
Meeting: Council

Date: 24 November 2011

Subject: Members' Allowances Scheme 2011/12 & 2012/13 – Report of Independent Remuneration Panel

Report of: Cllr Maurice Jones , Executive Member for Corporate Resources

Summary: This report sets out the recommendations of the Independent Remuneration Panel for the Members' Allowances Scheme for 2011/12 and 2012/13, following its meetings on 3 August, 20 October and 2 November 2011.

Contact Officer: John Atkinson, Head of Legal and Democratic Services

Public/Exempt: Public

Wards Affected: All

Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

The provision of a fair scheme of Members' Allowances is essential to the democratic process in ensuring an equal opportunity to all to become a Councillor.

Financial:

The financial implications of the Panel's recommendations are set out in Section 4 of the report.

Legal:

The Local Authorities (Members' Allowances) (England) Regulations 2003 and Statutory Guidance 2006.

Risk Management:

None.

Staffing (including Trades Unions):

None.

Equalities/Human Rights:

The Scheme of Members' Allowances includes allowances for Dependants' Carers' to provide equality for any Member with caring responsibilities.

Community Safety:

None.

Sustainability:

None.

RECOMMENDATION(S):

That:

- 1. the Council consider adopting the Scheme of Members' Allowances for Central Bedfordshire for the financial years 2011/12 and 2012/13, in accordance with the recommendations of its Independent Remuneration Panel and that Part K of the Council's Constitution be amended in accordance with any changes approved;**
- 2. the Council notes the Panel's concerns regarding consultation and publication of its recommendations.**

1. The Independent Remuneration Panel held meetings on 3 August, 20 October and 2 November 2011 to conduct a review of Members' Allowances in accordance with the provisions of The Local Authorities (Members' Allowances) (England) Regulations 2003.

2. Section 3 of this report provides a summary of the recommendations of the Panel and section 4 provides details of the financial implications of the recommendations. A copy of the full report of the Panel is attached as Appendix A. The financial effect on the SRA budget for 2011/12 and 2012/13 is attached in tabular form as Appendix B.

3. Recommendations of the Independent Remuneration Panel

3.1 2% Reduction

That the 2% reduction in allowances introduced by the Council from 1 April 2011 be endorsed.

3.2 Basic Allowance

That the Basic Allowance paid to all Members of the Council remain unchanged at £10,995.60 and that it be frozen for the financial year 2012/13.

3.3 Special Responsibility Allowances (SRA)

3.3.1 Leader's SRA

That the SRA for the Leader of the Council be reduced from 300% to 285% of Basic Allowance (£31,337.40) from 1 December 2011.

3.3.2 Executive Members

That the SRA for Executive Members (excluding the two Executive Members without Portfolio) be reduced to £18,802.44, which is 60% of the recommended SRA (£31,337.40) for the Leader, from 1 December 2011.

3.3.3 Executive Members without Portfolio

That SRAs be paid to these two new posts and the amounts be as follows:

- Executive Member without Portfolio (Economic Partnerships) £10,654.72 which is 34% of the recommended SRA (£31,337.40) for the Leader, from 19 May 2011;
- Executive Member without Portfolio (External Affairs) £6,267.48 which is 20% of the recommended SRA (£31,337.40) for the Leader, from 19 May 2011;

3.3.4 Other SRAs

That the following SRAs (based on the percentage of the Leader as shown) be applied for 2011/12 from the dates shown:

Role	£	%age of Leader SRA	From
Deputy Leader of the Council	5,013.98	16	1.12.11
Deputy Executive Members	6,267.48	20	19.5.11
Overview and Scrutiny Committee Chairmen	10,654.72	34	1.12.11
Overview and Scrutiny Committee Vice-Chairmen	2,506.99	8	1.12.11
Development Management Committee Chairman	13,161.71	42	1.12.11
Development Management Committee Vice-Chairman	2,506.99	8	1.12.11
Audit Committee Chairman	10,654.72	34	1.12.11
Audit Committee Vice-Chairman	2,506.99	8	1.12.11
General Purposes Committee Chairman	5,013.98	16	1.12.11
Standards Committee Chairman	5,013.98	16	1.12.11
Licensing Committee Chairman	2,506.99	8	1.12.11
Luton & South Bedfordshire Joint C'ttee Vice Chairman (Committee ceases 31.3.12)	13,161.71	42	1.12.11
Minority Group Leader	2,506.99	8	1.12.11
Council Chairman*	10,995.60	n/a	1.4.11
Council Vice-Chairman*	2,748.90	n/a	1.4.11

* Civic allowances are outside the scope of the Members' Allowances Scheme and not formally a matter for consideration by the Panel but it has been custom and practice for the Panel to make recommendations.

3.3.5 Vice-Chairmen SRAs

That SRAs for Overview and Scrutiny Vice-Chairmen and the Audit Committee Vice-Chairman be discontinued with effect from 1 April 2012.

3.3.6 That SRAs paid to each of the two new posts of Executive Members without Portfolio be reviewed by the Panel no later than 31 August 2012.

3.3.7 That all SRAs be frozen for the financial year 2012/13;

3.3.8 Number of SRAs

That the Council should work towards a position where no more than 50% of its Members are in receipt of an SRA (i.e. a maximum of 29 out of 59 Members).

3.4 Travel and Subsistence Allowances

- 3.4.1 That with effect from 1 December 2011, the rate per mile for Members be based on the same rates that apply to the Officers of the Council (i.e. the HMRC rate) with the exception of the training mileage rate where Members be allowed to continue to claim mileage for attending training courses at the rate of 45p per mile and subject to exclusion of the business mileage lump sum.

For information purposes the rates recommended to apply are set out below:

Type of Mileage	Rate per mile
Business mileage up to 10,000 miles	45p
Business mileage over 10,000 miles	25p

Travel by Public Transport or Rail
The ordinary or any concessionary fare may be claimed. Advantage should be taken of cheap or concessionary rates whenever reasonably practicable.

Travel by Other Means – Taxi, Hire Car, Pedal Cycle etc.	
Claims for taxi journeys shall not exceed:-	
a)	in cases of urgency, or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid; and
b)	in any other case, the amount of the fare for travel by appropriate public transport.
Where journeys are by pedal cycle the allowance will be at the rate of 20p per mile.	

Motor Cycle Allowances	Rate per mile
0 – 5,000 miles	19.91p
Over 5,000 miles	8.30p
When used in preference to public transport rate	14.10p

- VAT receipts for fuel purchases that cover the journeys undertaken by Members on 'approved duties' must accompany claims in all cases.
- mileage allowances be indexed to the same rates that are applicable to officers.
- payments for travel by public transport, rail, taxi or hire car only be made upon the production of receipts in all cases.

3.5 Travel Permits

That travel permits issued to Members which enable parking in Council operated car parks in Central Bedfordshire be withdrawn from 1 December 2011 and that Members be reimbursed the cost of car park fees whilst undertaking 'approved duties', subject to appropriate receipts accompanying their claim in all cases.

3.6 Subsistence Allowances

That:

- Subsistence Allowances and the conditions by which they can be claimed by Members undertaking approved duties be based on the same rates that apply to Officers of the Council.

This means that re-imbusement will be for actual expenditure incurred by Members **outside of the CBC area** and at the following upper limits (less a deduction of £1.50 on all claims to reflect the expenditure a Member would normally incur):

Allowance	Rates (£)	Condition
Breakfast	4.48	Required to leave home before 6.30am
Lunch	6.17	Required to be away from 12 noon and 2pm
Tea	2.43	Required to work later than 6.20pm but not later than 8.30pm
Dinner	7.64	Required to work later than 8.30pm

- Overnight expenses reflect those applicable to staff as follows subject to the exceptions indicated:
 - London: No overnight expenses be paid for daily approved duty visits to London (exception);
 - Elsewhere: Up to a maximum of £36.70 for bed and breakfast expenses
 - Where accommodation costs are incorporated into the conference/course fee such as approved national conferences and residential training courses (exception).
- the scheme above be implemented with effect from 1 December 2011 and that payments only to be made upon the production of receipts in all cases.

3.7 Co-opted Members' Allowance

That the rates remain unchanged for 2011/12 and be frozen for 2012/13 at £75 for meetings up to and including 4 hours, and at £150 for meetings over 4 hours and that the mileage allowance be the same rates that apply to elected Members of the Council.

3.8 Dependants' Carers' Scheme

That:

- the wording at 1(a) in the scheme be amended so that the specific hourly rate be removed but that the amount still be linked to the National Minimum Wage hourly rate and be amended automatically as the rate is changed;
- the wording at 2 in the scheme be amended from 'maximum of 12 hours per week' to 'maximum of 52 hours per month' to remove an unintended consequence of restricting payments related to the pattern of council meetings and the way this influences the claims.

3.9 Membership of the Panel

That membership of the Panel be increased from 3 to 4 members to assist the Panel with succession planning and continuity, to combat instances where Panel members are unavailable and to help spread workload and responsibilities amongst Panel members when undertaking reviews.

3.10 That the Council notes the Panel's concerns of the earlier failure of the Council to comply with the Regulations in that the Council has a statutory duty to consider the views of the Panel before taking decisions to alter/amend its scheme.

3.11 That the Council's attention be drawn to its past failure to publicise the Panel's recommendations as required by the Regulations.

4 Financial Implications

4.1 As the Panel is recommending no change to the Basic Allowance in 2011/12 and 2012/13, the financial implications arising from its recommendations effect the SRA allocation only. The projected expenditure on SRAs for 2011/12 as at 1 April 2011 was **£335,650**. The Panel's recommendations for 2011/12 result in a forecast out-turn figure on SRAs of **£309,265** as at 31 March 2012. The Panel's recommendations for 2012/13 would require budget provision for SRAs of **£281,410**.

These savings are subject to approval of a small reduction in the SRAs for the Leader and Executive Members from 1 December 2011 and the discontinuation of 5 specific Committee Vice-Chairmen posts from 1 April 2012.

4.2 The original budget provision for 2011/12 for SRAs was based on an Executive of Leader, 9 Portfolio Holders and 4 Assistant Portfolio Holders whereas since 19 May 2011 the new Leader of the Council has reduced the number of Executive Members (previously Portfolio Holders) to 5 and appointed 8 Deputy Executive Members and 2 new posts of Executive Member without Portfolio.

Appendices: Appendix A – Report of Independent Remuneration Panel

Appendix B - Financial implications of Panel's recommendations

Background Papers: (open to public inspection)

Location of papers: Not applicable

CENTRAL BEDFORDSHIRE COUNCIL

REPORT AND RECOMMENDATIONS OF THE
INDEPENDENT REMUNERATION PANEL
CONCERNING THE
SCHEME OF MEMBERS' ALLOWANCES FOR
THE YEARS COMMENCING 1 APRIL 2011 AND 1
APRIL 2012

CENTRAL BEDFORDSHIRE

REPORT OF THE INDEPENDENT REMUNERATION PANEL

Background

1. This report presents the findings and recommendations of the Independent Remuneration Panel concerning the Scheme of Members' Allowances for 2011/12 and 2012/13.
2. The Local Authorities (Members' Allowances)(England) Regulations 2003 make it a requirement for every local authority to establish an independent remuneration panel for the purpose of making recommendations to the authority as to the amount of basic allowance that may be paid to every member of the authority. The Regulations also specify certain requirements concerning allowances for special responsibility, travelling and subsistence, dependants' carers' and co-optees'.
3. The Regulations place a duty upon an authority to have regard to the recommendations of its independent panel before making or amending its Scheme of Members' Allowances.
4. At the meeting of the Council held on 24 September 2009 the under-mentioned persons were appointed to serve as the members of the Panel established to make recommendations concerning the Scheme of Members' Allowances.
5.

Person Appointed	Period of Appointment
Mrs B Heley	31 March 2012
Mr G Lambert	31 March 2013
Mr C Bell	31 March 2014

The meeting of the Panel held 3 August 2011

6. All members of the Panel attended the meeting.
7. It was agreed that Chris Bell be appointed as Chairman of the Panel.
8. Members of the Panel were provided with a range of documents including
 - (a) decisions and changes relating to the scheme since the Panel last met;
 - (b) the current scheme;
 - (c) changes to the composition of the Council and the Executive in the last 18 months;
 - (d) a joint submission from the Leader and Deputy Leader;
 - (e) comparative data from neighbouring authorities and authorities in the Council's CIPFA comparator family;

- (f) written representations by residents in Stotfold and by the Leader of the Liberal Democrat Group.
- 9. Panel Members initially considered the documentation and held discussions in private before inviting the officers to rejoin them.
- 10. Upon the resumption of the meeting the Panel noted that two further Deputy Executive Members had been appointed from 21 July 2011 increasing the number to 8.

11. **Scope of Study**

Having considered the information presented, the Panel determined that it would consider and make recommendations on the following items during its current series of deliberations:

- (a) the recommendation by the Council on 19 May 2011 to pay SRAs to two new posts Executive Member without portfolio at the rate of £10,721.20 per annum;
- (b) the Members' Allowances Scheme for 2011/2012;
- (c) the Members' Allowances Scheme for 2012/2013;
- (d) processes relating to the operation of the Panel. The Panel was concerned that the Council appeared to have failed to comply with the appropriate regulations in relation to the following actions:
 - (i) the 2% reduction in Allowances agreed by the Council on 19 May 2011;
 - (ii) the SRA for Executive Members without portfolio.

12. **Next Steps**

The Panel determined that to review the issues in (11) above it needed to gather further information and evidence as follows:

- (a) written job descriptions for the 2 new Executive Member roles referred to in 11(a) above. Should job descriptions not be available the Panel requested the Council Leader to attend the Panel's next meeting to give the Panel an understanding of the substantive elements of the two roles to enable it to assess whether significant special responsibilities apply to the roles;
- (b) to invite the Deputy Leader to the next meeting to explain the reasons for the decision to reduce the basic and all SRA allowances by 2% and also the reasons for the Council choosing not to implement the Panel recommendations;
- (c) to invite all Members of the Council and the officers of the Council's Management Team to submit written representations to the Panel on the current Members' Allowances scheme;

- (d) to invite members of the public to submit written representations to the Panel on the current Members' Allowances scheme. Subject to timing, the Panel considered that this could be best achieved through the inclusion of an article in the next issue of the Council magazine News Central, which is distributed to all households in Central Bedfordshire. The Panel prepared the article for publication;
- (e) Information on how the Council has met the legal requirement to publicise the Panel's previous recommendations.

13. Recommendations

The Panel **recommended** the following in relation to the Scheme of Allowances for 2011/2012:

- (a) **Dependant Carers' Allowance** – that the wording at 1(a) in the scheme be amended so that the specific hourly rate be removed but that the amount still be linked to the National Minimum Wage hourly rate and be amended automatically as the rate is changed;
- (b) **Dependant Carers' Allowance** – that the wording at 2 in the scheme be amended from 'maximum of 12 hours per week' to 'maximum of 52 hours per month' to remove an unintended consequence of restricting payments related to the pattern of council meetings and the way this influences the claims;
- (c) **Travelling and Subsistence Allowances** – that the rates and procedures be amended to mirror the National Joint Council for Local Government staff scheme and that the Scheme be amended to include the requirement for appropriate receipts to be provided for fuel, rail or bus fares, taxi fares, parking fees and any food or meals purchased where subsistence is being claimed or for any other item for which reimbursement is sought.

14. Date of Next Meeting

The Panel agreed that to hold its next meeting in mid October 2011.

(Note: This was subsequently confirmed as 20 October 2011 at 10.00am.)

The meeting of the Panel held 20 October 2011

- 15. All members of the Panel attended the meeting.
- 16. Members of the Panel were provided with a further range of documents including
 - (a) copy of notes of the meeting of the Panel held on 3 August 2011;
 - (b) a report outlining the issues that the Panel may wish to consider;
 - (c) submissions to the Panel from 19 Members of the Council;
 - (d) submissions to the Panel from 22 members of the public;

- (e) copy of the new scheme for Members' ICT allowances (at the request of the Panel);

17. **Notes of last meeting**

The notes of the meeting of the Panel held on 3 August 2011 were agreed.

18. **Consideration of Submissions**

The Panel discussed in detail the representations that had been received from Members of the Council and the public. Clarification was sought and given over some factual matters. It was recognised that the consultation with the public remained open until 31 October 2011. Any further representations received would be forwarded to Panel members for consideration at the next meeting.

- 19. The Panel, in considering the submissions from Members, discussed the distinction between Members' 'duties' and 'responsibilities' and whether these could be determined from the submissions received within the evidence of workloads. The Panel was mindful that the statutory guidance stipulates that the payment of SRAs should only be agreed for posts that attract **significant additional** responsibilities.

- 20. Some discussion also took place over the size and composition of the Council's Executive and the emergence of the role of Deputy Executive Members and how that compared with other councils.

21. **Evidence from Councillor James Jamieson, Leader of the Council**

Councillor James Jamieson, Leader of the Council, joined the meeting to present evidence to and answer questions from the Panel.

- 22. Cllr Jamieson outlined the background to the changes he had introduced to the composition and ways of working of the Executive, which is a different model to that previously used by the Council. The number of Executive Members (previously Portfolio Holders) had been reduced from 9 to 5 but a number of Deputy Executive Member posts had been created. Cllr Jamieson indicated that these allowed the use of expertise offered by working Members in a focused way, in specific areas, for the benefit of the Council. He felt that this approach had already delivered improvements. He said these new deputy roles carried significant direct responsibility.

- 23. Regarding the two Executive Members without portfolios, he stated that these roles were important in addressing areas outside the main portfolios, as set out in his written submission, and had freed up time for himself and other Executive Members to allow greater focus on their key strategic responsibilities.

- 24. In response to comments from the Panel about other authorities, where evidence seemed to point to reductions in deputies or assistant roles, Cllr Jamieson reiterated that Central Bedfordshire was committed to this alternative approach to help drive through improvement in services at a time of budget reduction.

- 25. Some discussion took place on the impact this approach would have on helping to involve younger Members. Cllr Jamieson agreed that this was also an issue for political parties to address in their candidate selection.

26. Cllr Jamieson indicated that, while recognising the independence of the Panel, he would like to establish more positive future working relationships with the Panel to foster greater mutual understanding.

27. The Panel thanked Cllr Jamieson for attending.

28. **Deliberation and Draft Initial Recommendations**

The Panel discussed all the evidence presented to it. It particularly noted the level of allowances paid by the CIPFA comparator authorities and our neighbouring authorities, and noted also the recent introduction of additional ICT allowances for Members for 2011/2012 onwards. Regarding the latter, the Panel is aware that in the statutory guidance an element of the basic allowance is intended to cover incidental costs such as the use of members' homes.

29. The Panel agreed there was a case to pay SRAs to the two new posts of Executive Member without Portfolio but in the light of the evidence received to date, it did not agree that the level of SRA payment proposed by the Council could be justified and considered that the level of **significant** responsibility equated that of a post of Deputy Executive Member. The Panel recommends also that it reviews the SRAs for these two emerging new posts by no later than 31 August 2012.

30. The Panel was also concerned that these SRAs would increase the number in the authority to 34 and would create a situation whereby the majority members (57%) would be in receipt of a SRA. The 2003 Regulations do not prohibit such a situation but the statutory guidance states that:

If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the additional role of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.

31. There is evidence that quite a number of Councils nationally have adopted recommendations from Panels that no more than 50% of the Council's membership should receive a SRA. The Panel is keen to abide by the statutory guidance and to make recommendations to ensure the majority of members are not in receipt of a SRA. This would require SRAs to be paid to a maximum of 29 members.

32. With the 50% limit in mind, the Panel considered whether there was a case to continue to remunerate the various Vice-Chairmen. Currently SRAs are paid to Vice-Chairmen of the 4 Overview & Scrutiny Committees, the Audit Committee and the Development Management Committee. The Panel was satisfied that given the high and onerous workload, frequency of meetings and the delegated functions of the Development Management Committee, there was a case to maintain the SRA for the Vice-Chairman of that Committee and recommended accordingly.

33. However, the Panel did not consider the same factors applied to the other Vice-Chairmen posts. While they are important roles and those Vice-Chairmen are expected to work closely with their respective Chairmen, the Panel considered the posts did not meet the significant responsibility threshold. The Panel therefore recommends that SRAs for the Vice-Chairmen of the Audit Committee and the Overview & Scrutiny Committees be discontinued with effect from 1 April 2012.
34. The Panel is also mindful that a move to less Committees would reduce the requirement for SRAs (and also reduce bureaucracy) but realises this is not a matter within its remit.
35. The Panel therefore proposes the following set of draft initial recommendations on Members' allowances for 2011/12 and 2012/13. (The Panel will consider any further public representations received by 31 October 2011 before finalising its recommendations at its next meeting):

36. **2% Reduction**

Recommended that the 2% reduction in allowances introduced by the Council from 1 April 2011 be endorsed.

37. **Basic Allowance**

Recommended that

- (a) in the light of the recent introduction of ICT allowances for all members and the fact that an element of the basic allowance is intended to cover the use of members' homes, the basic allowance of £10,995.60 for 2011/2012 be reduced to £10,600, with effect from 1 December 2011;
- (b) the new basic allowance of £10,600 be frozen for 2012/13.

38. **SRAs**

(a) **Recommended** that

- (i) no change be made to the following SRAs in 2011/12:

	£
Leader of the Council	32,986.80
Deputy Leader of the Council	4,948.02
Executive Members	19,792.08
Overview and Scrutiny Committee Chairmen	10,721.20
Overview and Scrutiny Committee Vice-Chairmen	2,474.50
Development Management Committee Chairman	13,194.72
Development Management Committee Vice-Chairman	2,474.50
Audit Committee Chairman	10,721.20
Audit Committee Vice-Chairman	2,474.50
General Purposes Committee Chairman	4,948.02
Standards Committee Chairman	4,948.02
Licensing Committee Chairman	2,474.50

Luton & South Bedfordshire Joint C'ttee Chairman (Committee ceases 31.3.12)	13,194.72
Minority Group Leader	2,474.50
Council Chairman*	10,995.60
Council Vice-Chairman*	2,748.90
* Civic allowances are outside the scope of the Members' Allowances Scheme and not formally a matter for consideration by the Panel but it has been custom and practice for the Panel to make recommendations.	

- (ii) with the exception of the Vice-Chairmen of the Audit Committee and the Overview and Scrutiny Committees, these allowances be frozen for 2012/13;
- (iii) SRAs for Overview and Scrutiny Vice-Chairmen and the Audit Committee Vice-Chairman be discontinued with effect from 1 April 2012;
- (iv) SRAs for Deputy Executive Members be increased from £2,474.50 to £4,948.02 with effect from 1 December 2011 and be frozen for 2012/13 ;
- (v) a SRA be paid to each of the two new posts of Executive Members without Portfolio, that the SRA be £4,948.02 with effect from 19 May 2011 and that the SRA be reviewed by the Panel no later than 31 August 2012;

(b) **Number of SRAs**

Recommended that the Council should work towards a position where no more than 50% of its Members are in receipt of an SRA (i.e. a maximum of 29 of 59 Members).

39. **Mileage Allowances**

Recommended that

(i) with effect from 1 December 2011, the mileage allowance for Members be based on the same rates that apply to the Officers of the Council (i.e. HMRC rate) with the exception of the training mileage rate where Members be allowed to continue to claim mileage for attending training courses at the rate of 45p per mile.

Note: This change will introduce for Members the payment of Mileage Related Sums.

For information purposes the rates recommended to apply are set out below:

Type of Mileage	Rate per mile
Business mileage up to 10,000 miles	45p
Business mileage over 10,000 miles	25p

Business Mileage	Mileage related Sum (per year)
Up to 3,000 miles	£0
3,001 – 5,000 miles	£375
5,001 – 7,000 miles	£562.50
7,001 + miles	£750

Motor Cycle Allowances	Rate per mile
0 – 5,000 miles	19.91p
Over 5,000 miles	8.30p
When used in preference to public transport rate	14.10p

Cycle allowance	Rate per mile
Rate per mile	20p

(ii) VAT receipts for fuel purchases that cover the journeys undertaken by Members on 'approved duties' must accompany claims in all cases;

(iii) mileage allowances be indexed to the same rates that are applicable to officers.

40. **Travel Permits**

Recommended that travel permits issued to Members which enable parking in Council operated car parks in Central Bedfordshire be withdrawn from 1 December 2011 and that Members be reimbursed the cost of car park fees whilst undertaking 'approved duties', subject to appropriate receipts accompanying their claim in all cases.

41. **Subsistence Allowances**

Recommended that

(i) Subsistence Allowances and the conditions by which they can be claimed by Members undertaking approved duties be based and indexed to the same rates that apply to Officers of the Council;

This means that the re-imbusement will be for actual expenditure incurred by Members **outside of the CBC area** and at the following upper limits (less a deduction of £1.50 on all claims to reflect the expenditure a Member would normally incur)

Allowance	Rates (£)	Condition
Breakfast	4.48	Required to leave home before 6.30am
Lunch	6.17	Required to be away from 12 noon and 2pm
Tea	2.43	Required to work later than 6.20pm but not later than 8.30pm

Dinner	7.64	Required to work later than 8.30pm
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(ii) Overnight expenses reflect those applicable to staff as follows subject to the exceptions indicated:

- London: No overnight expenses be paid for daily approved duty visits to London (exception)
- Elsewhere: Up to a maximum of £36.70 for bed and breakfast expenses
- Where accommodation costs are incorporated into the conference/course fee such as approved national conferences and residential training courses (exception).

(ii) the scheme above be implemented with effect from 1 December 2011 and that payments only be made upon the production of receipts in all cases;

42. **Co-opted Members'/IRP Members' Allowance**

Recommended that the rates remain unchanged for 2011/12 and be frozen for 2012/13 at £75 for meetings up to and including 4 hours, and at £150 for meetings over 4 hours and that the mileage allowance be based on the same rates that apply to elected Members of the Council.

43. **Other Matters**

Agreed that

- (i) the draft initial recommendations above be added to those in 13(a) to 13(b) above as made at the earlier meeting of the Panel held on 3 August 2011;
- (ii) the financial implications of these recommendations be set out in the final report of the Panel;
- (iii) in the final report
 - reference be made to the timetable and processes used by the Panel to arrive at its recommendations;
 - the Panel's concerns of the earlier failure of the Council to comply with the regulations be included and that the Council be reminded that it has a statutory duty to consider the views of the Panel before taking decisions to alter/amend its scheme;
 - the Council's attention be drawn to its past failure to publicise the recommendations of the Panel;
- (iv) the final report of the Panel be presented to the Council meeting on 24 November 2011.

44. Date of Next Meeting

The Panel agreed to hold its next (and final) meeting at 10.00am on 2 November 2011. In addition it agreed to invite the Leader and Deputy Leader of the Council to attend on the same date.

The meeting of the Panel held 2 November 2011

45. All members of the Panel attended the meeting.

46. Members of the Panel were provided with the following documents

- (a) copy of notes of the meeting of the Panel held on 20 October (previously circulated);
- (b) two further submissions from members of the public;
- (c) a schedule of financial implications of the draft initial recommendations made on 20 October 2011

Notes of last meeting

47. The notes of the meeting of the Panel held on 20 October were agreed.

Consideration of Submissions

48. The Panel considered and noted two additional representations that had been received from members of the public before the deadline of 31 October 2011.

Financial Implications

49. The Panel gave initial consideration to the schedule of financial implications of the draft initial recommendations made on 20 October 2011. Further discussion took place on the link between the new scheme of ICT allowances, the Basic Allowance, Special Responsibility Allowances (SRAs) and the Regulations.

Further evidence from Councillor James Jamieson and Councillor Maurice Jones

50. Councillor James Jamieson, Leader of the Council, and Councillor Maurice Jones, Deputy Leader of the Council, joined the meeting to present further evidence to and answer further questions from the Panel.

The Leader and Deputy Leader of the Council presented additional details to the Panel of the context and thinking behind the changes made to the Executive following the local elections in 2011, involving fewer Executive Members and with more Deputy Executive Member positions replacing Assistant Portfolio Holders. The Panel was also provided with a greater understanding of the responsibilities as between Executive Members and Deputy Executive Members.

In response to questions from Panel Members greater clarification was provided about the positions of the Executive Members without Portfolio. This included outlining more specifically the duties and additional responsibilities that these two Members were undertaking. The Panel was informed that the Executive Member without Portfolio (Economic Development) was now responsible for some chairmanships previously undertaken by the Leader.

The Chairman of the Panel advised that the Panel's recommendations would be evidence based and that the Panel needed to be satisfied that the basic allowance was appropriate and that SRA recommendations reflected significant additional responsibilities.

The Panel asked further questions and sought greater clarification on the introduction, scope and level of the ICT allowances for Members and also obtained the views of the two Members on the proposed introduction of a business mileage sum for travel. The Panel found the responses enlightening and helpful and they provided the Panel with a qualitative feel for the issues.

The Panel thanked Cllr Jamieson and Cllr Jones for attending.

The Panel's Deliberations

51. The Panel then reviewed in detail its draft initial recommendations in the light of all the additional evidence presented to it since its last meeting including that put forward by the Leader and Deputy Leader of the Council.

It noted that, although the Council had set a Basic Allowance in 2009 that was the second highest in its comparator group, the most recent comparison had revealed that, following the 2% reduction from 1 April 2011, the figure had moved further towards one which was now more comparable with some of the other authorities. The Panel was also anxious not to undervalue the role of a backbench Member.

The Panel took account of the further information provided by the Leader and Deputy Leader of the Council in relation to the ICT allowances introduced on 1 September 2011 and their relationship with the Allowances Scheme.

It also considered the greater context and detail given to the posts of Executive Member without Portfolio. Although there were two roles, the purpose for which had been explained in detail, the Panel was firmly of the view that these were not comparable roles. The Panel determined that compelling evidence had not been demonstrated for it to be persuaded that both posts carried the same level of responsibility. It considered that the post of Executive Member without Portfolio (External Affairs) equated to that of a Deputy Portfolio Holder whereas the post of Executive Member without Portfolio (Economic Development) carried significantly

greater responsibility equating at least to a post of Committee Chairman. Therefore, it needed to consider carefully the appropriate level of SRAs for these two positions and concluded it would need to make two separate SRA recommendations for the positions. However, the Panel confirmed its draft initial recommendation that these two SRAs should be reviewed by no later than 31 August 2012.

The Panel further considered the new roles of Deputy Executive Member and the extent to which these new roles had direct and specific responsibilities and the significant supporting role the postholders provide to Executive Members. The Panel concluded that re-profiling the overall levels of responsibility across the Executive had slightly diminished the responsibility levels of the Leader and Executive Members within the remodelled Executive. The Panel also concluded that it had under-estimated the responsibility level of Deputy Executive Members at its previous meeting. To reflect these issues, the Panel concluded that the SRAs for the Leader and Executive Members required a slight downward adjustment.

The SRA for the Leader of the Council is used as a 'multiplier' to determine other SRAs and any change to the Leader's SRA would automatically change all other SRAs. The Panel proposes to change the multiplier used for the Leader of the Council's SRAs from 300% to 285% of the Basic Allowance. However, the Panel's intention is to reduce only the SRAs of the Leader and Executive Members. The Panel was satisfied that no changes had occurred in the responsibility levels of other SRA posts and these would therefore require the percentage link to the Leader's SRA to be amended to maintain remuneration levels to around their current level although there would be minor adjustments because of the percentage factor to be applied.

In relation to the Travel and Subsistence schemes for Members, the Panel acknowledged that although the overall aim was to bring the scheme more closely in line with that for staff, some exceptions were being recommended. Following further consideration the Panel decided not to include business mileage lump sums in the travel scheme. The Panel considered further aspects of aligning the Members and staff schemes for Travel and Subsistence and agreed rules for travelling by public transport, rail and taxi.

The Panel remained minded to recommend that the Council move toward the position where no more than 50% of the Council's membership should receive a SRA which would be in line with statutory guidance.

The Panel is aware that the Regulations require it to have a minimum of three members but had concerns that this number was inappropriate for it to discharge its functions effectively. There was no cover for illness of a member and an increase to 4 members would assist with succession planning and continuity and help to spread workload and responsibilities when undertaking reviews.

52. **The Panel's Final Recommendations**

The Panel proposes the following set of final recommendations on Members' allowances for 2011/12 and 2012/13:

2% Reduction

Recommended that the 2% reduction in allowances introduced by the Council from 1 April 2011 be endorsed.

Basic Allowance

Recommended that the basic allowance remains at £10,995.60 for 2011/12 and that it be frozen for the financial year 2012/13;

SRAs

- (i) **Recommended** that the SRA for the Leader of the Council be reduced from 300% to 285% of Basic Allowance (£31,337.40) from 1 December 2011;
- (ii) **Recommended** that the SRA for Executive Members be reduced to £18,802.44, which is 60% of the recommended SRA (£31,337.40) for the Leader, from 1 December 2011;
- (iii) **Recommended** that SRAs be paid to the two new posts of Executive Member without Portfolio and that the amounts be as follows:
 - Executive Member without Portfolio (Economic Partnerships) £10,654.72 which is 34% of the recommended SRA (£31,337.40) for the Leader, from 19 May 2011;
 - Executive Member without Portfolio (External Affairs) £6,267.48 which is 20% of the recommended SRA (£31,337.40) for the Leader, from 19 May 2011;

- (iv) **Recommended** that the following SRAs (based on the percentage of the Leader as shown) be applied for 2011/12 from the dates shown:

Role	£	%age of Leader SRA	From
Deputy Leader of the Council	5,013.98	16	1.12.11
Deputy Executive Members	6,267.48	20	19.5.11
Overview and Scrutiny Committee Chairmen	10,654.72	34	1.12.11
Overview and Scrutiny Committee Vice-Chairmen	2,506.99	8	1.12.11
Development Management Committee Chairman	13,161.71	42	1.12.11
Development Management Committee Vice-Chairman	2,506.99	8	1.12.11
Audit Committee Chairman	10,654.72	34	1.12.11
Audit Committee Vice-Chairman	2,506.99	8	1.12.11
General Purposes Committee Chairman	5,013.98	16	1.12.11
Standards Committee Chairman	5,013.98	16	1.12.11
Licensing Committee Chairman	2,506.99	8	1.12.11
Luton & South Bedfordshire Joint C'ttee Vice Chairman (Committee ceases 31.3.12)	13,161.71	42	1.12.11
Minority Group Leader	2,506.99	8	1.12.11
Council Chairman*	10,995.60	n/a	1.4.11
Council Vice-Chairman*	2,748.90	n/a	1.4.11
* Civic allowances are outside the scope of the Members' Allowances Scheme and not formally a matter for consideration by the Panel but it has been custom and practice for the Panel to make recommendations.			

- (v) **Recommended** that SRAs for Overview and Scrutiny Vice-Chairmen and the Audit Committee Vice-Chairman be discontinued with effect from 1 April 2012;
- (vi) **Recommended** that SRAs paid to each of the two new posts of Executive Members without Portfolio be reviewed by the Panel no later than 31 August 2012;
- (vii) **Recommended** that all SRAs be frozen for the financial year 2012/13;
- (viii) **Recommended** that the Council should work towards a position where no more than 50% of its Members are in receipt of an SRA (i.e. a maximum of 29 out of 59 Members).

Mileage Allowance

Recommended that

(i) with effect from 1 December 2011, the rate per mile for Members be based on the same rates that apply to the Officers of the Council (i.e. the HMRC rate) with the exception of the training mileage rate where Members be allowed to continue to claim mileage for attending training courses at the rate of 45p per mile and subject to exclusion of the business mileage lump sum.

For information purposes the rates recommended to apply are set out below:

Type of Mileage	Rate per mile
Business mileage up to 10,000 miles	45p
Business mileage over 10,000 miles	25p

Travel by Public Transport or Rail

The ordinary or any concessionary fare may be claimed. Advantage should be taken of cheap or concessionary rates whenever reasonably practicable.

Travel by Other Means – Taxi, Hire Car, Pedal Cycle etc.

Claims for taxi journeys shall not exceed:-

- a) in cases of urgency, or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid; and
- b) in any other case, the amount of the fare for travel by appropriate public transport.

Where journeys are by pedal cycle the allowance will be at the rate of 20p per mile.

Motor Cycle Allowances	Rate per mile
0 – 5,000 miles	19.91p
Over 5,000 miles	8.30p
When used in preference to public transport rate	14.10p

(iii) VAT receipts for fuel purchases that cover the journeys undertaken by Members on 'approved duties' must accompany claims in all cases;

- (iv) mileage allowances to be indexed to the same rates that are applicable to officers;
- (iv) payments for travel by public transport, rail, taxi or car hire only be made upon the production of receipts in all cases.

Travel Permits

Recommended that travel permits issued to Members which enable parking in Council operated car parks in Central Bedfordshire be withdrawn from 1 December 2011 and that Members be reimbursed the cost of car park fees whilst undertaking 'approved duties', subject to appropriate receipts accompanying claims in all cases.

Subsistence Allowances

Recommended that

- (i) Subsistence Allowances and the conditions by which they can be claimed by Members undertaking approved duties be based and indexed to the same rates that apply to Officers of the Council.

This means that the re-imbusement will be for actual expenditure incurred by Members **outside of the CBC area** and at the following upper limits (less a deduction of £1.50 on all claims to reflect the expenditure a Member would normally incur).

Allowance	Rates (£)	Condition
Breakfast	4.48	Required to leave home before 6.30am
Lunch	6.17	Required to be away from 12 noon and 2pm
Tea	2.43	Required to work later than 6.20pm but not later than 8.30pm
Dinner	7.64	Required to work later than 8.30pm

- (ii) Overnight Expenses to reflect those applicable to staff as follows subject to the exceptions indicated:

- London: No overnight expenses be paid for daily approved duty visits to London (exception)
- Elsewhere: Up to a maximum of £36.70 for bed and breakfast expenses
- Where accommodation costs are incorporated into the conference/course fee such as approved national conferences and residential training courses (exception).

- (iii) the scheme above be implemented with effect from 1 December 2011 and that payments only be made upon the production of receipts in all cases;

Co-opted Members'/IRP Members' Allowance

Recommended that the rates remain unchanged for 2011/12 and be frozen for 2012/13 at £75 for meetings up to and including 4 hours, and at £150 for meetings over 4 hours and that the mileage allowance be based on the same rates that apply to elected Members of the Council and that fuel and other receipts to be provided in all cases.

Membership of the Panel

Recommended that membership of the Panel be increased from 3 to 4 members to assist the Panel with succession planning and continuity, to combat instances where Panel members are unavailable and to help spread workload and responsibilities amongst Panel members when undertaking reviews.

Dependent Carers' Allowances

Agreed that

- (i) the final recommendations in 52 above be added to those in 13(a) to 13(b) made at the earlier meeting of the Panel held on 3 August 2011;
- (ii) the financial implications of the Panel's final recommendations be set out in the report to be presented to Council;
- (iii) in the final report other matters listed in 43(iii) of the notes of the meeting held on 20 October 2011 be included.

53. **Report of the Panel**

The Panel agreed to conclude its deliberations by agreeing the text of the final report by mail to enable it to be submitted to Council on 24 November 2011.

APPENDIX B

PROJECTED EXPENDITURE FOR 2011/12 (as at 1 April 2011)			
Post	No. SRAs	SRA	SRA Totals
SRAs			
Leader	1	£32,986.80	£32,986.80
Deputy Leader	1	£4,948.02	£4,948.02
Portfolio Holders	9	£19,792.08	£178,128.72
Deputy Portfolio Holders	4	£2,474.50	£9,898.00
Overview & Scrutiny Chairmen	4	£10,721.20	£42,884.80
Overview & Scrutiny Vice-Chairmen	4	£2,474.50	£9,898.00
Development Management Chairman	1	£13,194.72	£13,194.72
Development Management Vice-Chairman	1	£2,474.50	£2,474.50
Audit Committee Chairman	1	£10,721.20	£10,721.20
Audit Committee Vice-Chairman	1	£2,474.50	£2,474.50
General Purposes Committee Chairman	1	£4,948.02	£4,948.02
Standards Committee Chairman	1	£4,948.02	£4,948.02
Licensing Committee Chairman	1	£2,474.50	£2,474.50
Luton & SBeds Jt Committee Chairman	1	£13,194.72	£13,194.72
Minority Group Leader	1	£2,474.50	£2,474.50
Sub Totals			
Maximum Number of SRAs payable	32		
Total SRAs payable			£335,649.02

APPENDIX B

COSTS IN 2011/12 IF RECOMMENDATIONS APPROVED

Post	No. SRAs	SRA	SRA Totals	Post	No. SRAs	SRA	SRA Totals
2011/12 (Apr-Nov)				2011/12 (Dec-March)			
SRAs				SRAs			
Leader	1	£21,991.20	£21,991.20	Leader	1	£10,445.80	£10,445.80
Deputy Leader	1	£3,298.68	£3,298.68	Deputy Leader	1	£1,671.33	£1,671.33
Executive Members (to 18 May)	9	£2,595.68	£23,361.14	Executive Members	5	£6,267.48	£31,337.40
Executive Members (from 19 May)	5	£10,599	£52,995.19	Deputy Executive Members	8	£2,089.16	£16,713.28
Deputy Executive Members (to 18 May)	4	£324.52	£1,298.10	Exec Member without Portfolio (Econ Dev)	1	£3,551.57	£3,551.57
Deputy Executive Members (19 May - 20 July)	6	£1,078.83	£6,472.97	Exec Member without Portfolio (Ex Affairs)	1	£2,089.16	£2,089.16
Deputy Executive Members (from 21 July)	8	£2,277.53	£18,220.22	Overview & Scrutiny Chairmen	4	£3,551.57	£14,206.29
Exec Member without Portfolio (Econ Dev) (from 19 May)	1	£5,705.81	£5,705.81	Overview & Scrutiny Vice-Chairmen	4	£835.66	£3,342.66
Exec Member without Portfolio (Ex Affairs) (from 19 May)	1	£3,356.36	£3,356.36	Development Management Chairman	1	£4,387.24	£4,387.24
Overview & Scrutiny Chairmen	4	£7,037.18	£28,148.74	Development Management Vice-Chairman	1	£835.66	£835.66
Overview & Scrutiny Vice-Chairmen	4	£1,055.58	£4,222.31	Audit Committee Chairman	1	£3,551.57	£3,551.57
Development Management Chairman	1	£8,796.48	£8,796.48	Audit Committee Vice-Chairman	1	£835.66	£835.66
Development Management Vice-Chairman	1	£1,649.34	£1,649.34	General Purposes Committee Chairman	1	£1,671.33	£1,671.33
Audit Committee Chairman	1	£7,037.18	£7,037.18	Standards Committee Chairman	1	£1,671.33	£1,671.33
Audit Committee Vice-Chairman	1	£1,649.34	£1,649.34	Licensing Committee Chairman	1	£835.66	£835.66
General Purposes Committee Chairman	1	£3,298.68	£3,298.68	Luton & S Beds Jt Committee Chairman	1	£4,387.24	£4,387.24
Standards Committee Chairman	1	£3,298.68	£3,298.68	Minority Group Leader	1	£835.66	£835.66
Licensing Committee Chairman	1	£1,649.34	£1,649.34				
Luton & S Beds Jt Committee Chairman	1	£8,796.48	£8,796.48				
Minority Group Leader	1	£1,649.34	£1,649.34				
Sub Totals				Sub Totals			
Maximum Number of SRAs payable	34			Maximum Number of SRAs payable	34		
Total SRAs payable			£206,895.57	Total SRAs payable			£102,368.84
				SUMMARY TOTAL 2011/12			
				Maximum Number of SRAs payable	34		
				Total SRAs payable			£309,264.41

APPENDIX B

COSTS IN 2012/13 IF RECOMMENDATIONS APPROVED			
Post	No.SRAs	SRA	SRA Totals
SRAs			
Leader	1	£31,337.40	£31,337.40
Deputy Leader	1	£5,013.98	£5,013.98
Executive Members	5	£18,802.44	£94,012.20
Deputy Executive Members	8	£6,267.48	£50,139.84
Exec Member without Portfolio (Econ Dev)	1	£10,654.72	£10,654.72
Exec Member without Portfolio (Ex Affairs)	1	£6,267.48	£6,267.48
Overview & Scrutiny Chairmen	4	£10,654.72	£42,618.86
Development Management Chairman	1	£13,161.71	£13,161.71
Development Management Vice-Chairman	1	£2,506.99	£2,506.99
Audit Committee Chairman	1	£10,654.72	£10,654.72
General Purposes Committee Chairman	1	£5,013.98	£5,013.98
Standards Committee Chairman	1	£5,013.98	£5,013.98
Licensing Committee Chairman	1	£2,506.99	£2,506.99
Minority Group Leader	1	£2,506.99	£2,506.99
Sub Totals			
Maximum Number of SRAs payable	28		
Total SRAs payable			£281,409.85