

## **REPORT OF THE INDEPENDENT REMUNERATION TO PARISH/TOWN COUNCILS - DECEMBER 2009**

### **1. BACKGROUND**

- 1.1 The Local Authorities (Members' Allowances)(England) Regulations 2003 require that each District Council must establish and maintain an Independent Remuneration Panel to make recommendations about the level of basic allowance for all Members, the level of special responsibility allowances and to whom they should be paid, and on whether dependants' carers' allowance and travel and subsistence allowances should be paid and the levels of these allowances. The Panel also can consider whether any allowances should be pensionable and/or subject to an annual inflationary increase.
- 1.2 The same Independent Remuneration Panel is also required to consider the remuneration schemes for Parish/Town Councils, should they wish to pay a basic allowance or travel and subsistence expenses.
- 1.3 The Parish/Town Councils have to have regard to the advice of the Independent Remuneration Panel, but their recommendations are not binding.

### **2. PARISH / TOWN COUNCIL REMUNERATION REVIEW**

- 2.1 In 2007/08 the Panel undertook some preliminary work around the feasibility of establishing a common framework of criteria to apply to Parish / Town Council allowances. This was in the context that there was a wide disparity between allowances paid in the Parish / Town Councils with little consistency as to how values had been established, and therefore comparison was difficult. The Panel continued this work in 2008/09 and as a result established a remuneration framework to recognise the relative responsibilities of Parish / Town Councils in providing services and managing budgets. This could also potentially assist in increasing the diversity of elected representatives by encouraging people to stand for election who otherwise would be unable to do so.
- 2.2 The Panel recognised that any framework scheme had potentially arbitrary dividing lines, but that nevertheless it would be of benefit to establish a framework of alignment that Parish / Town Councils could choose to work towards over time. Its application would be a matter for individual decision for each Parish / Town Council and the Panel recognised that certain Councils may not wish to set an allowance. The framework would set the maximum recommended for each Council.
- 2.3 The Panel asked all the Parish and Town Councils for their views on the application in practice of this framework and whether there were any issues that the Panel should consider.

- 2.4 The feedback from the Parish and Town Councils was interesting and it appeared that the framework was a useful concept, even in those Parish/Town Councils that did not pay allowances.
- 2.5 Rayleigh Town Council asked that the 40p mileage rate be reviewed. The Panel believed that due consideration should be given to the relative cost of travel and that 40p per mile was acceptable in terms of the cost of running a car. The Panel did consider, however, whether there was merit in increasing the level of this allowance to take it in line with officer rates, even though this would take it above the tax threshold level. On balance, the Panel decided that the mileage allowance should be retained at 40p per mile as this is the tax threshold, but would be interested in views in future years as to whether Members would be content with dealing with the tax system if this allowance was to be raised to the officer level.
- 2.6 The Panel, in considering the details of the common framework could see no evidence to change it or increase allowances in the current economic climate and therefore agreed that the Parish/Town basic allowance should remain being based on a percentage of the District Council basic allowance, with an additional 5% for those Councils that had achieved 'Quality' status.
- 2.7 It is therefore recommended that the existing framework be retained with maximum levels indicated:

<b>Parish / Town Council</b>	<b>% of RDC Basic Allowance</b>	<b>Addition for Quality Status</b>
<u>Band 1</u> Barling Magna, Canewdon, Foulness Island, Paglesham, Rawreth, Stambridge, and Sutton	5%	5%
<u>Band 2</u> Ashingdon and Great Wakering	15%	5%
<u>Band 3</u> Hawkwell, Hullbridge and Rochford	20%	5%
<u>Band 4</u> Hockley and Rayleigh	25%	5%

- 2.8 Using this framework, and taking into account an unchanged from 2009/10 Rochford District Council basic allowance of £4,250, the following recommendations are made for Parish / Town basic allowance in 2010/11:-

Ashingdon	- £637.50 per annum maximum
Barling Magna	- £212.50 per annum maximum
Canewdon	- £212.50 per annum maximum
Foulness Island	- £212.50 per annum maximum
Great Wakering	- £850.00 per annum maximum
Hawkwell	- £1,062.50 per annum maximum
Hockley	- £1,275.00 per annum maximum
Hullbridge	- £850.00 per annum maximum
Paglesham	- £212.50 per annum maximum

Rawreth	- £212.50 per annum maximum
Stambridge	- £212.50 per annum maximum
Sutton	- £212.50 per annum maximum
Rayleigh	- £1,275.00 per annum maximum
Rochford	- £1,062.50 per annum maximum

2.9 The Panel recommended that the Chairman's allowance remain at 50% of the appropriate Parish/Town Council basic allowance.

2.10 The Panel recommends that travel and subsistence, childcare and dependant carer's allowances should be set at the same levels as for Rochford District Councillors, as follows:-

#### Childcare and Dependant Carer's Allowances

That the childcare allowance be increased to up to £15 per hour maximum, all payments to be subject to the following conditions: dependent children must be under the age of 16 and living at home with the Member and claims must be for actual expenditure incurred. The allowance is claimed on production of a signed statement that care has been provided by a babysitter. Any rate of the allowance above £6 per hour will only be paid on the basis of a formal receipt from a qualified childcare professional.

Dependant Carer allowance to be retained at up to £15 per hour maximum, subject to the following conditions: elderly or dependent relatives must be living at the same address as the Member and claims must be for actual expenditure incurred. Production of receipt from a professional carer must be supplied.

No cap to be applied to the overall annual level of carer's claims made by any individual member in recognition of the fact that Members are responsible in this regard and that the scheme is intended to reimburse actual expenditure incurred.

#### Travelling Expenses

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

- Bus fare or standard class railway train fare
- A mileage allowance for use of the Member's vehicle of 40p per mile
- A passenger allowance of 5p per mile
- A motorcycle allowance of 24p per mile
- A bicycle allowance of 20p per mile
- 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 or 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.

The rates shall not exceed:-

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

- Breakfast allowance (more than 4 hours from normal place of residence – before 11am) £6.72
- Lunch allowance (more than 4 hours away from normal place of residence – including lunchtime between 12 noon and 2pm) £9.28
- Tea allowance (more than 4 hours away from normal place of residence including period 3pm to 6pm) £3.67
- Evening meal allowance (more than 4 hours away from normal place of residence, ending after 7pm) £11.49

For overnight stays the actual cost of hotel accommodation will be claimable, subject to a maximum of £120 per night. This sum is increased to £180 per night if staying in Central London, meaning the City of London and the London Boroughs of Camden, Greenwich, Hackney, Hammersmith and Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster.

Any rate determined under this scheme shall be deemed to cover a continuous period of absence of 24 hours.

The rates specified 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.

NOTE: Subsistence allowances will be amended as and when rates payable to officers are amended.

#### Meals on Trains

When main meals (ie breakfast, lunch or dinner) are taken on trains during a period for which there is entitlement to a day subsistence allowance, the reasonable cost of the meals (including VAT) may be reimbursed in full within the limits specified below. In such circumstances, reimbursement for the reasonable cost of a meal should replace the entitlement to the day subsistence allowance for the appropriate meal period.

Limitations on reimbursement are:-

- (a) for breakfast, an absence of more than four hours before 11.00am
- (b) for lunch, an absence of more than four hours, including between 12 noon and 2.00pm
- (c) for dinner, an absence more than four hours, ending after 7.00pm.

2.11 The Panel recommends that these allowances should be paid for approved duties, as set out in the Local Authorities (Members' Allowances) (England) Regulations 2003.

Mike McDowall (Chairman)  
Owen Richards  
Steven Chelmsford

December 2009