

HALTON BOROUGH COUNCIL

INDEPENDENT MEMBERS' REMUNERATION PANEL

**Report following review of Halton Borough Council's
Members' Allowance Scheme**

April 2007

1.0 INTRODUCTION

1.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003, the Scheme for Members' Allowances, which was approved in December 2003, was due for review.

1.2 The Council, at its meeting on 13th December 2006, authorised the Chief Executive to establish an Independent Panel to review the Council's Scheme of Members' Allowances and to make recommendations to the Council as it saw fit. The Chief Executive appointed the following three people to the Panel:

Steve O'Connor – Director, O'Connor Group of Companies

John Lewis – Marketing Director, SOG Ltd.

Alan Hill – Consultant

1.3 The Panel met to review the current scheme, and this report represents their findings and recommendations.

2.0 BACKGROUND

2.1 The Panel were appraised of the Council's current scheme of allowances. For completeness, the scheme is appended to this report as Appendix 1.

2.2 In considering the appropriateness of the existing scheme, the Panel looked at the schemes of a number of neighbouring or nearby Authorities. Attached as Appendix 2 to this report is a summary table of the Authorities the Panel looked at.

2.3 The Panel recognised that any scheme should offer both value for money to the council tax payer and be at such a level to ensure that Elected Members come from all sections of Halton life. The Panel felt that there should not be financial barriers to becoming an elected representative.

3.0 FINDINGS

3.1 The Panel recognised that using comparisons with other Authorities is not an exact science, as roles and responsibilities in any two Authorities are rarely identical, even where the particular roles carry the same titles. However, the comparisons provided tended to show that allowances in Halton are broadly comparable with those payable in Authorities of a similar nature, scope and functions. The Panel felt that on that basis the current scheme was still valid and should not be subject to change.

3.2 In answering the 'value for money' question, the Panel recognised that Halton:

- was a four star, improving Council;
- had positive reports from its external auditor;
- showed increased levels of public satisfaction from a recent national survey; and
- was shortlisted for the Council of the Year award.

3.3 In comparison to similar roles in the private sector, the Panel felt that the scheme offered good value for money for the council tax payer.

4.0 RECOMMENDATION

The Panel recommends to the Council that no changes be made to the existing Members' Allowances Scheme

HALTON BOROUGH COUNCIL**SCHEME OF MEMBERS' ALLOWANCES**

This scheme of members' allowances has been set by the Council having regard to a report of an Independent Panel made up of non Councillors. This scheme will come into effect on the 18th December 2003 and continue in force for the remainder of the financial year 2003/04 and for the subsequent three financial years (or until amended by the Council if sooner).

1. Basic Allowance

The following basic allowance shall be paid to each member of the authority to cover Councillors' incidental expenses such as heating, lighting, telephone, stationery and postage:

£7,527 per annum (as at May 2006)

Where a Councillor's term of office begins or ends part way through the year to which the allowance relates the amount of the basic allowance shall be reduced pro rata.

2. Special Responsibility Allowances

These allowances are paid to reflect the additional work involved in undertaking certain roles and taking on additional responsibilities under the Council's Constitution. The Special Responsibility Allowances are as follows:

Position	SRA 2003	Limitations	SRA 2006
Leader	£17,823		£19,410
Deputy Leader	£12,120	To a maximum of 68% of the Leader's SRA	£13,200
Executive Board Members	£9,981	To a maximum of 56% of the Leader's SRA	£10,872
Chairs – Boards & Committees	£6,000	To a maximum of 33% of the Leader's SRA	£6,465
Vice Chairs – Boards & Committees	£3,000	50% of the Chair's SRA	£3,234
Leader of Principal Opposition	£6,000	Equal to that of the Chair's SRA	£6,465
Scrutiny Co-Ordinator	£6,000	Equal to that of the Chair's SRA	£6,465

Special Responsibility Allowances are paid in addition to Basic Allowance. No Member is paid more than one Special Responsibility Allowance at any one time and, in the event that a Member undertakes more than one Special Responsibility at a time, then the higher/highest Allowance will be paid.

Where a Councillor does not hold the role giving rise to the entitlement to the Special Responsibility Allowance for the full year to which the allowance relates, the amount of the Special Responsibility Allowance shall be reduced pro rata.

3. Child Care and Dependent Carer's Allowance

A Child Care and Dependent Carer's Allowance shall be payable based upon reimbursement of actual receipted costs subject to prior agreement with the Strategic Director - Corporate and Policy. The allowance is payable to any Member who incurs expenditure in respect of child or dependant relative care whilst undertaking the approved duties specified in paragraph 14 of this scheme.

4. Travel and Subsistence Allowances

Travel and subsistence allowances are payable for the approved duties set out in paragraph 14 of this scheme. Members are entitled to reimbursement of the full costs incurred (on production of the relevant receipts) subject to the following limits:

Car Mileage

Engine size	Up to 999cc	1000cc to 1199cc	1200cc and over
Pence per mile	34.6	39.5	48.5

Motorcycle Mileage

Engine size	Up to 149cc	150cc to 499cc	500cc and over
Pence per mile	8.5	12.3	16.5

Subsistence Allowances

Breakfast	Lunch	Tea	Evening Meal
£4.92	£6.77	£2.67	£8.38

Overnight Accommodation

Outside London	£79.82 per night
Inside London	£91.04 per night

Cycle Allowance

Members to be entitled to a mileage allowance equivalent to that payable to officers for use of a cycle in carrying out approved duties.

Public Transport

Reimbursement of full cost on payment of receipts (subject to air and rail travel being booked through the authority).

The Strategic Director – Corporate and Policy may authorise re-imburement at a higher rate for overnight accommodation and subsistence where it is not reasonably practicable for the member to keep costs incurred to the allowances set.

In respect of overseas travel, members may claim reimbursement for all expenditure reasonably incurred in respect of duties outside the country provided that the travel has been approved in advance by the Strategic Director - Corporate and Policy.

The Strategic Director - Corporate and Policy may make an advance to a member in respect of the likely costs of travel and subsistence where he considers it appropriate, subject to any advance being deducted prior to payment of any subsequent claims. (Except as varied above, the additional rules approved by the Standards Committee for Members' Travel and Subsistence Payments remain in effect.)

5. Co-Optees

Any co-optees, as permitted by the Council's constitution, shall be entitled to claim Travel and Subsistence and Child Care and Dependent Carer's Allowances on the same basis as any Member of the Council

6. Pensions

All members of the Council who qualify for admission to the local government pension scheme shall be eligible to join the scheme and both Basic Allowance and Special Responsibility Allowance shall be treated as amounts in respect of which pensions are payable.

7. Annual Increase

The allowances in this scheme shall be increased each year by the same percentage increase (or increases) as the NJC pay award for Local government employees. Where different increases are awarded to different sections of the NJC workforce the percentage increase applicable at spinal column 29 shall apply. Any increase in Basic and Special Responsibility Allowances shall apply from the same date as the pay award is to take effect, and increases shall be backdated if necessary. As regards any increase in

Travelling and Subsistence Allowance, these shall take effect as from the date on which the pay award is formally agreed.

8. Withholding of Allowances

Where a Member is suspended, or partially suspended, from their responsibilities or duties as a Member of the Council in accordance with Part III of the Local Government Act 2000, or regulations made thereunder, that part of any

- Basic Allowance
- Special Responsibility Allowance
- Travel and Substance Allowance

payable under this scheme in respect of the duties or responsibilities from which the member is suspended may be withheld by the Council.

9. Payment of Allowances

Basic Allowance and Special Responsibility Allowance will be paid in 12 monthly instalments on the 20th of each month direct to a bank account. Other allowances will similarly be paid on the 20th of each month direct to a bank account subject to the relevant claims being submitted and approved in accordance with such procedures as may be set down by the Strategic Director – Corporate and Policy.

10. Repayment of Allowances

Where payment of any allowance has already been made in respect of any period during which the member concerned is

- (a) suspended or partially suspended from their responsibilities or duties as a member of the authority in accordance with Part III of the Local Government Act 2000 or regulations made under that Part;
- (b) ceases to be a member of the authority; or
- (c) is in any other way not entitled to receive the allowance in respect of that period,

the Council may require that such part of the allowance as relates to any such period be repaid to the Council.

11. Renunciation

Members may elect to forego any part of their entitlement to an allowance under this Scheme by giving notice in writing to the Strategic Director - Corporate and Policy.

12. Multiple Authorities

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

13. Time limit for Claims

Claims for the following allowances:

- (a) Child Care and Dependant Carer's Allowance;
- (b) Travelling and Subsistence Allowance

must be made by the person to whom they are payable within one month of the end of the month in which the entitlement to the allowance arose. In the event that a claim is not made within this time limit the Strategic Director - Corporate and Policy shall have absolute discretion as to whether to pay the claim.

14. Approved Duties

The following duties are specified as approved duties for the purpose of Travel and Subsistence Allowances and Child Care and Dependent Carer's Allowance:

1. Any meeting of the Council, Executive Board or other Board, Committee or Sub-Committee meeting.
2. Any meeting of a Working Group, or Panel appointed by a Board or Committee.
3. Any formal meeting with other local authorities.
4. Meetings with Council officers on official business.
5. Training courses and seminars organised by the Council.
6. All meetings where Members are appointed as representatives of the Council on Outside Bodies excluding School Governing Bodies.
7. All meetings, seminars and events attended by the member where the member's attendance is organised, requested or arranged by the Council.
8. Meetings of Area Forums.
9. The carrying out of any other duty approved by the Chief Executive of 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 of any of its Boards or Committees.

Appendix 2

Members Allowances 2006/07 - Comparison

	Halton	St Helens	Knowsley	Wirral	Warrington	Sefton	Liverpool
Basic	7527	6894	8299	9000	7350	7017	9526
Leader	19410	29871	24897	22500	19144	21051	19900
Deputy Leader	13200	16659	-	11250**	13560	-	-
Opposition Leader	6465	13785	6224	13500	6778	17541***	11566
Exec Members	10872	13785	12449	9000	8198	14034	13,267
Chair of PPB	6465	*	6224	4500	8198	3510	8844
Chair of Committee	6465	4365 to 6894	4150 to 6224	900 to 4500	1488 to 7453	7017	6123 to 8844
Vice Chair of PPB	3234	-	3112	-	-	-	-
Vice Chair of Committee	3234	-	2075 to 3112	-	-	-	-
Scrutiny Co-Ordinator	6465	-	-	-	-	-	-

*Role combined with role of Opposition Leader

**If deputy leader of the largest group is not deputy leader of the Council, the SRA is reduced to £9,000

***Where Party Leaders have a Cabinet Position

N.B. Some of the other authorities have other allowances for other roles within their organisation. The table above only includes allowances where there is a comparable allowance payable under the Halton Scheme.