visit. In the case of overseas visits the cost to be met from the budget of the relevant service.

(e) Additional Travel Expenses

The rates specified above may be increased by not more than the amount of any expenditure incurred on tolls, ferries, parking fees or cost of overnight garaging of a motor vehicle, except that reimbursement of the Central London Congestion Charge shall not be permitted.

(B) SUBSISTENCE

Subsistence claims for the reasonable costs of overnight accommodation or meals not included in the Conference fee can only be claimed, up to a maximum of £180 per day, upon production of relevant receipts.

(C) RECEIPTS

Claims for reimbursement of expenditure by main line rail, air or any other additional expenses, or subsistence, must be accompanied by a receipt.

Note: All Members shall be entitled to apply to the Head of Members' Services for the use of an all zones parking permit for their use whilst on Official Council business only such permit only to be used in accordance with the guidance notes for use issued with the permits.

ANNEX C

LIST OF APPROVED DUTIES FOR TRAVEL AND SUBSISTENCE ALLOWANCE:

The following are the categories of duties which qualify for payment of travel and subsistence allowance, where such expenditure has been incurred (although separate payments will only be reimbursed for travel outside the Greater London area):

- (a) Meetings of the Council, the Cabinet, their Committees, Sub-Committees, Panels and meetings of the Westminster Scrutiny Commission and the Policy and Scrutiny Committees and Task Groups of which the Councillor is a member or at which a Councillor who is not a member of that body attends to address the meeting with the prior permission (where such permission is required under Standing Orders) of the Chairman.
- (b) Attendance as the Council's representative at a meeting of any joint authority or Committee of local authorities or of any Committee or Sub-Committee of the body of which the Council is a constituent member.
- (c) Attendance as the Council's representative at meetings of any association of authorities or Committee or Sub-Committee of the association of which the Councillor is a member.
- (d) Attendance at duties which qualify for attendance allowance as single member duties as specified in the Regulations, currently:

Meetings to determine the attendance of individual pupils at special schools.

Rota and other visits to inspect establishments on behalf of the Cabinet Member for Children, Young People and Community Protection and Adult and Community Services.

- (e) Attendance at any other meeting convened by the Council, the Cabinet, a Committee or Sub-Committee to discuss matters relevant to the discharge of the Council's functions and to which Members of more than one Party Group have been invited.
- (f) Attendance at any meeting, which is an induction training session, seminar, presentation, or briefing arranged by Chief Officers of the City Council for all Members of a Committee, Sub-Committee or Panel to discuss matters relevant to the discharge of the Council's functions and to which Members of more than one Party Group have been invited.
- (g) Attendance as the Council's representative in connection with the discharge of the Council's functions at meetings of outside bodies (excluding local authority maintained schools), their Committees and Sub-Committees. The Head of Legal and Democratic Services maintains a list of such representatives and

has delegated powers to add and remove bodies to this category to reflect formal appointments made by the City Council.

- (h) Attendance at visits and inspection of sites and premises arranged by officers or approved by Cabinet/Committee (eg opening of new facilities).
- (i) Attendance approved by the appropriate Committee or by the Head Member Services, in accordance with his delegation at conferences convened by other authorities and organisations to discuss matters relevant to the discharge of the Council's functions.
- (j) Attendance by the Leader of the Council, Cabinet Members, Deputy Cabinet Members, Leader of the Opposition, and Chief Whips on matters concerning the discharge of the Council's functions.
- (k) Attendance by Cabinet Members, Chairmen and Vice-Chairmen of Committees and Sub-Committees concerning the discharge of functions relevant to the work of their portfolio or their Committees or Sub-Committees, including Chairman's Call-over meetings and site visits.
- (l) Attendance before Parliamentary Committees, official bodies and inquiries to give evidence or make representations on the council's behalf.
- (m) Attendance as the Council's appointee or nominee at any meeting. (This excludes party group meetings but includes single member duties where one member has been appointed, appearing as a Council witness at a Planning Inquiry or court proceedings or member-level working groups appointed by a Committee and representation on any outside body which is not eligible for attendance allowance).