

**COUNCIL
26 SEPTEMBER, 2019**

MEMBERS ALLOWANCES REVIEW

Responsible Cabinet Member - Councillor Heather Scott, Leader

**Responsible Director - Paul Wildsmith,
Managing Director**

SUMMARY REPORT

Purpose of the Report

1. To agree to a review of the Members' Allowances Scheme.

Summary

2. The current Members' Allowances Scheme was approved by Council on 28 February 2016. In doing this Council agreed with the recommendations that were set out in a report undertaken by the Independent Remuneration Panel
3. Councils are required to establish and maintain an Independent Remuneration Panel for the purpose of making recommendations to the Council about the allowances to be paid to elected Members.
4. Reviews have been undertaken every 4 years, which is the maximum period that indexation extends to allowances. The current scheme is now in need of further review and Members are asked to agree to a review of Members' Allowances.

Recommendation

5. It is recommended :-
 - (a) That the membership of the Council's current Independent Remuneration Panel be confirmed;
 - (b) That a review of the Council's Members' Allowances Scheme be undertaken by the Council's Independent Remuneration Panel; and
 - (c) That the Terms of Reference for the Panel, as attached at **Appendix A**, to this report be approved for the review.

Reasons

6. The recommendations are supported by the following reasons :-

- (a) To ensure that the allowances paid to members are appropriate for the office that is held;
- (b) To ensure that this Council reviews its Members' Allowances Scheme to meet legislative requirements;

Paul Wildsmith
Managing Director

Background Papers

No background papers were used in the preparation of this report.

Shirley Burton 5998

S17 Crime and Disorder	This report has no implications for Crime and Disorder.
Health and Well Being	This report has no implications to address Health and Well Being for the residents of Darlington.
Carbon Emissions	There are no direct implications to Carbon Emissions which this report needs to address.
Diversity	There are no direct implications to Diversity which this report needs to address.
Wards Affected	There is no direct impact on any individual Ward
Groups Affected	There are no Groups affected.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not an Executive decision
Urgent Decision	This is not an Executive decision
One Darlington: Perfectly Placed	There are no links.
Efficiency	There are no efficiency proposals identified as part of this review.
Impact of Looked After Children and Care Leavers	This report does not impact on Looked After Children

MAIN REPORT

Information and Analysis

7. The Council's Members' Allowances Independent Panel was constituted to review the Council's Members' Allowances Scheme in 2003. Recommendations of the Panel have been made to Council in 2003 (when a full review of allowances was undertaken); in 2006 (when the allowances were revised following the appointment of an Audit Committee); in 2008, 2011 and 2015 (four-yearly reviews). A copy of the current Members' Allowances Scheme is attached at **Appendix B** for Members' information.

8. Councils must establish and maintain an Independent Remuneration Panel which can make recommendations to the Council about the allowances to be paid to elected Members, including the level of basic allowance for all Members, and on whether a dependant's carers allowance, travel and subsistence allowances and co-optees allowances etc. should be paid and the levels of such allowances.

Review

9. At the last four-yearly review, the Panel recommended that allowances be increased in line with the annual pay award for employees. The Local Authorities (Members' Allowances) (England) Regulations 2003 states, inter alia, that Councils must not rely on an index figure such as this is for longer than a period of four years before seeking a further recommendation from its Panel on an application of an index to its scheme. The current indexing came into effect on 1 April 2016 and therefore the revision is required to introduce a new scheme with effect from 1 April 2020.
10. It is therefore necessary to reconvene the Panel to review the application of the index and also take the opportunity to ask it to review the current level of allowances; make recommendations as to whether any further allowances should be payable; and whether any adjustment should be made to the allowances in the current financial climate.

Independent Remuneration Panel

11. To meet legislative requirements, the Council's Independent Panel must comprise of a minimum of three members. Currently the Council has three serving Panel members, Declan Hall, a former academic at the Institute of Local Government, University of Birmingham (who is the Chair of the Panel); Rob Shotton, a retired Chair of Business Link Tees Valley; and Paul McGee, a former member of the Chief Officer Management Team of Cleveland County Council and former Director of Know How North East Limited.
12. All Panel Members have confirmed that they are available to sit on the Panel.

Terms of Reference

13. Suggested Terms of Reference for the Panel are attached at **Appendix A** for Members consideration.

Education Appeals Panel Members

14. In the 2015, the Panel were also requested to review the allowances paid to Education Appeal Panel Members and they made recommendations to Council in relation to this. This has again been included in the Panel's Terms of Reference attached at Appendix A.

Panel Meeting

15. The Panel is due to meet on 26 and 27 November, 2019 and it will be requested to make recommendations to the Council on 30 January, 2020

16. The Panel will consider evidence and representations submitted by Members and other interested persons and take account changes in the role of elected members, benchmarking data, and statutory guidance in its deliberations.

Outcome of Consultation

17. No consultation has been undertaken on the content of this report.

Conclusion

18. This report asks Members to consider a review of Members' Allowances to comply with legislation.

DARLINGTON BOROUGH COUNCIL

MEMBERS' ALLOWANCES REVIEW

26 and 27 NOVEMBER 2020

INDEPENDENT REMUNERATION PANEL

TERMS OF REFERENCE

To make recommendations to Darlington Borough Council on the following:

1. The amount of basic allowance that should be payable to its elected Members.
2. The categories of Members who should receive a special responsibility allowance and as to the amount of such an allowance.
3. The duties for which a Travelling and Subsistence Allowance can be made and as to the amount of this allowance.
4. The scope and amount of co-optees' allowances.
5. The expenses of arranging for the care of children and dependents and the amount of these allowances and the means by which they are determined.
6. Whether annual adjustments of allowances should continue being referred to employees annual pay awards or another index, if any
7. Whether any other allowances should be payable to Members or co-opted members.
8. To make recommendations to the Council on the Mayoral Allowances.
9. To make recommendations to the Council on the allowances paid to Education Appeal Panel Members.
10. The implementation date for the review of allowances.
11. To consider any other issues that are brought to the attention of the Panel

Members' Allowances Scheme

The Darlington Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended), hereby makes the following scheme:-

Introduction

1. This scheme may be cited as the Darlington Borough Council Members' Allowances Scheme, and shall have effect for the period commencing 1st April, 2016 and shall continue in force thereafter until amended.
2. The previous Darlington Borough Council Members' Allowances Scheme is revoked with effect from 31st March 2016 (Schedules updated on 1st April, 2018).

3. In this scheme,

'the Authority' means Darlington Borough Council;

'Councillor' means a Member of the Darlington Borough Council who is a Councillor; and

'Year' means the period beginning 1st April to 31st March.

Basic Allowance

4. For each year a basic allowance ('Basic Allowance') set out in Schedule 1 shall be paid to each Councillor.
5. Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, his/her entitlement shall be to payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her term of office as Councillor subsists bears to the number of days in that year.

Special Responsibility Allowances

6. For each year for which this scheme relates a Special Responsibility Allowance ('Special Responsibility Allowance') shall be paid to those Councillors who have the special responsibilities in relation to the Authority that are specified in Schedule 2.
7. The amount of each Special Responsibility Allowance shall be the amount specified against that special responsibility in Schedule 2.
8. Where a Councillor does not have throughout the whole of the year any such special responsibilities as entitle him/her to a Special Responsibility Allowance, his/her entitlement shall be to payment of such part of the Special Responsibility Allowance as bears to whole of the same proportion as the number of days during which he/she has such Special Responsibilities bears to the number of days in that year.
9. Any Councillor who will be entitled to claim more than one special responsibility allowance in accordance with Schedule 2, shall only be entitled to receive one such allowance (and where the allowances are of different amounts, the entitlement shall be to the highest amount), unless otherwise provided in Schedule 2.

Mayoral Allowances

10. Allowances will be payable as detailed in Schedule 3

Dependent Carers' Allowance

11. An Allowance ('the Dependent Carers' Allowance') will be paid to each Councillor who needs to incur the expenses of arranging for the care of their children or dependants whilst undertaking the duties as specified in Schedule 4.
12. The Dependents' Carers' Allowance will be payable in respect of actual expenditure up to a maximum of 35 hours in any one week, as specified in Schedule 4.

Travel and Subsistence Allowances

13. No allowance will be made to any Councillor for any travelling or subsistence incurred whilst performing Council duties within the Borough Council boundary.
14. Travelling and Subsistence Allowances will be paid as specified in Schedule 5.

Education Appeals Panel Members

15. Allowances will be payable as detailed in Schedule 6.

Amendments and Repayment of Part of Allowances

16. This scheme may be amended at any time but may only be revoked with effect from the beginning of a year.
17. This scheme makes provision for an annual adjustment of the Basic, Special Responsibility allowances for a period of four years as detailed in paragraph 25 below.
18. Where an amendment is to be made which affects an allowance payable for the year in which the amendment is made, the entitlement to such allowance may apply with effect from the beginning of the year in which the amendment is made.
19. Where payment of any allowance already being made in respect of any period during which the Councillor concerned :-
- ceases to be a Councillor; or
 - is in any other way not entitled to receive the allowance in respect of that period,

The Authority may require that such part of the allowances relates to any such period be repaid to the Authority.

20. Where a Councillor is also a Member of another Authority (as defined in the Regulations) that Councillor may not receive allowances from more than one Authority in respect of the same duties.

Election to Forego Allowances

21. A person may, by notice in writing given to the Assistant Director Law and Governance, elect to forego all or part of his/her entitlement to any allowances under this scheme.

Payments

22. Payments shall be made in respect of basic and special responsibility allowances, in instalments of one-twelfth of the amount specified in this scheme.

23. Where a payment of one-twelfth of the amount specified in this scheme in respect of the basic allowance or a special responsibility will result in the Councillor receiving more than the amount to which, by virtue of the basic and special responsibility allowance, he/she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he/she is entitled.

Publicity

24. The Council is required to make arrangements for the publication of this Scheme within the Council's area as soon as practicable after it is made.
25. The Council is also required to publish after the end of the year the total sum paid to each Councillor during the year.

Indexation

26. The following indices are applied to the remuneration and allowances paid to Members of Darlington Borough Council :-

Basic Allowance, SRAs, Civic Allowances and Education Appeals Panel Members Financial Loss Allowance :-

- Increased by same percentage applied annually to the pay of local government staff, implemented at the start of each municipal year (linked to spinal column point 49 of the NJC scheme) starting from annual meeting on 16 May 2016.

Dependant Carers Allowance: Elderly/Disabled element :-

- Indexed to the rate chargeable by the Council for provision of a Home Care Assistant

Travel :-

- Mileage rates to be indexed to HMRC rates. Other travel will be reimbursement of actual costs taking into account the most cost effective means of transport available and the convenience of use.

Subsistence (out of authority only) :-

- Indexed to the same rates that apply to Officers of

Darlington Borough Council, for reimbursement of actual costs up to the maximum rate applicable.

SCHEDULE 1

Basic Allowance 2018/19

The amount of the Basic Allowance payable to each Member of the Council is **£8,188**

The Basic Allowance is deemed sufficient to include incidental expenses and the current provision of ICT equipment, consumables, and peripherals by Members. Accordingly, the direct provision of ICT equipment, related consumables, and peripherals is not provided unless Members re-imburse the Council for an ICT package and support from their Basic Allowance.

SCHEDULE 2

Special Responsibility Allowance 2018/19

The following are specified as special responsibility allowances in respect of which special responsibility allowances are payable, and the amounts of those allowances, subject to the provisions contained in this scheme are:

	£
Leader	22,933.00
Deputy Leader (60 per cent of Leader)	13,759.00
Cabinet Member (50 per cent of Leader)	11,467.00
Chair of Monitoring and Co-ordination Group (to include role of Chair of Scrutiny Committee) (42.5 per cent of Leader)	9,747.00
Scrutiny - Chair (40 per cent of Leader)	9,173.00
Scrutiny - Vice-Chair (25 per cent of Scrutiny Chair)	2,293.00
Chair - Planning (40 per cent of Leader)	9,173.00
Vice-Chair - Planning (25 per cent of Chair of Planning)	2,293.00
Chair - Licensing (40 per cent of Leader)	9,173.00
Vice-Chair - Licensing (25 per cent of Chair of Licensing)	2,293.00
Leader of Opposition (40 per cent of Leader)	9,173.00
Deputy Leader of Opposition (5 per cent of Leader)	1,147.00
Leader of Minority Group (5 per cent of Leader)	1,147.00
Chair - Audit Committee	557.99

SCHEDULE 3

MAYORAL ALLOWANCES

The following allowances are payable:-

Mayor	£11,000
-------	---------

Deputy Mayor	£ 929
--------------	-------

SCHEDULE 4

Darlington Borough Council

Dependent Carers' Allowance Scheme

1. A Councillor may claim a Carers' Allowance in accordance with this scheme when they incur additional expenditure for the care of children or dependent relatives whilst undertaking the following 'approved duties' :-
 - a meeting of Council
 - a meeting of Cabinet or its Sub-Committee
 - a meeting of a Scrutiny Committee or a Task and Finish Group
 - a meeting of Planning Applications Committee or its Sub-Committee
 - a meeting of Licensing Committee and its Sub-Committee
 - a meeting of the Audit Committee
 - a meeting of a Subsidiary Body appointed by the Council
 - a Training and Development Session
 - a meeting of an outside body

The Childcare Element

2. The childcare element reimburses reasonable expenses incurred for the care of dependent children whilst a Member carries out approved duties as specified in the 2003 Members' Allowances Regulations.
3. The re-imbusement is for actual expenditure incurred up to a maximum of 35 hours in any one week. A Member can therefore claim for care for multiple children but the total number of hours claimed for can be no more than 35 hours in total in any one week. The maximum hours claimable also allows for cancellation of meetings and for childcare that has to be booked in pre-defined blocks of time.

Qualifying Criteria

4. The childcare element of the allowance is paid on the basis of self monitoring. A Member must :-
 - (a) self-register with the Council's Monitoring Officer (the Assistant Director – Law and Governance) that they have a dependent child or children under the age of 16 living with them; and
 - (b) claim the allowance on production of a receipt or signed statement, which declares that the childcare has actually been provided by a childminder and not by a member of the immediate family normally resident at the Member's home address.

Care for Dependents on Social/Medical Grounds

5. The DCA also provides for care of dependents on social/medical grounds, such as dependents who are elderly and/or disabled. The social/medical dependent care element of the allowance will be paid at a similar rate chargeable by Darlington Borough Council for provision of a Home Care Assistance.
6. The allowance is to be paid only on the production of a receipt for actual expenditure incurred whilst a Member is on approved duties. As care for dependents with social/medical needs will be provided by professional carers they will be in a position to provide formal receipts in a way that many child carers will not be able to do so.
7. The social/medical element of the Dependents' Carers Allowance is available to Members who have an express need for such an allowance. This express need is to take the form of a written declaration by a Member, which is lodged with the Monitoring Officer (the Assistant Director Law and Governance).

Further Restrictions on Claiming the DCA

8. Members cannot claim for multiple carers for multiple dependents within the same category of care.

SCHEDULE 5**Travelling and Subsistence Allowances****Subsistence Allowance: Outside the Darlington Borough Council area**

The Subsistence Allowances, and the conditions by which they can be claimed, by Members attending approved duties outside the Darlington Borough Council area are based and indexed to the same rates that apply to Council Officers.

Only reasonable claims will be reimbursed (only outside normal working hours in accordance with the Officers scheme) and receipts must be provided.

- **Overnight Accommodation:** Any overnight accommodation required by Members will be reserved and paid for in advance by the Council

Mileage Allowance – Within Darlington Borough Council Area

There is no change to the provision prohibiting Members claiming Mileage Allowance for attending meetings within the Darlington Borough Council area.

Mileage Allowance – Outside Darlington Borough Council Area

No change to the mileage rates claimable by Members undertaking approved duties outside the Borough; they are linked to rates applicable to Officers (casual user rate).

The applicable mileage rates are set out below:-

Vehicle Type	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger Supplement Rate	5p per passenger	5p per passenger

Approved Duties and Attendance at other Statutory Bodies

A full schedule of approved duties for which Members may claim travel and subsistence allowances (when taking place outside the Borough Boundary is detailed in the schedule below:-

Travelling and Subsistence Allowances can be claimed for the activities and meetings below when the sessions take place outside the Borough Boundary

Travelling and Subsistence Allowances cannot be claimed where the external body pays a travel and subsistence allowance or when has its own Members Allowances Scheme

Training and Development Events

Courses, Seminars and Conferences

Council Appointments

Association of Councillors (a) General Management Committee (b) Northern Branch Committee
Association of North East Councils:- (a) Leaders' and Elected Mayor's Group (b) Collaborative Procurement Sub-Committee (c) North East Cultural Partnership (d) Health and Well Being Chairs Network (e) Resources Task and Finish Review Group
Combined Fire Authority – Travelling and Subsistence not claimable (a) Appointments Panel (b) Appeals Committee (c) Audit and Risk Committee (d) Finance and General Purpose Committee (e) Policy and Performance Committee (f) Joint Consultative Committee (g) Salary Review Group Other Bodies (a) Local Government Association (b) Community Interest Group (c) Vital Fire Solutions Ltd
Cruse Bereavement Care (Tees Valley)
Darlington and District Town Twinning Association Management Committee
Darlington Community Carnival Committee
Darlington Young Men's Christian Association – Local Management Board

Local Government Association
Poor Moor Charity
Standing Advisory Council on Religious Education (SACRE)
Willow Road Community Centre – Management Committee

Cabinet Appointments

Association of Rail North Partnership Authorities Rail North Ltd. Transport for the North North East Rail Management Unit
Charitable Organisations for the Blind (COB)
Community Library (Cockerton Ltd.)
County Durham and Darlington Foundation Trust – Board of Governors
Creative Darlington
Darlington and District Youth and Community Association (2002)
Darlington Cares
Darlington Partnership Board
Darlington Railway Museum Trust
Durham County Pension Fund Committee
Durham Tees Valley Airport Limited - Board
Durham Tees Valley Airport Limited - Consultative Committee
Family Help Organisation
Family Placement Panel
Maidendale Nature and Fishing Reserve (Associate Member)
North East Ambulance Service
North East Child Poverty Commission
North East Regional Employers Organisation Executive Committee
North East Strategic Migration Partnership
Northern Housing Consortium

Northumbrian Regional Flood and Coastal Committee
--

Poor Moor Fund

RELATE North East

Tees Valley Local Access Forum

Tidy North Regional Consultative Committee
--

SCHEDULE 6

Education Appeals Panel Members

1. Panel Members are entitled to claim any financial loss occurred whilst attending a Panel meeting at the following rates:-
 - £27.65 (meetings up to 4 hours)
 - £55.31 (meetings over 4 hours)
2. Dependant Carers Allowances are payable to Education Appeals Panel Members as detailed in Schedule 4.

Subsistence Allowances

3. Only reasonable claims will be reimbursed (only outside normal working hours in accordance with the Officers scheme) and receipts must be provided.

Mileage Allowances

4. The applicable mileage rates are set out below:-

Vehicle Type	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger Supplement Rate	5p per passenger	5p per passenger