

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

MEMBERS' ALLOWANCES - REMUNERATION PANEL

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To refer the report of the Independent Remuneration Panel to Council to enable it to approve a revised scheme of members' allowances.

2. BACKGROUND INFORMATION

- 2.1 The council is required to make an annual scheme for members' allowances. It cannot make or amend a scheme without first considering advice from the Independent Remuneration Panel.
- 2.2 This is the twelfth year that the Panel have considered members' allowances. The Panel consists of members representing the multi-faith communities, the voluntary sector and business communities. The Panel currently consists of four members namely Mr John Hayes, Mr Rashpal Nijjar, Mr Brian Pettifer and Mr Gordon Rowlands.

3. OPTIONS FOR CONSIDERATION

- 3.1 The Remuneration Panel's report is attached. The regulations provide that the council must "have regard to the recommendations" of the Panel when making a scheme. This allows the council if it wishes to adopt the recommendations in full or to vary the recommendations so long as it has regard to them.
- 3.2 The council must now consider the recommendations of the Remuneration Panel and determine a revised scheme.

4. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 4.1 Financial - The recommendations of the Remuneration Panel will be contained within existing budgets.

5. **OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

5.1 There are no statutory implications.

5.2 Environmental - The proposals contained in the attached report relating to car mileage and cycling will benefit the environment.

6. **OUTCOMES OF CONSULTATION**

6.1 No specific consultation is required.

7. **RECOMMENDATIONS**

7.1 That the Remuneration Panel be thanked for its work.

7.2 That the council consider and have regard to the recommendations of the Panel and approve a revised allowance scheme to take effect from 25 May 2011.

7.3 That appropriate officers publicise the scheme in accordance with the 2003 regulations.

DIRECTOR CORPORATE AND COMMUNITY SERVICES

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Background Papers used in the preparation of this report: Report of the Elected Members Remuneration Panel

ELECTED MEMBER'S REMUNERATION PANEL REPORT

FOR NORTH LINCOLNSHIRE COUNCIL 2011/2012

BACKGROUND

- 1.1 This is the twelfth report of the Remuneration Panel. Since its report to council in May 2010, the panel has met on a number of occasions.

THE COUNCIL'S RESPONSE IN 2010/2011

- 1.2 The panel noted that the council, when considering its report in May 2010 had agreed to freeze allowances subject to the outcome of any national negotiations in relation to the cost of living increase but had retained the remainder of the allowance scheme based on 2009/2010. In particular, the panel noted that the council had not agreed the recommendations regarding proposals on subsistence and travel arrangements including the proposal to harmonise mileage rates.

BASIC ALLOWANCE

- 1.3 With regard to the basic allowance paid to all members the panel referred to the previous representations made in relation to the increasing workload of all members of the council with regard to their Ward representative role, membership of neighbourhood action teams etc was not reflected in the level of the basic allowance. The panel has suggested a way of dealing with this in 2009/2010 in the form of a package but this had not been adopted by the council. The panel's intention is to look at this in 2011/2012.

SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)

- 1.4 In relation to Special Responsibility Allowances (SRAs), the panel referred to the work it had carried out in previous years and the options it had put forward to rationalise some of the SRAs, particularly around the Scrutiny Panels and the Planning and Licensing Committees. The panel intended to look at these and the role of vice-chairs in the future. In the meantime, and given the current economic climate and outlook the panel were minded to recommend that all SRAs should be reduced by 10% in 2011/2012.

COST OF LIVING INCREASE

- 1.5 The panel noted the need to consider the annual cost of living increase which was normally linked to the most recent local government pay settlement. However, local government staff have been the subject of a two year pay freeze because of the current economic climate. The panel concluded therefore that if local government staff did not receive an increase in pay then this should also apply to members of the council. On that basis, the panel recommended that all allowances with the exception of SRAs should remain the same as in 2010/2011.

TRAINING AND DEVELOPMENT

- 1.6 The panel again noted with pleasure that training in planning and licensing was compulsory for members sitting on those committees and that members would continue to receive an individual assessment of their training needs. This was additionally important with the election of new members of the council following the elections on 5 May 2011. Member development and training was an ongoing and developing issue and it noted that the work of the member development steering group, which consists of members from across the political spectrum, together with appropriate officers was continuing to develop and influence member training. Great strides have been made in this area of work and the panel hoped that this would continue in the future.

NEW TECHNOLOGY

- 1.7 The panel continues to believe that providing members with the necessary equipment to carry out their roles was vital. It again noted that members have access to council mobile phones and laptop computers and now to IT devices such as Blackberries which were for providing members with the tools to carry out their work. Again, this was additionally important given the influx of new members of the council following the elections.

SUBSISTENCE

- 1.8 The council's attention is drawn to Appendix B which sets out the current subsistence rates. The panel again noted that the council had agreed in 2008/2009 that receipts should be provided above the dinner and lunch allowances set out in appendix B. However, in the current climate of openness and accountability and with the downturn in the economy, the panel again strongly urged the council to reconsider the basis on which subsistence rates are paid and to introduce a system based on actual expenditure up to the maximum allowance supported by receipts. The panel believed this is crucial particularly in relation to the changes which had taken place nationally following the issues raised about MP's expenses. If members adopted this course of action a clear message would be sent to the public that the council was in tune with public opinion. The council was urged to apply this to all allowances which would assist the council by enabling VAT to be reclaimed. However, in order to keep paperwork to a minimum, receipts would not be required for expenditure below £3.50p. If the council adopted this course of action, it could reclaim VAT of between £2,000 and £3,000.

TRAVEL ALLOWANCES

- 1.9 In relation to travel allowances, the panel had again noted that the council had rejected the recommendation to harmonise mileage rates with those paid to council officers. It pointed out that travel allowances are paid by way of reimbursement not responsibility and so there should not be any discrepancy whoever is claiming. Again, the panel

urged the council to reconsider this and to adopt a system where mileage rates were harmonised with those paid to council officers. As with subsistence allowances, this was crucial to showing the public that the council was responsible in its use of public funds and in tune with public opinion. If the council agreed to harmonise mileage rates the top rate of 53.1p would be abolished with consequential savings.

The panel also urged the council to continue to develop car sharing and referred to its recommendation last year which had not been adopted which would enable an additional 10p per mile to be claimed in respect of each passenger carried to whom a travelling allowance would otherwise be paid.

In relation to motorcycles the panel again recommended the continued use of the officer rates set out in Appendix B with appropriate uplifts as agreed from time to time again dependent on increases nationally or otherwise. The full proposals regarding mileage rates and public and hired transport were set out in Appendix B to the report. The panel also noted that the council had continued to accept the maximum of 10,000 miles as eligible for claim which had been adopted in 2007/2008.

CO-OPTees ALLOWANCE

- 1.10 A number of co-optees or added members sit on various council panels or committees. In 2008/2009, the panel had recommended and it had been accepted that the allowance for this work should be increased at that time to £41 per meeting attended. In 2009/2010, this had been increased to £42 in line with that year's local government pay settlement. The panel believes that this should be recognised each year in order to ensure that the co-optees allowance does not fall behind as it did previously. However given the previous comments about the national pay freeze the panel could not recommend that this should be increased in 2011/2012.

2. RECOMMENDATIONS

- 2.1 Council is asked to accept the proposals as regards a freeze in allowances other than SRAs as detailed in paragraph 1.5 and appendix A to the report.
- 2.2 Council is asked to accept the proposals for a 10% reduction in all Special Responsibility Allowances (SRAs) in 2011/2012 as set out in paragraph 1.4 and appendix A to the report.
- 2.3 Council is asked to accept the proposals regarding subsistence and travel arrangements as set out in paragraphs 1.8 and 1.9 and Appendix B including the provision of receipts and harmonising mileage rates.
- 2.4 Council is asked to accept the proposals as regards freezing the co-optees allowance as set out in paragraph 1.10.

MEMBERS ALLOWANCES - PROPOSED SCHEME 2011/2012

APPENDIX A

	2011/2012	
Group	Special Responsibility Allowance	Proposed New Allowance £
1	Leader of the Council	19,764
2	Deputy Leader of the Council	13,090
	Mayor	13,090
3	Cabinet Members (x 6)	11,291
	Chair of Planning Committee	11,291
	Chair of Licensing Committee	11,291
	Chair of Scrutiny Panels (x 4)	11,291
4	Secretary to Majority Group	11,291
	Leader of Minority Group	9,882
5	Chair of Audit Committee	6,558
	Deputy Mayor	6,558
	Deputy Leader of Minority Group	6,545
6	Vice Chair of Planning Committee	5,508
	Vice Chair of Licensing Committee	5,508
	Vice Chair of Scrutiny Panels (x 4)	5,508
	Secretary to Minority Group	5,646
	Lead Members (x 11)	5,508
	Appeals Committee	£562 per annum
	Co-optees Allowance	£42.00 per meeting attended
	Basic Allowance	£7,638
	Dependants' Carers Allowance (including Child Care)	Allowance based on submitted receipts and use of a registered minder where required

(1) Mileage Rates

Travel be paid at the following rate:

Motor vehicle - Not exceeding 999cc - 42.9p per mile
1000 cc and above - 46.9p per mile

Motorcycles Up to 49 cc - 12.4 per mile
 50 cc to 125 cc - 18.8p per mile
 126 cc to 250 cc - 27.0p per mile
 251 cc to 500cc - 35.5. per mile
 500 cc and above - 39.2 per mile

An additional 10p per mile can be claimed in respect of each passenger carried to whom a travelling allowance would otherwise be paid.

A maximum of 10,000 miles has been set as eligible for claim.

In addition, the actual cost of tolls, ferries and parking fees may be claimed. Receipts, must be provided. Discounted Humber Bridge tickets are available from the Political Group Offices and should be used.

(2) Public Transport

If you are using public transport for journeys out of the council's area you may use standard class travel only. Wherever possible travel arrangements should be pre-booked in advance in order to allow better access to discounts. Only as a last resort should warrants for rail travel be used. These can be obtained through the group office. Receipts or used tickets (train tickets tube fare tickets etc) should be retained and produced as receipts. The reimbursement of public transport costs is not taxable or subject to NI contributions.

(3) Hired transport

If you wish to hire a vehicle, please contact your group PA who will ensure that the best possible rates are obtained.

(4) Bicycle - 30p per mile.

(5) Subsistence Rates

The following allowances may be claimed in accordance with the defined criteria. Receipts need to be provided for expenditure above £3.50.

	Criteria	Maximum Rates
Lunch	More than 4 hours absence including the whole of the period between 12 noon and 2.00 pm	£7.50
Dinner	More than 4 hours absence ending after 7.00 pm	£9.25

(6) **Overnight rates**

Actuals, claimed to a maximum of

London	£100.50
Elsewhere	£88.10
Out of pocket expenses	£4.39 per night
Overseas allowance	£20.50 per night

Accommodation should be pre booked by group office staff in order for the council to reclaim VAT and take advantage of discounts.