



## STANDARDS COMMITTEE – 25TH NOVEMBER 2009

**SUBJECT: MEMBERS ALLOWANCES**

**REPORT BY: CHIEF EXECUTIVE**

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### **1. PURPOSE OF REPORT**

- 1.1 To report on the allowances and expenses paid to members of Caerphilly County Borough Council.

### **2. LINKS TO STRATEGY**

- 2.1 Every Local Authority is required to adopt a scheme of Members Allowances. The Independent Remuneration Panel for Wales ("the Panel") are responsible for setting the maximum rate of allowances.

### **3. BACKGROUND**

- 3.1 The Panel was established in January 2008 and is currently undertaking a comprehensive consultation on members' allowances. The Panel decided to undertake this work as the national scheme of members' allowances has not been reviewed since the introduction of the current scheme in 2002. As part of this work the Panel met with members and officers from all 22 local authorities in Wales. The Panel expect to publish their review and any recommendations before the end of the year.
- 3.2 The statutory maximum level of members' allowances are set by the Panel and usually come into force with effect from 1st April each year. For this financial year the Panel announced increases in the councillors scheme of allowances of between 2.5% and 5%. In recognition of the current difficult financial climate Council determined that it would not increase its scheme of allowances for 2009/10.
- 3.3 The national scheme of members' allowances is made up of payments for prescribed duties and expenses which are explained below:

### **4. BASIC ALLOWANCES**

- 4.1 Each authority is required to set a basic allowance payable to all members. The Council has set its basic allowance at £13,030 for 2009/10. The maximum basic allowance prescribed by the Panel is £13,356 p.a.

### **5. SPECIAL RESPONSIBILITY ALLOWANCES**

- 5.1 Special Responsibility Allowances (SRAs) have been payable since 2002, in addition to the basic allowance, to Councillors who hold certain roles prescribed by the Welsh Assembly Government. These roles are outlined below in paragraph 5.6.

- 5.2 The maximum rates of payment vary according to the population size of the Council and type of political management structure in operation. The starting point for this payment is determined by the allowance payable to the Leader of Council.
- 5.3 The maximum SRA's stipulated by the Panel for 2009/2010 is £35,462, however, as Council agreed to hold allowances at 2008/09 rates then the Council Leader currently receives a allowance of £34,597p.a.
- 5.4 Beyond the Leader's allowance, the authority has applied a "weighting" formula to other senior positions which is set out below. The "weighting" is intended to broadly reflect the amount of time involved and the level of responsibility held for each position.
- 5.5 No Council is permitted to pay more than one SRA to any individual Member and no more than 50% of all Councillors in each Authority can receive an SRA.
- 5.6 The existing arrangements are as follows:-

<u>Position</u>	<u>Weighting</u>
Leader	100%
Deputy Leader	55%
Cabinet Member	50%
Leader of Opposition	30%
* Mayor	30%
* Deputy Mayor	10%
Chair of Scrutiny	15%
Vice Chair of Scrutiny	10%
Chair of Planning	15%
Vice Chair of Planning	10%
Chair of Licensing and Appeals Committee	10%
Chair of Licensing and Appeals Sub Committees	10%
Chair of Appointments Committee	5%
Chair of Audit Committee	5%
Vice Chair of Audit Committee	2.5%
Chair of Grievance and Appeals Committee	5%
Vice Chair of Grievance and Appeals Committee	2.5%

\* Whilst the allowances for the Mayor and Deputy Mayor are calculated as a percentage of the Leader's allowance they are not SRA's under the Allowances Regulations but are separate allowances made under the Local Government Act 1972.

## **6. CARE ALLOWANCE**

- 6.1 This relates to dependent children below the age of 15 where costs are incurred in providing care while members are engaged on Council business and, to a dependent over the age of 15 years who requires care while members are away from their home on Council business.
- 6.2 The Council has set the maximum allowance payable at £384 per month (the statutory maximum is £403). Only a relatively small number of Members have claimed this allowance to date.
- 6.3 The Panel has re-affirmed its view that the Care Allowance will remain as an allowance that contributes towards the caring costs rather than a reimbursement of actual costs. However, the Panel recommend that councillors should be able to satisfy their Council that it is reasonable and appropriate for them to receive this allowance.

## **7. TRAVELLING ALLOWANCES**

7.1 Travel allowances are claims based at the rates set by HM Revenue and Customs for the use of motor cars, motor cycles and pedal cycles plus any passenger supplement. Therefore, travel allowances are:

Motor vehicles up to 10,000 miles – 40p per mile  
Motor vehicles over 10,000 miles – 25p per mile  
Passenger supplement – 5p per passenger per mile  
Pedal cycles – 20p per mile

7.2 All other claims for travel such as bus/train/taxi fares (when authorised) must be accompanied by appropriate receipts showing the actual expense, subject to any requirement or limitation that a Council may determine.

7.3 All claims for travel by motor vehicles must be accompanied by a VAT receipt for fuel.

## **8. SUBSISTENCE ALLOWANCES**

8.1 A subsistence allowance of £26 per day (the statutory maximum is £28) is available to members (including breakfast when not provided as part of overnight accommodation) when staying away from home on Council business. This would be a reimbursement of actual costs for approved duties with receipts to be provided.

8.2 An overnight allowance is available of £105 for London and £90 elsewhere with receipts to be provided, for approved duties. The statutory maximums are £124 and £95.

8.3 A maximum of £25 is available for an overnight stay with friends or relatives whilst on approved duty.

## **9 CO-OPTEE'S ALLOWANCE**

9.1 Members are aware that allowances are payable to co-optees with voting rights on the Standards Committee and Education Scrutiny Committee.

- for the Chair of the Standards Committee the allowance is set at £1,486 (the statutory maximum is £1,486)
- for other co-optees (four with voting rights on the Standards Committee and those with voting rights on the Education for Life Scrutiny Committee) the maximum allowance is set at £760 per annum (the statutory maximum is £779 per year).

## **10. PAYMENTS MADE TO MEMBERS**

10.1 A full list of allowances and expenses paid to members is published annually. Payments made to members for 2004/05, 2005/06, 2006/07, 2007/08 and 2008/09 are attached at Appendix 1.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no personnel implications associated with this report.

## **12. FINANCIAL IMPLICATIONS**

12.1 Members' allowances will be funded from the Scrutiny and Members Services budget.

## **13. CONSULTATION**

13.1 There are no consultation responses that have not been reflected in the recommendations of this report.

## **14. RECOMMENDATION**

14.1 That the Standards Committee note the contents of this report.

## **15. REASONS FOR THE RECOMMENDATIONS**

15.1 To respond to a request by the Standards Committee for this report.

## **16. STATUTORY POWERS**

16.1 Local Government and Housing Act 1989, the Local Government Act 2000 and regulations and guidance issued under these Acts.

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Appendices:  
Appendix 1 Payments to members for 2004/05, 2005/06, 2006/07, 2007/08 and 2008/09