

Crawley Borough Council

	Report No: LDS/7	B
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Report to General Purposes Committee

16 March 2009

Members' Allowances Scheme: Report of Independent Review Panel

1. Key Points

- 1.1 This report deals with the Final Report of the Members' Allowances Independent Review Panel which recommends:
- increases to the basic allowance, special responsibility allowances and the dependant care allowance of 2%;
 - that the special responsibility allowances for the Vice-Chairs of the Development Control Committee and the Licensing Committee should be deleted from the Members' Allowances Scheme ;
 - that travelling allowances be based on those approved by the Inland Revenue;
 - that the dependant care allowance should be payable in respect of time spent by a councillor in undertaking approved duties where cover is being provided by a live-in nanny.
 - that the Scheme should provide that any allowance payable to a Member during a period of suspension imposed due to a breach of the Code of Conduct should be withheld or, where payment has been made, this should be repaid
- 1.2. Full details of the research undertaken by the Panel, its conclusions and recommendations are set out in the Panel's Final Report which has been circulated separately to all Members of the Council and is available on request from Legal and Democratic Services (Tel: 01293 438282) or on the Council's website (www.crawley.gov.uk).

2. Recommendations

- 2.1 That the Committee considers the report of the Members' Allowances Independent Review Panel (circulated separately to all Members of the Council) and decides what it wishes to recommend to full Council as the Members' Allowances Scheme for 2009/10**
- 2.2. That the Panel be thanked for the thorough and efficient way that they carried out the review.**

**ANN MARIA BROWN
Head of Legal and Democratic Services**

3. Background

- 3.1. The Members' Allowances Regulations require that, before the Council can determine its Members' Allowances Scheme for the ensuing year, it must consider a report from an Independent Panel.

4. The Panel's Conclusions and Recommendations

General

- 4.1 The Panel's deliberations and full recommendations are set out in its report. The Panel is recommending that, subject to paragraph 4.2, the basic allowance, special responsibility allowances and the dependant care allowance should be increased by 2% in line with the budgetary provision being made for officers' salary increases for 2009/10. No increase is being recommended in respect of the overnight rate.

Vice Chairs of Licensing and Development Control Committees

- 4.2. Having looked at all the information before them very carefully, the Panel has taken the view that it is difficult to justify a special responsibility allowance in terms of additional time or responsibility in respect of the posts of Vice Chair of the Licensing Committee and the Development Control Committee. The Panel has come to this conclusion in view of the fact that the licensing workload had not continued at the high level anticipated and that parallels had been drawn between these two posts when the allowance for the Vice Chair of Development Control Committee was introduced. The Panel is, therefore, recommending that the 2009/10 scheme should not include special responsibility allowances for these two posts.

In coming to this recommendation, the Panel has been conscious of the fact that, if there is a significant change in circumstances, they can recommend an amendment to the scheme at a later stage to provide for any increased level of responsibility.

Chair and Vice Chair of Overview and Scrutiny Commission

- 4.3. At the request of this Committee last year, the Panel has considered the workloads of the Chair and Vice Chair of the Overview and Scrutiny Commission and has noted that a more strengthened role is envisaged for scrutiny in the future. However, the Panel is of the view that, for the time being at least, the level of responsibility of the Chair of the Commission is not as great as that of Cabinet Members and, therefore, has decided not to recommend any change, other than for purposes of inflation. They will be giving further consideration to the special responsibility allowance for the Vice Chair of the Commission as part of next year's review.

Chair of Audit and Governance Committee

- 4.4. Last year this Committee also asked the Panel to look at the role of the Chair of the Audit and Governance Committee. On the information before them, the Panel has taken the view that the workload associated with this role does not appear to warrant an increase in the level of the special responsibility allowance already applicable to the post at the present time, other than for the purposes of inflation.

Systems Thinking Review

- 4.5. At the request of the Overview and Scrutiny Commission, consideration has been given to recommending a special responsibility allowance for Members who are to be involved in the Adaptations Systems Thinking Review. However, the Panel is slightly reluctant to recommend an allowance at this stage in view of the fact that the true extent of the workload is unknown. Instead, they feel that they will be better placed at their next meeting to judge whether the time and effort involved in participating in this Review justifies a special responsibility allowance for the Members concerned. If that is the case then they can propose an amendment to the scheme during the current year, which can be backdated if it is felt appropriate.

Co-optees

- 4.6. At this Committee's request, the Panel has revisited the possibility of introducing an allowance for co-optees due to the fact that revised arrangements are now in place for dealing locally with complaints about breaches of the Code of Conduct which have previously been dealt with by the Standards Board. However, the Panel feels that it is difficult to judge what the overall impact resulting from the new arrangements may be and has decided not to introduce an allowance for co-optees (other than any special responsibility allowance which might apply) but to review the level of activity of independent members serving on the Standards Committee later in the year.

Dependant Care Allowance

- 4.7. The Panel has noted that the Scheme already makes provision for a dependant care allowance of the actual cost (up to a maximum amount per hour) to cover the cost of caring for a Councillor's dependent children or elderly/disabled relatives whilst a Councillor is undertaking an approved duty (provided the carer is not a member of the Councillor's own household). However, the Panel feels that some clarification of the wording of the Scheme is necessary to enable a Member to claim this allowance for the time spent undertaking approved duties where cover is being provided by a live-in nanny.

Travel and Subsistence

- 4.8. The Panel is proposing a change to the travelling and subsistence allowances. The Panel has taken the view that, whilst the same subsistence rates as for officers should continue to apply to Members, mileage allowances should be based on the slightly more modest rates approved by the Inland Revenue. In proposing this change, the Panel is encouraging Members to claim the allowances due to them.

Suspension

- 4.9. As requested by the Standards Committee, the Panel is recommending that the Members' Allowances Scheme should provide that any allowance payable to a Member during a period of suspension, or partial suspension, imposed due to a breach of the Code of Conduct should be withheld. Where payment of any allowance has already been made, the scheme should provide that the part of the allowance which relates to the period of suspension should be repaid.

5. Staffing, Equalities, Financial and Legal Implications/Powers

- 5.1. The cost of the revised Members' Allowances Scheme recommended by the Independent Review Panel will be around £364k in a full year, plus an estimated £5k for travel and dependant care payments. These figures include national insurance and pension contributions payable by the Council as an employer, and can be accommodated within the existing budget provision of £377k.
- 5.2. If, on the recommendation of the Panel, a backdated amendment to the scheme were to be proposed during the current year, which could not be accommodated within the existing budget provision, then a supplementary estimate would need to be agreed to provide for the additional expenditure.

6. Links to the Sustainable Community Strategy and Corporate Plan

- 6.1. The proposals contained in this report relate to the following key areas of the Sustainable Community Strategy

Community Cohesion	y	Community Safety	
Young People and Children	y	Health and Well Being	
Older People	y	The Environment	
The Local Economy	y	Social Inclusion	y

The following key principles are applicable:-

- | | |
|---|---|
| (i) Working together | y |
| (ii) Dignity, respect and opportunities for all | y |
| (iii) Involving People | y |
| (iv) Making it last | y |

The report relates to the following areas in which the Council operates to enhance the town and the quality of life of local people:-

- | | |
|--|---|
| (i) <u>Our Communities:</u> (ensuring they are safe, healthy, cohesive and enjoyable) | |
| (ii) <u>Our Environment:</u> (ensuring that it is attractive, clean, protected and sustainable) | |
| (iii) <u>Our Economy:</u> (ensuring it is thriving, vibrant and prosperous) | y |
| (iv) <u>Our Council:</u> (ensuring it is engaging, transparent, business-like with a social conscience, cost-effective and a place-shaping community leader) | y |

7. Reasons for the Recommendation

- 7.1. The proposals contained in the Report of the Members' Allowances Independent Review Panel have been made with a view to acknowledging the responsibility and time commitment required of Members to carry out their duties

8. Background Papers

Reports and Minutes of the Members' Allowances Independent Review Panel
The Local Authorities (Members' Allowances) (England) Regulations 2003.

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MEMBERS' ALLOWANCES SCHEME 2009/2010 (From 1 April 2009 to 31 March 2010)

1. This scheme may be cited as the Crawley Borough Council Members' Allowances Scheme, and shall have effect from 1 April 2009 to 31 March 2010.

2. In this scheme,

"Councillor" means a member of the Crawley Borough Council who is a Councillor;

"total estimated allowances" means the aggregate of the amounts estimated by the Head of Finance and Procurement, at the time when a payment of basic allowance or special responsibility allowance is made, to be payable under this scheme in relation to the relevant year, and for this purpose any election under paragraph 9 shall be disregarded;

"year" means the 12 months ending with 31 March.

Basic Allowance

3. Subject to paragraph 10, for each year a basic allowance of **£ 5,949** shall be paid to each Councillor.

Special Responsibility Allowances

4. (1) For each year a special responsibility allowance shall be paid to those Councillors and Co-opted Members who hold the special responsibilities in relation to the authority that are specified in schedule 1 to this scheme.

(2) Subject to paragraph 10, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.

Travelling and Subsistence Allowances

5. (1) Travelling and subsistence allowances shall be paid to Councillors and co-opted members in the following circumstances:-

(a) the attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;

(b) the attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and at least one other authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee, provided that:-

- (i) where the authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited; or
 - (ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
 - (c) the attendance at a meeting of any association of authorities of which the authority is a member;
 - (d) the attendance at a meeting of the Cabinet or a meeting of any of its committees, where the authority is operating Cabinet arrangements;
 - (e) the performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 (requiring a member or members to be present while tender documents are opened);
 - (f) the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
 - (g) the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees or sub-committees. (The duties approved by the Council for the payment of travelling, subsistence and dependant care allowances under this sub-section are specified in schedule 2 to this scheme.)
- (2) The level of travelling allowances payable to Councillors and Co-opted Members shall be as set out below:-

	First 10,000 miles	Each mile over 10,000
Cars and vans	40p	25p
Motor cycles	24p	24p
Bicycles	20p	20p

- (3) The level of subsistence allowances payable to Councillors and Co-opted Members shall be the same as those paid to officers. The figures set out below relate to the allowances paid in 2008/09. The officer rates, which are determined nationally, have not been determined for 2009/10 (as of January 2009). If there is an increase the figures below will be increased accordingly:-

	Allowances
Breakfast (more than four hours absence before 11.00 a.m.)	£6.45
Lunch (more than four hours absence including the period 12 noon to 2.00 p.m.)	£8.91
Tea (more than four hours absence including the period from 3.00 p.m. to 6.00 p.m.)	£3.53
Evening Meal (more than four hours absence ending after 7.00 p.m.)	£11.03
Out of Pocket Expenses (residential training courses):	
Per night	£4.97
Per week	£19.86

In addition, elected Members may claim a passenger supplement of 5p per mile for carrying passengers in a car or van who would otherwise be entitled to a travelling allowance.

Overnight Rate

Overnight rate should be the actual cost up to a maximum of £86.46 (or £99.51, if in London) subject to the Head of Legal and Democratic Services being empowered to authorise a higher amount in specific instances where suitable accommodation cannot be found within the limit.

Dependant Care Allowance

6. A Dependant Care Allowance of the actual cost up to £8.82 per hour shall be payable to cover the cost of caring for a Councillor's dependent children or elderly/disabled relatives whilst a Councillor is undertaking an approved duty, provided the carer is not a member of the Councillor's own household. In addition, the Dependant Care Allowance, at the level prescribed above, shall be payable to cover the cost of a **live-in** nanny caring for a Councillor's dependant whilst the Councillor is undertaking an approved duty. In other circumstances where professional babysitting and care services are used and a minimum period for the service is imposed by the service provider, then the period in respect of which the allowance is payable shall include the whole period for which a councillor is charged.

The Dependant Care allowance shall only be payable in relation to duties described in paragraph 5 (a) to (g) above.

Local Government Pension Scheme

7. Elected Councillors under 75 years of age shall be admitted to the local government pension scheme, if they so wish.

Pensions shall be calculated based on average earnings (and not on final salary) and payments shall be index-linked.

Only basic allowances and special responsibility allowances shall be pensionable.

The pension scheme will provide a pension at age 70 for those with at least two year's membership of the scheme or a reduced pension for members retiring between 65 and 70.

Co-opted Members

8. Co-opted Members shall only receive travelling and subsistence allowances and any special responsibility allowance which might apply.

Renunciation

9. A Councillor may by notice in writing given to the Head of Finance and Procurement elect to forego any part of his/her entitlement to an allowance under this scheme.

Part-Year Entitlements

10. (1) The provisions of this paragraph shall have effect to regulate the entitlements to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that Councillor becomes, or ceases to be, a Councillor, or an office holder accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.
- (2) If an amendment to this scheme changes the amount to which a Councillor or an office holder is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods
- (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- (3) Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a basic allowance shall be to the payment to such part of the basic allowance as

bears to the whole the same proportion as the number of days during which his or her term of office subsists bears to the number of days in that year.

- (4) Where this scheme is amended as mentioned in sub-paragraph (2), and the term of office of a Councillor does not subsist throughout the period mentioned in sub-paragraph (2) (a), the entitlement of any such Councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during his or her term of office as a Councillor subsists bears to the number of days in that period.
- (5) Where an office holder has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that office holder's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.
- (6) Where this scheme is amended as mentioned in sub-paragraph (2), and an office holder has during part, but does not have throughout the whole, or any period mentioned in sub-paragraph (2) (a) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that office holder's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

Suspension

11. Any allowance payable to a Councillor during a period of suspension, or partial suspension, which is imposed due to a breach of the Code of Conduct shall be withheld. Where payment of any such allowance has already been made, that part of the allowance which relates to the period of suspension shall be repaid to the Council.

Payments

12. Payments shall be made in respect of basic and special responsibility allowances, and pensions in monthly instalments in arrears (*subject to paragraph 9 above - renunciations*).

SCHEDULE 1

The following are specified as the special responsibilities in respect of which special responsibility allowances are payable and the amounts of those allowances:-

Office Holder	Special Responsibility
	£
Basic allowance (all councillors)	5949
Leader of the Council	14281
Cabinet Portfolio Holders	7138
Overview and Scrutiny Commission Chair	6389
Vice Chair of Scrutiny Commission	1166
Payment to Lead Member on a review (note members would be entitled to only one £1133 allowance per year even if they chose to undertake a second review)	1133
Chair of Development Control Committee	5949
Chair of Licensing Committee	5949
Chair of Standards Committee	2380
Chair of General Purposes Committee	2380
Chair of Audit and Governance Committee	2380
Chair of Budget Advisory Group (payable provided the postholder is not a Cabinet Member)	2380
Leader(s) of minority group(s) (<i>differential rates depending on number of members in that Group</i>);	
• basic allowance	2200
• additional payment per group member	274

No member is entitled to more than two special responsibility allowances. If they fulfil three or more of the above roles, they are paid only the highest two allowances.

SCHEDULE 2

The following are approved duties for the payment of travelling, subsistence and dependant care allowances in accordance with sub-section 5 (g) of this scheme:-

- (i) Attendance at seminars and training courses funded by the Crawley Borough Council, whether held in the Town Hall or elsewhere.
- (ii) Attendance at meetings with Council Officers in connection with Crawley Borough Council duties.
- (iii) Attendance at meetings with other local authorities, central government or other agencies in connection with Crawley Borough Council duties.
- (iv) Attendance at meetings with members of the public in connection with Crawley Borough Council duties.
- (v) Attendance at meetings with voluntary organisations or public sector bodies, award ceremonies, or public events in connection with Crawley Borough Council duties

