Independent Members' Allowances Panel

Report
February 2009

Independent Members' Allowances Panel

Review of Members' Allowances for 2009/10

Introduction

1. Each local authority is required to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to full Council about the allowances to be paid to Elected Members.

2. The members of the Independent Panel are: -

   Peter Innes (Chairman) - Former General Manager of Easington District Council

   David Clifford - Former Managing Director of Port of Tyne

   John Wells - Former Principal, South Tyneside College

3. In 2005, the Panel met to review all allowances paid to Elected Members and Co-Optees and recommended the level of allowances to be paid from 1st April 2005. The Panel also recommended that up until and including 2008/09, the Council may increase the allowances by specified indices without reference back to the Panel. The Council accepted the recommendations. The Panel would be convened if there were specific issues that needed to be considered.

4. Those automatic indexation provisions have now come to an end so the Panel has to consider the provision for indexation for 2009/10.

Indexation for 2009/10

5. The Panel has previously recommended that allowances should be increased according to the following indices: -

Basic Allowance, Special Responsibility Allowance, Co-Optees Allowances, Dependent Cares' Allowance	RPI (Retail Prices Index)
Subsistence and Out of Pocket Allowance	RPIX (Retail Prices Index excluding mortgages)
Travel Allowances	As Inland Revenue Rates

6. The indices for this year and last year were: -

	2008/09	2009/10
RPI	4%	0.9%

RPIX	3.1%	2.8%
Inland Revenue	No change	No change

7. In 2008/09, the Council resolved to increase the allowances by only 2.475% (the agreed salary increase for officers).

8. While we intend to carry out a more detailed review of allowances in the coming year, which may include a review of the appropriate index, we see no reason at the moment to recommend the use of any other indices.

9. Notwithstanding the Council's decision to approve a lower increase last year, we intend to use as our base the level that the allowances would have been if the full increase had been accepted and that the indices referred to in paragraph 6 for 2009/10 should be applied to that base. It is, of course, open to the Council to approve a lower increase.

10. The following table sets out our recommended level of allowances for 2009/10.

2009/10 Members' Allowances Scheme

Basic Allowance (amount per Member) £ 7,226

Special Responsibility Allowances

Leader of the Council		£ 26,496
Deputy Leader of the Council		£ 16,860
Cabinet Member (8)		£ 9,635
Leader of main opposition group		£ 7,226
Leader of second opposition group		£ 4,817
	Chair	**Vice-Chair**
Scrutiny Committee (4)	£ 9,635	£ 7,226
Pensions Committee	£ 7,226	£ 4,817
Planning Committee	£ 7,226	£ 4,817
Appeals Panel	£ 7,226	£ 4,817
Licensing	£ 7,226	£ 4,817
Community Area Forums (6)	£ 4,817	-
Human Resources	£ 4,817	£ 2,409
Audit Committee	£ 4,817	£ 2,409

No Member should receive more than one Special Responsibility Allowance (SRA). Any Member holding two or more posts eligible for an SRA should be paid only the highest of the SRA's payable.

Where a Member is also a Member of another authority, that Member should not receive allowances from more than one authority in respect of the same duties.

Co-Optees Allowances

	Chair	**Vice-Chair**
Standards Committee	£ 4,817	£ 2,409
	Additional Co-Optees	
Audit Committee	£723	
Standards Committee	£723	

Dependent Carers' Allowances

Based on actual costs, but not exceeding **£7.82 per hour and per dependant**.

Carers' allowance should be paid for the care of dependants (whether children, elderly people or people with disabilities) when a Councillor attends a meeting or carries out other Council business which is specified in the regulations. The maximum period of entitlement should be the duration of approved duty together with reasonable travelling time.

The allowance should only be paid for care by a registered child minder or carer (not a Member of the Councillor's own household) and only if supported by receipted paid invoices.

The allowance will be payable for an approved duty and any other duty or class of duty approved by the Head of Corporate Governance for the purposes of, or in connection with, the discharge of any of the Council's functions or the functions of any of the Council's committees or sub-committees.

Pension Entitlements

All Members of the Council should be entitled to join the Local Government Pension Scheme. For pension purposes, basic and special responsibility allowances should be pensionable.

Travel Allowances (for Elected Members and Co-Optees)

These are the 2005/06 Inland Revenue rates. They are to be increased if the Inland Revenue publishes revised rates.

	2005/06
Cars - First 10,000 miles	40p per mile
Cars - Over 10,000 miles	25p per mile
Cars - Each additional passenger	5p per mile
Motor Cycles	24p per mile
Bicycles	20p per mile

Subsistence and Out of Pocket Allowances (for Elected Members and Co-Optees)

Subsistence	
Overnight (outside London) – 24 hours	£ 100.89
Overnight (inside London) – 24 hours	£ 115.07
Breakfast (4 hours before 11am)	£ 6.21
Lunch (4 hours including period 12 noon)	£ 8.56
Tea (4 hours including period 3pm to 6pm)	£ 3.37
Evening Meal (4 hours ending after 7pm)	£ 10.58
Out of Pocket	
UK (24 hours)	£ 15.95
Abroad (24 hours)	£ 31.92

Suspension of Allowances

When an elected member is suspended or partially suspended (in accordance with Part III of the Local Government Act 2000) all or an appropriate part of the allowances payable to that elected member during the period of suspension should be withheld by the authority, unless suspension is pending the result of an investigation, in which case allowances will continue to be paid.

Elections to forgo Allowances

Any Elected Member or Co-Optee may, by notice in writing given to the Council's Head of Corporate Governance, elect to forgo all or part of any allowance entitlement.