

Committee: FINANCE AND RESOURCES COMMITTEE

Date: 19 February 2007

Report: SCHEME OF MEMBERS' ALLOWANCES 2007/2008

Purpose of report

1. To:-
 - (a) advise members of the rates of allowance to apply to the Scheme for 2007/2008, and
 - (b) seek members' guidance on the process for reviewing the Scheme of Allowances.

Strategic Planning Framework

2. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework.

Background

3. In March 2003, the Authority adopted a revised scheme of allowances for members in the light of draft revised regulations. The main change that resulted from the new regulations was the abolition of the option to pay members a 'per meeting' attendance allowance and the requirement to adopt a scheme that included a basic annual allowance for each member.
4. Members, whilst adopting the new scheme, requested that an independent review be undertaken. Following that review, by the Local Government Management Board (LGMB) for Yorkshire and Humberside, a revised Scheme was adopted by this Committee in November 2003.

Rates of Allowances for 2007/2008

5. When the Scheme was considered in 2003, one of the recommendations that was adopted was that various allowances would be index-linked to the annual staff salary increase awarded to spinal column point 34 of the National Local Government pay spine.
6. The last such increase was 2.95%. It was possible to report that figure at this time last year only because a pay settlement had been negotiated in 2004 that covered the period to 31 March 2007. The Authority's budget for 2007/08 has been prepared on the basis of an assumed 2007/08 national pay award of 2.5%, although this is still subject to

negotiation between the Local Government Association and Unison. It is proposed that that same % be applied to appropriate members' allowances and the following table sets out revised rates based on a 2.5% increase. In the event that the final settlement is different, the rates listed below will be amended as necessary and the allowances paid to members adjusted accordingly.

Allowance	Current rate	Proposed rate
	£	£
Basic Allowance (BA)	2646	2712
Special Responsibility Allowances:		
❖ <i>Chairman of the Authority (BA x 2)</i>	5292	5424
❖ <i>Deputy Chairman of the Authority (BA x 0.5)</i>	1323	1356
❖ <i>Planning Committee Chairman (BA x 0.75)</i>	1987	2034
❖ <i>Planning Committee Deputy Chairman (BA x 0.4)</i>	1060	1085
❖ <i>IEG Working Group Nominee (BA x 0.4)</i>	1060	1085
Co-optee's Allowance	141	145

7. The rates payable for subsistence and overnight absence that are set out in the Scheme are the same rates currently paid to staff and no changes are proposed at present. These rates are negotiated nationally each year and incorporate an appropriate element for inflation. Members will be advised of any changes that may arise during the year. A copy of the current Scheme is attached as an **Annex** to this report.

Review of the Scheme

8. The Regulations governing Members' Allowances Schemes state:

(5) Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel (IRP) established in respect of that authority on the application of an index to its scheme.

9. As the Authority's 'index-linked' decision was taken in November 2003, that adjustment should be reviewed before November 2007. However, National Parks, unlike District, County and London Borough Councils, are **not** required to establish IRPs, although, as reported in paragraph 4, the Authority, did obtain independent advice from the Local Government Management Board (LGMB) for Yorkshire and Humberside when it first adopted the new scheme.

10. Although not required to establish its own IRP, the Regulations do require that the Authority:

"shall have regard to the recommendations made by any independent remuneration panels in relation to any authority of a description referred to in regulations 3(1)(a), (b) or (c) by which any of its members are nominated."

[Regulations 3(1)(a), (b) or (c) refer to District, County and London Borough Councils]

11. Subject, therefore, to the consideration of any recommendations from constituent authorities as referred to in paragraph 10 above, two options are put forward for members' consideration:

(a) to endorse the current scheme and continue with the use of an annual adjustment as set out in paragraph 5 above; or

(b) to request a detailed review of the Scheme to include consideration of changes in the way in which the Authority operates, primarily in the creation of Member Champions. If such a review is to be undertaken, members are asked to consider how that should be undertaken, either internally within the Authority; by the establishment of an IRP; or by obtaining independent advice from some other organisation.

RECOMMENDATION

12. That:

- (a) the amendments to the Scheme of Members' Allowances for 2007/2008 in respect of the revised rates of Basic, Special Responsibility and Co-optee's Allowances be noted;
- (b) the necessary amendments be made and the Members' Handbook be updated accordingly and
- (c) with regard to the formal review of the Scheme, members consider the options set out in paragraph 11.

Richard Parkin
Secretariat Officer

Background document: None

2 February 2007



YORKSHIRE DALES
National Park Authority

SCHEME OF MEMBERS' ALLOWANCES

1. INTRODUCTION

- 1.1 As required by the Environment Act 1995 and the Local Authorities (Members' Allowances) (England) Regulations 2003, the National Park Authority, in March 2003, considered a scheme for the payment of allowances to Members. The Authority adopted a scheme which provides for payment of the following allowances:-
- ◆ **Basic Allowance** - payable to each Member
 - ◆ **Special Responsibility Allowance** - for certain members in recompense for additional duties undertaken as a result of their holding of various positions within the Authority
 - ◆ **Travel and Subsistence** - payable for attendance at an 'Approved Duty' [see **Appendix A**], as agreed by the National Park Authority (NPA).
 - ◆ **Co-optees Allowance** - payable to co-opted members on the Authority's Committees and Sub-Committees
- 1.2 In adopting that Scheme, members requested that an independent review should be undertaken which resulted in the endorsement of the Scheme (November 2003), subject to some revisions to the rates payable.
- 1.3 This Note aims to provide detailed information relating to the allowances, and an explanation of how to claim them. Details of the current rates for the various allowances referred to above are set out in **Appendix B**.

2. GENERAL POINTS

- 2.1 **A Member may choose to forego any part of their entitlement to an allowance by giving written notice to the Chief Executive (National Park Officer).**
- 2.2 All enquiries relating to Members' allowances should be made to the Secretariat Officer, on:
- telephone no. 01969 652325, or
 - email: Secretariat@yorkshiredales.org.uk .

3. BASIC ALLOWANCE (BA)

- 3.1 **BA is:-**
- ◆ payable to all Members, unless they elect to not receive the payment.
 - ◆ payable in monthly instalments, in arrears and apportioned for part year entitlements, where applicable. [As it is paid automatically, direct into your bank account, Members do not need to claim it.]
 - ◆ subject to the deduction of Income Tax and National Insurance if necessary [see Para 9.3].
- 3.2 **Definition of BA**
- BA** is payable in recognition of the time and resource devoted by Members to their work, including: dealing with correspondence; attendance at meetings; training,

conferences and workshops, and incidental costs such as postage and private telephone use.

4. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

4.1 SRA is:-

- ◆ paid to Members who have specified special responsibilities, unless they elect not to receive payment.
- ◆ allocated on the basis of degree of responsibility and on the expected call on Members' time.
- ◆ paid monthly in arrears and apportioned for part year entitlements, where applicable.
- ◆ if necessary, is subject to the deduction of Income Tax and National Insurance.

4.2 A full list of the posts that receive **SRA** and the current rates payable is set out in **Appendix B**.

4.3 **SRA** is in recognition of the duties over and above those of a "normal" member that relate to certain positions within the Authority, including: meetings with officers; dealing with correspondence; visits; meeting official Visitors to the National Park; official openings and familiarisation/fact finding visits.

4.4 **SRA** does **not** include an element for travel or subsistence. Claims for travel and subsistence **can**, therefore, be claimed for any duty that is covered by the payment of an **SRA**.

5. TRAVEL ALLOWANCE (TA)

5.1 TA is:-

- ◆ claimable for any **approved duty**, and for any duty covered by a **special responsibility payment**
- ◆ claimed monthly on the Members' claim form.
- ◆ payable at the rates set out in **Appendix B**.

5.2 Notes

- ◆ **Train Fares** are reimbursed at **standard rate**
NB - Members who regularly use the train for Authority business, and who are of State Retirement Age, may reclaim the cost of an appropriate Railcard
- ◆ If practicable, Members should use public transport and claim the fare(s) rather than the mileage allowance.
- ◆ Members should, wherever possible, share transport - an additional payment is payable for each passenger carried.
- ◆ Reimbursement of **Taxi Fares** may be made in exceptional circumstances.
- ◆ Reimbursement may be claimed for expenditure on **tolls, ferries, parking fees** etc.

6. SUBSISTENCE ALLOWANCE (SA)

6.1 SA is:-

- ◆ claimable for any approved duty or **SRA** duty exceeding 4 hours which spans the agreed meal time periods.
- ◆ claimable for the actual cost of the meal(*) or the overnight expense up to the maximum allowed.
- ◆ claimable monthly via the Members' claim form; receipts should be submitted whenever possible, to support expenditure(*).
- ◆ **NOT** claimable when the Authority provides food for Members at meetings.
- ◆ reimbursed at the rates set out in **Appendix B**(*).

6.2 Note:

- * - subsistence claims **not** supported by receipts will be paid at a maximum rate of £3.40 per meal.
- ◆ Time spent taking subsistence should not be included in the calculation of hours spent on the approved duty, although travelling time to and from the event may be included.

7. CO-OPTED ALLOWANCE (CA)

7.1 CA is:-

- ◆ payable to all co-opted Members, unless they elect not to receive the payment.
- ◆ payable in monthly instalments, in arrears and apportioned for part year entitlements, where applicable. As it is paid automatically, direct into your bank account, Members do not need to claim it.
- ◆ subject to the deduction of Income Tax and National Insurance if necessary [see Para 9.3].

7.2 Definition of CA

CA is payable in recognition of the time and resource devoted by co-opted Members to their work, including: dealing with correspondence; attendance at meetings; training, conferences and workshops, and incidental costs such as postage and private telephone use.

7.3 Co-opted members will also be able to claim travel and subsistence allowances in accordance with this scheme.

8. NON CLAIMABLE DUTIES

8.1 For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming Travel Allowances and Subsistence Allowances:-

- ◆ single Member duties (unless sanctioned by Yorkshire Dales National Park Authority)
- ◆ Parish Council meetings
- ◆ attendance at a meeting of a committee, sub-committee, panel or working group on which you are **not** a Member, unless you have been specifically invited in advance by the Chairman

- ◆ outside bodies who pay expenses to Members
- ◆ duties relating to outside bodies that are not committee, sub-committee or working group meetings, e.g. book launches or openings.

9. CLAIMS

9.1 How to Claim

- ◆ BA, SRA and CA are paid automatically, monthly in arrears, direct into your bank account, after completion of initial details, and assuming a Member chooses to receive them.
- ◆ TA and SA must be claimed on the Members' Claim Form for allowances.
- ◆ In order to assist with the monitoring of the budget, members are requested to submit claims monthly, no matter how small. In order to try to ensure payment at the end of the following month, claims should be received by the Secretariat (at the Bainbridge Office) at the latest by the 4th of the month following that claimed for. This allows all claims to be paid together on the last working day of that month.
- ◆ Claims should be submitted as soon as possible after the month end. If that is not possible, then they should be submitted within three months of a duty having been performed.
- ◆ A supply of claim forms can be obtained from the Secretariat.
- ◆ Allowances must **not** be claimed where the Member is entitled to receive payment from another body.

9.2 Partial Year Entitlement

- ◆ A Member, who begins or ends a term of office or a SRA post during the course of the financial year, is entitled to an appropriate proportion of the BA, CA or SRA for that year.

9.3 Tax and National Insurance

- ◆ BA, CA and SRA are all taxable and are subject to national insurance.
- ◆ Members can request a PAYE code from the inland revenue for the taxing of payments. If no other tax code is supplied, Members will be taxed at basic rate.
- ◆ Some Members may be able to obtain an exemption card for national insurance from the Department of Social Security if they are over 65 (men) or 60 (women).
- ◆ Some female members may be able to obtain a reduced rate certificate (married women or widows).

YORKSHIRE DALES NATIONAL PARK AUTHORITY

APPROVED DUTIES

1. Attendance at any of the following is specified as an **approved duty**:
 - (a) Any meeting of the Authority, or any of the Authority's Committees, Sub-Committees, Working Parties, Panels or other bodies of which they are a member specified in a list approved from time to time by the Authority.
 - (b) Any other meeting the holding of which is authorised by the Authority, or a Committee or Sub-Committee, Working Party or Panel of the Authority, provided that attendance at the meeting is specified as an approved duty by a resolution of the body authorising it.
 - (c) Any formal training event, conference or outside body at which the Member has been formally authorised to attend as a representative of the Authority.
 - (d) Any formal meetings of the Local Government Association or the Association of National Park Authorities by the Chairman and/or Deputy Chairman of the Authority.
 - (e) Any meetings or events (non-social), not covered elsewhere in the Scheme, on the official invitation of the Chief Executive
 - (f) Any event attended by a member in his/her capacity as a Member Champion, providing that attendance is at the request of the Chief Executive or Lead Officer for that particular area of responsibility. *[Added following May 2006 NPA meeting]*
2. Allowances must **not** be claimed where the Member is entitled to receive payment from another body.
3. Attendance by the Chairmen and/or Deputy Chairmen at Committee/Sub-Committee briefings shall be deemed 'approved duty' for the purposes of the payment of Travelling and Subsistence Allowances.

SUMMARY OF RATES OF ALLOWANCES FOR MEMBERS*[Revised February 2006 (effective from 1st April 2006)]*

CATEGORY OF ALLOWANCE	RATE PAYABLE
Basic Allowance [BA] (available to all Members)	£2,646 pa
Co-optee's Allowance [CA]	£141 pa
Special Responsibility Allowance [SRA] <ul style="list-style-type: none"> ◆ Chairman of the Authority (BA x 2) ◆ Deputy Chairman of the Authority (BA x 0.5) ◆ Chairman of the Planning Committee (BA x 0.75) ◆ Deputy Chairman of the Planning Committee (BA x 0.4) ◆ IEG Working Group Nominee (BA x 0.4) 	£5,292pa £1,323pa £1,987pa £1,060pa £1,060pa
Travelling Allowance [TA] <ul style="list-style-type: none"> ◆ Inland Revenue rate ◆ Passenger supplement – (maximum 4 passengers) 	Per mile 40p 5p per passenger
Subsistence Allowances [SA] <ul style="list-style-type: none"> ◆ Breakfast allowance – more than 4 hours absence before 11am ◆ Lunch allowance – more than 4 hours and between 12 noon and 2pm ◆ Tea allowance – more than 4 hours including between 3pm and 6pm ◆ Evening meal – more than 4 hours ending after 7pm <p>NB Claims in excess of £3.40 (£3.30*) will only be paid if supported by receipts</p>	£5.88 (£5.73) * £8.13 (£7.92) * £3.19 (£3.11) * £10.05 (£9.79) *
Overnight absence <ul style="list-style-type: none"> ◆ Greater London area ◆ Elsewhere 	£91.04 £79.82
Meals on trains <ul style="list-style-type: none"> ◆ If breakfast, lunch or dinner need to be taken on the train, the reasonable cost of the meals may be reimbursed in full, subject to the provision of appropriate receipts. Please contact the Secretariat Officer (Richard Parkin) on 01969 652325 or on email: Richard.Parkin@yorkshiredales.org.uk 	

* Subsistence and Unreceipted Meal Allowances – increased in line with revised rates for Staff notified May 2005 (previous rates in brackets).