

PART 6

**MEMBERS' ALLOWANCES
SCHEMES**

**REVISED DRAFT FOR
CONSIDERATION BY STANDARDS
COMMITTEE
OCTOBER 2003**

MEMBERS' ALLOWANCES SCHEMES – 2003 - onwards

1. Introduction

- 1.1 The Local Government & Housing Act 1989 and the Local Authorities (Members' Allowances) (England) Regulations 2003 require authorities to make a scheme for payment of allowances to Councillors. The regulations do not limit the amount that can be paid.
- 1.2 Before making, amending or reworking its allowances scheme, the Council is required to have regard to the recommendations of an independent remuneration panel. The Council is not, however, bound to adopt all or any of the panel's recommendations provided it has given them due consideration and is satisfied that it has justifiable reasons for not doing so.
- 1.3 In September 2003 the Council agreed a new Members' Allowances Scheme having considered the recommendations of the Standards Committee and having taken into account the Association of London Government Independent Remuneration Panel's reports of Summer 2001 and 2003.

2. Basic Allowance

- 2.1 Each member of the Council is entitled to receive the annual Basic Allowance of **£8,540**. This is paid on a monthly basis rather than as a lump sum.

**Option: Members may wish to change the Basic Allowance to one of the options in the main report:
Option 2 - £9,149.40, or Option 4 - £8611.20**

- 2.2 If a member of the Council does not serve for the whole of the 12 month period, or becomes disqualified, they will only be entitled to pro-rata payments for the period(s) during which they were actually a serving member of the Council.
- 2.3 If a Member wishes to waive their right to receive a Basic Allowance, or any other allowance under the scheme, they must notify the Borough Solicitor & Secretary in writing.

3. Special Responsibility Allowance

- 3.1 The Council has decided to pay special responsibility allowances (SRA) to those Members whom it considers to have special responsibilities for the discharge of the Council's functions. The list of SRAs payable is set out in **Appendix A**. This Allowance is in addition to the Basic Allowance. No Member may receive more than one SRA.
- 3.2 The level of Allowance paid to a Band 3 or Band 4 member is dependent on the number of hours per week the Member is employed elsewhere, as set out below:
 - less than 11 hours elsewhere, full SRA
 - 11 to 24 hours elsewhere, two thirds SRA
 - more than 24 hours elsewhere, one third SRA
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Option: The ALG Panel does not recommend that allowances be abated in this way, but rather that the allowance reflects the role and responsibility of the post..

- 3.3 SRA is paid monthly. Where a Member does not hold the post attracting the SRA for a complete calendar month, it will be paid proportionately for the number of days during which they held the post. If a Member of the Council does not serve as an elected Member for the whole of the 12 month period, or becomes disqualified, or if they cease to perform the duties for which the allowance is payable, they will only be entitled to pro rata payments for the period(s) during which they undertake the duties. Similarly, if the scheme is amended so as to affect entitlement, the Allowance will be paid pro rata.

4. Travel Allowance

- 4.1 Normally, Councillors may only claim travel expenses incurred in the performance of “approved duties” (see paragraph 7 below) for meetings held outside the borough.

Options:

1. Co-opted Members may claim travel expenses necessarily incurred on Council Business ; or
2. Co-opted Members may claim travel expenses attending Council meetings within the borough. ; or
3. Co-opted Members may claim travel expenses only where their duties necessarily require them to travel outside the Borough.

- 4.2 However, Members are able to claim for taxis home after Council meetings which end after dusk or after 8.00p.m., whichever is the earliest. Members with disabilities are able to claim for taxi fares at any time whilst on Council business in the borough.

- 4.3 Other conditions applying and the approved rates are set out in **Appendix B**.

Option: The ALG Panel recommended that allowances and rates should reflect those payable to officers.

Note that Officers cannot claim taxis after committee meetings unless they end after 9pm, and then only at the discretion of their manager.

5. Subsistence Allowance

- 5.1 The maximum rates for subsistence allowance relating to “approved duties” are set out in **Appendix B**. This allowance is not payable where the Council has made arrangements for refreshments and/or accommodation.

Option: The ALG Panel recommended that allowances should reflect those payable to officers.

6. Child-care and Dependant Carers Allowance Scheme

- 6.1 Members may claim this Allowance as reimbursement of costs they incur in arranging carers to look after dependants who cannot be left by themselves by reason of age or other special needs. The Allowance may only be claimed in respect of “approved duties”.
- 6.2 The maximum rate claimable is **£6.00 per hour (as at October 2002)**, to be uplifted on an annual basis. The following criteria also apply:
- payments are subject to a maximum monthly payment of £200 (any claims in excess of this amount to be submitted to the Standards Committee for consideration);
 - payment is claimable in respect of children aged 15 or under or in respect of other dependants where there is medical or social work evidence that care is required;
 - only one weekly payment may be claimed in respect of the household of each Member, except in special circumstances agreed by the Standards Committee;
 - the Allowance will be paid as a reimbursement of incurred expenditure against receipts;
 - the Allowance is not payable to a member of the claimant’s own household;
 - the carer must be 18 or over (and not a spouse or partner/co-habitee of the member or a relative living at the same address); and
 - any dispute as to entitlement and any allegation of abuse will be referred to the Standards Committee for adjudication

Options:

1. Members can review the rate of £6.00. or

2. Agree that the rate be set from time to time by the Chief Executive in consultation with the Strategic Director of Social Services.

7. **Approved Duties**

- 7.1 For a Member, an “approved duty” for the purpose of Travel, Subsistence and Child-care and Dependant Carers Allowances means:
- a) attendance at a meeting of the Council or of any committee or sub-committee of the Council, or of any other body to which the Council makes appointments or nominations, or of any committee or sub-committee of such a body, provided they are a member of the body concerned;
 - b) attendance at any other meeting, the holding of which is authorised by the Council, or a committee or sub-committee of the Council or a joint committee of the Council, or a sub committee of such a joint committee, provided that it is a meeting to which members of at least 2 political groups have been invited;
 - c) attendance at a meeting of any association of authorities of which the Council is a member;
 - d) attendance at a meeting of the Executive or of any of its committees;

- e) attendance at tender openings, where this is required by the Council's Procedure Rules;
- f) performance of any duty in connection with the discharge of a function of the authority empowering or requiring the inspection of premises; and
- g) performance of any duty in connection with arrangements made by the authority for the attendance of pupils at special schools
- h) any other duty approved by the Council for the purpose of, or in connection with, the discharge of the functions of the Council, or any of its committees or sub-committees; and
- i) any duty for the purpose of or in connection with the discharge of the functions of the Executive

7.2 No Allowances can be claimed in respect of political group meetings, Members' surgeries or attendance at college or school governing bodies.

7.3 A **summary list** of approved duties is set out in **Appendix C**. Some of the bodies listed pay allowances directly to Members. When claiming Allowances, Members cannot claim twice in respect of the same expenditure. Members are required to sign a statement that the Member has not made and will not make any other claim in respect of the matter to which the claim relates.

8. Claiming Allowances

8.1 Basic and Special Responsibility Allowances are paid automatically, unless a member elects to forego them, by writing to the Borough Solicitor. Claims for all other Allowances must be submitted within two months of the duty undertaken and accompanied by relevant receipts. Claims submitted outside of the two-month period may be put forward to the Standards Committee for consideration.

Option: The ALG Panel recommended a six-month time limit for claiming allowances.

9. Co-Opted Members

9.1 The following co-optees to committees are entitled to receive annual co-optees allowances as below. This is paid on a monthly basis rather than as a lump sum.

Option:	Option
Independent Members of the Standards Committee	£600 p.a.
Statutory Co-optees to the Education Committee	
- Diocesan Representatives	£1400 p.a.
- Parent Governor Representatives	
Non-Statutory Co-optees to the Housing Scrutiny Sub-Committee	£1000 p.a.

- 9.2 If a member does not serve for the whole of the 12 month period, or becomes disqualified, they will only be entitled to pro-rata payments for the period(s) during which they were actually a serving member of the Council.
- 9.3 If a Member wishes to waive their right to receive a Co-optees' Allowance, or any other allowance under the scheme, they must notify the Borough Solicitor & Secretary in writing.
- 9.4 Co-Opted members, including Independent Members of the Standards Committee and education representatives on Overview & Scrutiny Committee and its Sub-Committees, may claim Travel, Subsistence and Child-care and Dependant Carers Allowances.

Option:
Co-optees could, like members be able to claim Travel and Subsistence allowances only for travel outside the borough

10. Appendix Adjustments

- 10.1 Levels of Basic, Special Responsibility and Financial Loss Allowance are adjusted in accordance with the Local Government Pay Settlement.
- 10.2 Travel and Subsistence Allowances : will be amended in line with changes to allowances for officers.
- 10.3 Dependent Carer's Allowance will be amended by the Chief Executive, in consultation with the Strategic Director of Social Services, to reflect local conditions, and amounts payable by the Social Services department for the level of care required.

11. Special Responsibility Allowances

Options : - Examples.

1. No change to present SRAs.
2. Move now to something closer to the ALG's recommendations – e.g. at the lower limits (with Southwark's Band 2 at the upper level of Band 1, and the Mayor at the upper limit of Band 2)
3. Uplift existing SRAs by a percentage – e.g. equivalent to that applied to the Basic Allowance.
4. Uplift both Basic and SR allowances to a level equivalent to the 2002 allowances, plus the LGPS uplift (i.e. by the amount the ALG recommendations have increased) since allowances were set.

*This assumes Band 2 is high end of Band 1 recommendations, and Mayor is lower end of Band 1 recommendations.

<u>Column</u>	2002/03	1 2003/04	2 ALG in full lower*	3 2002 + NES Index increase (6.75%) Option 3	4 2002+LGPS % increase Option 4
<u>Mayor</u> (40% of total allowance payable to Leader)	£20,000	£20,216	£24,434.28	£21,350.00	£21,548
Band 1 (5% of total allowance payable to Leader) Leader of Minority Opposition Deputy Leader, Majority Opposition Vice-Chair, Scrutiny Sub- Committee Opposition Group Whip Vice-Chair, Planning Committee Vice-Chair, Licensing Committee	£2,500	£2,527	£2,045.16	£2,668.75	£2,691
Band 2 (14% of total allowance payable to Leader) Deputy Mayor Chair, Scrutiny Sub-Committee Chair, Planning Committee Chair, Licensing Committee Chief Whip Leader of Majority Opposition Vice-Chair, Overview & Scrutiny	£7,000	£7,075.60	£7,642.44*	£7,472.50	£7,534.80

**Chair of
Community
Council**

In line with Standards' previous recommendation, listed in Band 2

Band 3
(45% of total allowance payable to Leader)
Deputy Leader
Executive Member
Chair, Overview & Scrutiny

£22,500 £22,743 £27,900 £24,018.75 £24,219

Band 4

£42,000 £42,000 £46,823.40 £44,835.00 £45,208.80

Leader

Appendix B

12. Travel Allowance

Members may claim the cost of public transport relating to "approved duties" outside the borough (receipts must be produced in respect of all claims). Members using their own transport may submit mileage claims. The maximum rates per mile are as follows:

	Rate per mile (not to exceed)
Motor cycle not exceeding 150cc	8.5p
Motor cycle exceeding 150cc but not exceeding 500cc	12.3p
Motor cycle exceeding 500cc	16.5p
Motor vehicle not exceeding 999cc	34.6p
Motor vehicle exceeding 999cc but not exceeding 1199cc	39.5p
Motor vehicle exceeding 1199cc	48.5p

Option: Policy applying to Officers is set out below. It is proposed that Members fall into the Casual Car User category. Members may wish to adopt some or all of the general conditions set out below:

Travelling

Travelling expenses (other than for authorised car users) necessarily incurred in carrying out their official duties will be reimbursed.

Car Allowances: General Conditions

1. Car Allowances: General Conditions

Employees who are required to use a car for the efficient performance of their duties will be eligible to receive an allowance for its use on business only. Noting the following:-

- The Council has the right to require an employee to carry official passengers without any additional payments. (Where an employee regularly carries official passengers, this can be taken into account in determining the cubic capacity category of allowance payable).
- Public transport must be used on all appropriate occasions, e.g. where more economic, timely etc.
- Employees shall not use their own cars when there is room in one of the local authority's cars or in the car of another employee making the same journey on the same business. As far as possible journeys over the same route should be arranged so as to synchronise.
- All official mileage has to be recorded.
- Employees shall have included and maintain in their insurance policy a clause indemnifying the local authority against all third party claims (including those concerning passengers) arising out of the use of the vehicle on official business. A copy of insurance documents must be maintained on the employee's personal file and an updated motor insurance certificate requested annually.
- Staff who receive an essential car user allowance, or a leased car, need to provide proof that their car has passed emission checks;
 - for cars less than 3 years old, an annual check is required which should be produced to your Staffing Officer.
 - for cars 3 years and above, twice yearly checks are required, one of which should be provided with the MOT certificate, the other six months from date of MOT.

For those with a leased car the emissions check will be completed at the annual service.

At the same time the employee will be required to present to their Staffing Officer their driving licence, insurance details and MOT Certificate (if appropriate).

2. Car Allowance Scheme

- 2.1 The car allowance scheme applies to all essential and casual car users.
- 2.2 There are three bands of allowance according to the cubic capacity of the car: 451 - 999 CC; 1000 - 1199 CC; 1200 CC and above.
- 2.3 There are two classes of user classified as "essential" and "casual" users.
- (a) "Essential" users will receive a lump sum and a mileage allowance. Essential users status is only awarded to posts graded at JNC levels, posts that meet defined criteria, or to postholders who are "disabled" under the definitions of the Disability Discrimination Act and meet the criteria described in Business Managers Guide to Travel.

(b) "Casual" users will receive a mileage rate and is paid to employees who need to make use of their own car in carrying out official duties.

2.4 The National Joint Council reviews the rates payable on an annual basis. The current rates are shown in Appendix 1 below.

3. **Motor & Pedal Cycle Allowances**

3.1 Monthly pedal or monthly cycle allowance is payable for Council employees who are authorised to use their own cycles in connection with their official duties. The rates payable are set out below.

Rates of Allowances

Essential & Casual Car Allowances

April 2003

Essential User

	451-999 cc	1000-1199 cc	1200 cc and above
Lump Sum	£657	£735	£945
Per mile-first 8,500 miles	28.6 pence	31.5 pence	38.7 pence
Per mile-after 8,500 miles	10.6 pence	11.3 pence	12.8 pence

Casual Users

	451-999 cc	1000-1199 cc	1200 cc and above
Per mile-first 8,500 miles	36.4 pence	40.2 pence	49.9 pence
Per mile-after 8,500 miles	10.6 pence	11.3 pence	12.8 pence

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Moped, Motor Cycle & Pedal Cycle Allowances from 1st October 2002

<u>Engine Size (cc)</u>	<u>Essential User Lump Sum</u>	<u>Essential User Mileage (pence per mile)</u>	<u>Casual User Mileage (pence per mile)</u>
up to 150	£150 p.a.	5.7 pence per mile	7.0 pence per mile
151 – 244	£193 p.a.	8.2 pence per mile	10.7 pence per mile
245 – 500	£246 p.a.	10.7 pence per mile	13.2 pence per mile
501 – 999	£295 p.a.	13.5 pence per mile	17.4 pence per mile
1000 +	£345 p.a.	16.1 pence per mile	21.2 pence per mile
Pedal Cycle Allowance = £10 per month			

13. Subsistence Allowance

Current policy

Subsistence Allowance may be claimed in respect of “approved duties” if they involve an absence from the normal place of residence exceeding four hours in total which includes one hour travelling time. The current maximum amounts set by the Secretary of State are:

Breakfast allowance (before 11.00a.m.)	£4.92
Lunch allowance (between 12 noon and 2.00p.m.)	£6.77
Tea allowance (between 3.00p.m. and 6.00p.m.)	£2.67
Evening meal allowance (after 7.00p.m.)	£8.38

The amount to be reimbursed in respect of qualifying duties is the actual amount spent subject to the maximum figures quoted above. Receipts must be produced in respect of all claims.

Option:
Officer’s policy is set out below

Reimbursement of reasonable expenditure subject to the following maxima is payable to **officers** who are prevented by their official duties from taking a meal at their home, administrative centre or establishment where they normally take their meals, and thereby incur additional expenditure. Reimbursement is reliant on the production of appropriate evidence of expenditure.

Breakfast	£5.28
Lunch	£7.29
Evening Meal	£9.00

In the case of an overnight absence from home, the maximum daily amount that may be claimed for accommodation and subsistence is £79.82 (if accommodation and/or meals have not been booked and paid for by the Council).

Option:
There is not an equivalent daily rate for officers.

Summary List of Approved Duties

1. Attendance at Council, Committee or Sub-Committee meetings.
2. Attendance at Neighbourhood Forums that fall within the Member's Ward.
3. Attendance at Tenants' Council and Leaseholders' Council.
4. Attendance at Licensing or Development Control Committees as a Ward representative.
5. Attendance at a meeting of a body to which the Member has been nominated by the Council including the following:
 - Adoption Panel
 - Anti Homophobic Forum
 - Age Concern Greater London
 - ALG (Association of London Government)
 - ALG Area Environment Group
 - ALG Committees and Panels
 - Association of Direct Labour Organisations
 - Aylesbury Plus Community Forum
 - Aylesbury Plus SRB Partnership Board
 - Browning Estate Management Board
 - Business Link
 - Executive Best Value Panel
 - Camberwell Provident Dispensary
 - Capital Transport Campaign
 - Capital Working Group
 - Chartered Institute of Library and Information Professionals (formerly the Library Association)
 - Children and Young People Best Value Working Groups
 - Corporate Parenting Panel
 - Credit Union Development Agency
 - Cross River Partnership Board
 - Disabilities Forum
 - Early Years Development and Childcare Partnership
 - Education Action Zones
 - Elephant Links Partnership Board
 - Environmental Management Contract Working Party
 - Greater London Provincial Council
 - Greater London Employers' Association Ltd
 - Greater London Energy Efficiency Network (GLEEN) Greater London Enterprise Limited
 - Greater Peckham Alliance
 - Housing Partnership Board (formerly Tenant Participation Compact Project Team).
 - Joint Partnership Panel (Trade Union Consultation)
 - Lambeth and Southwark Housing Association Limited
 - Leaseholders Arbitration Panel
 - Lee Valley Regional Parks Authority
 - LGA (Local Government Association) General Assembly
 - Southwark Local Strategic Partnership

- London Arts Board/Local Authority Forum
- London Accident Prevention Council (LAPC)
- London and Quadrant Housing Trust – South West Thames Regional Committee
- London Boroughs Children’s Regional Planning Committee
- London Caribbean Partnership Group
- London Museums Agency
- London South East Valuation Tribunal
- National Association of Black, Asian and Ethnic Minority Councillors
- National Society for Clean Air and Environmental Protection
- North Southwark Environment Trust
- Pensioners’ Forum
- School Organisation Committee
- Secure Accommodation Panel
- Silwood Estate SRB Partnership Board
- South Eastern Museum Service
- South London Gallery Steering Group
- Southern Association of Direct Labour Organisations
- Southwark and Lambeth Archaeological Excavation Committee
- Southwark Community Leisure Ltd (Fusion) Management Board
- Southwark Council for Community Relations
- Southwark Groundwork Trust (Directors)
- Southwark Partnership Board
- Southwark Police & Community Consultative Group
- Southwark Women’s Aid
- Southwark Police and Community Consultative Group
- Stakeholder Forum – Housing Management and Support for Residential Involvement.
- Standing Advisory Council on Religious Education
- Standing Committee on Atmospheric Pollution
- Stephen Lawrence Strategic Advisory Group.
- Street Trading Consultative Forum
- Territorial Auxiliary and Volunteer Reserve Association for Greater London
- Tenancy Agreement Arbitration Panel
- Tenants Management Organisations Liaison Committee
- Traffic Petitions and Deputations Panel
- Unitary Development Plan Advisory Panel.
- Voluntary Bodies Appointments Panel
- Warwick Consortium