

REPORT OF THE INDEPENDENT REMUNERATION PANEL TO PARISH/TOWN COUNCILS

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 District Members, the level of special responsibility allowances and to whom they 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 of Parish/Town Councils should they wish to pay a basic allowance to their Members.
- 1.3 Councils have to have regard to the advice of the Independent Remuneration Panel, but their recommendations are not binding.

2 Work Programme for 2007/08

- 2.1 The Panel's work programme for 2007/08 included reviewing Rochford District Council's allowances scheme, and the Rayleigh Town Council, Great Wakering, Hockley and Rochford Parish Council schemes as requested by these Councils. The Panel also undertook some preliminary work around the feasibility of establishing a common framework of criteria to apply to Parish/Town council allowances. The Panel's recommendations for Rochford District Council are contained in a separate report.
- 2.2 The Panel met on two occasions and heard from the District Council's Chief Executive, Paul Warren.
- 2.3 The Panel issued an invitation to all Parish/Town Clerks to explain the work carried out at Parish/Town level and Paul Stanley, Clerk to Hockley Parish Council and Rochford Parish Councillors, Maureen Vince and Richard Amner attended as a result. The Panel would like to thank these contributors to the process.
- 2.4 The Panel also sought advice from the Essex Association of Local Councils.
- 2.5 The Panel considered a number of documents including:-
 - Details of existing levels of Parish/Town Council remuneration payments
 - Details of the decision making structure in each Parish/Town Council
 - Details of Parish/Town overall budget
 - Whether Quality Parish status achieved

- Views on applicability of a common framework approach to Parish/Town remuneration
- Remuneration arrangements for Parish and Town Councils in Epping Forest
- Remuneration levels as a percentage of the precept

3 Parish/Town Council Proposals

3.1 As requested, the Panel considered the existing remuneration schemes for Great Wakering, Hockley and Rochford Parish Councils, and Rayleigh Town Council. The recommendations of the Panel have been set based on existing arrangements in these Parish/Town Councils and a view on the level of affordability. For reasons discussed in paragraph 4, it has not been possible to adopt a common framework at this point.

3.2 Great Wakering Parish Council

Recommendations:

Basic allowance - £567 per annum (3% inflationary increase on current level)

Chairman's allowance – 25% of the basic allowance at £142 per annum (which provides a total Chairman's allowance of £709 per annum).

Mileage and subsistence rates to be set at the same level as the Rochford District Council scheme (see Appendix 1).

Dependant carer's allowance and childcare allowance be set on the same terms and at the same level as the Rochford District Council scheme (See Appendix 1).

3.3 Hockley Parish Council

Recommendations:

Basic Allowance – 30% of the Rochford District Council basic allowance, which equates to £1,275 per annum, to recognise the achievement of Quality Parish status.

Chairman's Allowance – 25% of the basic allowance at £319 per annum (which provides a total Chairman's allowance of £1,594 per annum).

Mileage and subsistence rates to be set at the same level as the Rochford District Council scheme (see Appendix 1).

Dependant carer's allowance and childcare allowance be set on the same terms and at the same level as the Rochford District Council scheme (See Appendix 1).

3.4 Rayleigh Town Council

Recommendations:

Basic allowance – 30% of the Rochford District Council basic allowance, which equates to £1,275 per annum, to recognise the achievement of Quality Parish status.

Chairman's allowance – 25% of the basic allowance at £319 per annum (which provides a total Chairman's allowance of £1,594 per annum).

Mileage and subsistence rates to be set at the same level as the Rochford District Council scheme (see Appendix 1).

Dependant carer's allowance and childcare allowance be set on the same terms and at the same level as the Rochford District Council scheme (See Appendix 1).

3.5 Rochford Parish Council

Recommendations:

Basic allowance – £350 per annum, this figure being based on the view of Rochford Parish Councillor Mrs Vince that this value could be considered a reasonable starting point for remuneration that was affordable and acceptable to the public.

Chairman's allowance – to be based on the formula used by the District Council, namely that the Chairman receives 200% of the basic allowance (£700 per annum), which provides a total Chairman's allowance of £1,050 per annum.

Mileage and subsistence rates to be set at the same level as the Rochford District Council scheme (see Appendix 1).

Dependant carer's allowance and childcare allowance be set on the same terms and at the same level as the Rochford District Council scheme (See Appendix 1).

4 Establishment of a Common Framework for Parish/Town Council Remuneration Schemes

- 4.1 As part of the information gathering process, all Parish and Town Councils had been asked whether they were interested in a common framework of criteria for remuneration schemes. From the information received it appeared that the medium and larger sized Parish/Town Councils were interested in a common framework and criteria whereas the smaller Parish Councils felt it was potentially less applicable in their situation.

- 4.2 There is currently a wide disparity between allowances paid in the Parish/Town Councils, with little consistency as to how values had been established and therefore comparison is difficult.
- 4.3 The Panel discussed the potential advantages and disadvantages of using a standardised formula. The Panel also discussed options as to how a framework approach could be applied, for example, by differentiating rates of allowance according to the size of the Council. As an example, the Panel noted the Parish/Town Council remuneration scheme in Epping Forest District, which set expenditure on Parish/Town allowances as a percentage of the annual precept for the Council Tax. The Panel also felt that achievement of the 'Quality Parish' award needed to be taken into account in determining remuneration levels as this was a recognition of an efficient and effective Parish/Town Council.
- 4.4 The Panel was of the view that if a common framework was established, this had to be seen to be reasonable and affordable by the Parish/Town Councils.
- 4.5 The Panel decided that it did not have sufficient information to recommend the establishment of a common framework for 2008/09 but felt that it should be pursued for future years.
- 4.6 The Panel therefore decided:-
- That the Parish/Town Councils be asked to consider if they wished to move towards a common framework of allowance rates for Parish/Town Councils in respect of the 2009/10 financial year.
 - That the aim of achieving a common framework of Parish/Town remuneration levels be progressed during the forthcoming year and that different options be presented to Parish/Town Councils for consideration. (Parish/Town Councils should be informed of the implication of applying, for example, a remuneration level of 30% of the rate paid to Rochford District Council Members).
 - That those Councils not wishing to be part of the framework be requested to provide their reasons for this.
 - That a meeting be held, to which all Parish/Town Councils are to be invited, to discuss remuneration.
 - That the Panel starts the process earlier next year to enable Parish /Town Councils to incorporate the Panel's recommendations when setting their precept for Council Tax.

Tracy Halpin

Tony Payne

Mike McDowall

Independent Remuneration Panel

January 2008

Dependant Carer's Allowance

Childcare allowance

Set at £6 per hour maximum, subject to the following conditions: dependent children must be under the age of 16 and living at home with the member. Allowance is claimed on production of a signed statement which states care has been provided by a babysitter and can be paid to a member of the immediate family.

Dependant Carer allowance

Set at £15 per hour maximum, subject to the following conditions: elderly or dependent relatives must be living at the same address as the member. 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.

Travel and Subsistence Allowances

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, 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:-

Appendix 1

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) £6.24
- Lunch allowance (more than 4 hours away from normal place of residence – including lunchtime between 12 noon and 2pm) £8.62
- Tea allowance (more than 4 hours away from normal place of residence including period 3pm to 6pm) £3.40
- Evening meal allowance (more than 4 hours away from normal place of residence, ending after 7pm) £10.67

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 with 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.