

EXMOOR NATIONAL PARK AUTHORITY

15 February 2011

SCHEME OF MEMBERS' ALLOWANCES

Report of the Head of Corporate Services

<p>Purpose of the report: To consider and adopt a Scheme for Members' Allowances for 2011/12.</p>

Business Plan Reference: 5b4 - Member Services service plan

Legal and Equality Implications: Section 65(4) Environment Act 1995 – provides powers to the National Park Authority to *“do anything which in the opinion of the Authority, is calculated to facilitate, or is conducive or incidental to-*

- (a) the accomplishment of the purposes mentioned in s. 65 (1) [National Park purposes]*
- (b) the carrying out of any functions conferred on it by virtue of any other enactment.”*

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Authority to adopt a scheme of allowances before the start of the each financial year.

The equality and human rights impact of the recommendation of this report has been assessed as having no adverse impact on any particular group or individual.

Financial and Risk Implications: Provision will be made for the cost of the Scheme of Allowances proposed for 2011/12 to be contained within the Core Budget. If there were to be a significant change to the number of meetings or other events attended by members this could have an impact on the budget allocated for Members' mileage allowances.

RECOMMENDATIONS:

The Authority is recommended to:-

1. REVIEW the rounding of the Basic Allowance to £2,500 per annum and the multipliers adopted for the calculation of the additional Special Responsibility Allowances that are paid as set out in paragraph 2.6.
2. ADOPT the Scheme of Allowances as set out in Appendix 1, incorporating any changes resulting from the review of the Basic Allowance and the multipliers used to calculate the Special Responsibility Allowances.

1. INTRODUCTION

- 1.1 The Current Scheme of Allowances for Members was first introduced in 2003, and was reviewed by an Independent Remuneration Panel during the early part of 2009. The main recommendations of the Panel's report were an increase in Basic Allowances following a re-assessment of the time spent by members on National Park Authority activities and some fine tuning of the Special Responsibility Allowances.

2. SCHEME OF MEMBERS' ALLOWANCES 2011/12

- 2.1 Members will recall that as a consequence of the Government's Spending Review and the fact that Local Government Employers had nationally agreed to offer staff no cost of living pay awards in 2010, it was agreed at the meeting of the Authority held on 7 September 2010 :-
- i) to remove the principle of updating allowances in line with the Local Government Association "daily rate" on which allowances are based until the next Independent Panel Report
and
 - ii) to agree linking future adjustments to Members' Allowances to staff cost of living pay awards
- 2.2 In the course of 2010/11 a Green Travel Plan was adopted for Members and Staff which had the effect of reducing mileage rates paid to Members and Staff from 1 November 2010.
- 2.3 Consequently the draft scheme of Members' Allowances for 2011/12 (attached as Appendix 1) has been rolled forward from 2010/11, but amended to include provision for the enactment of any cost of living pay awards (although no such award is anticipated).
- 2.4 The costs of the rolled forward scheme in 2011/12 are estimated to be:-

Basic Allowance	£ 53,200
Co-opted Members (Standards Committee)	£ 1,400
Special Responsibility Allowance	£ 38,700
Mileage Allowance	£ 25,000
TOTAL	£118,300

- 2.5 During the year there has been considerable discussion at national level over the basic and special responsibility allowances paid by National Park Authorities particularly with the requirement for the South Downs National Park Authority to introduce a scheme. The following points have emerged from this consideration:-
- The Authority's current basic allowance of £2419 is mid range when compared with other National Park Authorities; and
 - The multipliers used by this Authority to calculate the additional special responsibility allowances are higher.

2.6 As a consequence of these findings, Members might wish to consider rounding the Basic Allowance to £2,500 per annum to recognise the considerable contribution made by them. However, given the reductions in National Park Grant that are being imposed on the Authority Members might consider it opportune to review the multipliers which are paid in addition to the basic allowance along the following lines:-

Office	Proposed multiplier
Chairman of the Authority	Multiplier of 2
Deputy Chairman of the Authority	Multiplier of 1.5
Chairman of Planning Committee	Multiplier of 1.5
Deputy Chairman of Planning Committee	Multiplier of 1
Chairman of Resources and Performance Committee	Multiplier of 1
Deputy Chairman of Resources and Performance Committee	Multiplier of .5
Chairman of Consultative and Parish Forum	Multiplier of .5
Chairman of Standards Committee	Multiplier of .25

2.7 The adoption of the multipliers set out above would bring the Authority in line with the practices of the other National Park Authorities with the amount being paid for Special Responsibility Allowances amounting to £19,950 per annum. The rounding of the Basic Allowance would result in an annual cost of £55,000 per annum.

Charles Burrows
Head of Corporate Services
February 2011

**EXMOOR NATIONAL PARK AUTHORITY
SCHEME OF MEMBERS' ALLOWANCES 2011/12**

1. INTRODUCTION

Exmoor National Park Authority's scheme provides for payment of:-

- A **Basic Allowance** which is a flat rate payable to each member;
- A **Special Responsibility Allowance** for members undertaking additional roles as defined by the Authority;
- **Co-optees Allowance** for those co-opted onto the Standards Committee.

2. GENERAL POINTS

The term "member" in these notes means a member of the Exmoor National Park Authority.

Members have the option of not claiming all or part of any allowance. The Head of Corporate Support must be notified in writing if a member chooses this option.

All enquiries relating to members allowances should be made to

- John Dunscombe tel 01398 322217
or e-mail jmdunscombe@exmoor-nationalpark.gov.uk
or
Mrs Carol Carder tel 01398 322229
or e-mail cacarder@exmoor-nationalpark.gov.uk

3. BASIC ALLOWANCE:-

- Is payable to all members.
- Is £2419.32 per annum from 1 April 2011, payable in arrears in monthly instalments. This is paid automatically (unless a member has opted not to receive it in whole or in part) and Members do not need to claim it.
- Recompenses Members for time devoted to their work as a Member and is intended to cover
 - Preparation for and attendance at Authority, committee, sub-committee, panel and working group meetings (including travel time to and from meetings)
 - Preparation for and attendance at seminars, conferences and training sessions
 - representing the Authority on "outside organisations"
 - dealing with correspondence
 - single member duties
 - other incidental costs for which no other specific provision is made, including use of Member's home
- The current Annual Sum is based on the Local Government Association recommended figure per day for calculating allowances (based on a median white collar wage) of £149.34 (determined in 2009) and then

reduced by 10% to reflect South West regional pay rates, to £134.41. The likely aggregate of time spent by members, which reflect varying travel times, preparation time etc has been assessed at 54 half days per annum, one third of which has been regarded as the voluntary public service element. Multiplying the resultant 36 half days (18 days) by the daily rate gives an annual allowance of £2419.32.

- Adjustments to the annual Basic Allowance of £2419.32 will be linked to staff cost of living pay awards.
- Where the member's term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.

4. SPECIAL RESPONSIBILITY ALLOWANCE:-

- Is payable in addition to the Basic Allowance.
- Is payable to members who have been given significant responsibilities eg Chairman, Deputy Chairman.
- Is allocated on the degree of responsibility and upon the perceived call on the Member's time, as agreed by the Authority, with no member receiving more than one SRA at any one time.
- Paid in arrears in 12 equal instalments automatically (with no need for the member to claim) and where applicable is apportioned for part year entitlements.
- Is intended to cover:-
 - significant additional work preparing for meetings
 - meetings with officers
 - meetings with fellow chairmen
 - acting as the spokesperson for their area of special responsibility
 - dealing with correspondence
 - visits directly connected to the performance of a Special Responsibility Allowance, eg official openings, fact finding visits
- Is banded on multiples of the basic allowance to reflect the work and responsibilities that have to be undertaken as follows:-

Chairman of the Authority	4 x basic allowance
Deputy Chairman of the Authority	3 x basic allowance
Chairman of Planning	3 x basic allowance
Deputy Chairman of Planning	2 x basic allowance
Chairman of Resources	2 x basic allowance
Deputy Chairman of Resources	1 x basic allowance
Chairman of Standards Committee	.5 x basic allowance
Chairman of the Consultative Forum	.5 x basic allowance

- Does not include any element for travel expenses, which are claimable in the normal way for any Special Responsibility Allowance duty.

To cater for changes in circumstances that can occur during the year and to ensure that no individual cases of exceptional hardship are experienced, the Chief Executive and the Head of Corporate Support in consultation with the Chairman can agree Special Responsibility Allowances temporarily for individual members as considered necessary.

6. **CO-OPTEEES ALLOWANCE**

- Is payable to those who are not members of the National Park Authority, but appointed as independent members of the Standards Committee.
- Is based pro-rata on the Basic Allowance, and amounts to £268.82 pa, and is paid annually in arrears.

7. **TRAVEL ALLOWANCE**

- Current rates are shown in Appendix 1.
- Can only be claimed for an approved duty (which is set out in Appendix 2) or one covered by a Special Responsibility Allowance.
- Should be claimed promptly at the end of each month on the Members' claim form.
- For official journeys outside Somerset and Devon see policy as set out in Appendix 1
- Train fares are normally reimbursed at the standard class rate. Members eligible for a Senior Railcard who regularly use the train for authority business may reclaim the cost of the railcard.
NB The Member Services Officer can obtain pre-booked tickets for members; such advance bookings attract cheaper fares and reserved seats.
- Wherever possible, members should share transport.
- Taxi fares will be reimbursed in exceptional circumstances on production of receipts.
- Expenditure on tolls, parking fees etc may be claimed for reimbursement on production of receipts.

8. **SUBSISTENCE ALLOWANCES**

- Is claimable for the actual cost of the meal or overnight expenses up to the same maximum set out for staff which is updated annually. Current rates are shown in the attached Appendix 1.
- Is claimable for any approved duty or Special Responsibility Attendance exceeding 4 hours which spans the agreed meal time periods where additional expenditure is incurred.
- Should be claimed promptly at the end of each month on the Members' claim form and receipts should be attached to the claim whenever possible to support the claim.

- Is not claimable if a meal is provided free of charge.
- For special circumstances the Head of Corporate Support can agree allowances in excess of the maximum where this is considered necessary and appropriate.

9. **NON CLAIMABLE DUTIES**

- For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming travel or subsistence allowances:-
 - Single member duties
 - Attendance at Parish Council meetings
 - Attendance at any committee, panel or working group meetings to which a member has not been appointed, unless as a previously named substitute.

10. **PAYMENT OF ALLOWANCES**

- Basic Allowances and Special Responsibility Allowances are paid automatically monthly after completion of:-
 - Written undertaking to comply with the Code of Conduct for members
 - Declaration of interests
 - Tax, National Insurance and Bank detail pro-formas.

These allowances are treated as imbursements and subject to Tax and National Insurance Contributions by the PAYE process.

- Travel and subsistence must be claimed monthly on the Members' Claim Form. Mileage Allowances are taxed according to the profit element which is calculated by comparing the amounts paid per mile with the Inland Revenue's Authorised Mileage Rates. Reimbursement of subsistence and other expenses incurred (car park fees, tolls, taxis etc) should not give rise to a tax or national insurance contribution liability as there is no profit element involved.
- Claims must be submitted monthly. Claims not received by the Member Services Officer by 5th of the following month will not be paid that month.
- A supply of claim forms can be obtained from the Member Services Officer.
- Allowances must not be claimed where the member is entitled to receive payment from another body.
- Payments are made through Somerset County Council who provide a payroll bureau service to Exmoor National Park Authority.
- Members receive through the post an advice slip providing details of the allowances paid.
- Payment has to be made directly into a Bank or Building Society account.

- Members can request a PAYE code from the Inland Revenue for the taxable payments, otherwise payments will be taxed at the basic rate of tax. Some Members aged over 60 (women) and 65 (men) may be able to obtain an exemption card for national insurance from the Dept. of Social Security. Some female Members may be able to obtain a reduced rate certificate (married women or widows). Members seeking advice on the national insurance calculation matters should contact their tax office or the Head of Corporate Support.
- The Authority regularly reviews expenditure on Members Allowances to ensure the budget is not overspent. In order to assist with the monitoring of the budget members are asked to submit claims monthly, no matter how small.
- Claims older than 2 months will be referred for the approval of the Head of Corporate Support in consultation with the Chairman or Deputy Chairman and therefore payment may be delayed or refused.

11. **UNEMPLOYMENT PAY and STATUTORY SICK PAY**

- Members who are unemployed normally do not lose entitlements to unemployment benefit as a result of receiving a Basic Allowance or Special Responsibility Allowance, even though the earnings rule may be exceeded. Members entitled to Disability Benefits may find this entitlement is affected. In such cases Members should clarify the situation with their Tax Office.
- Members are regarded as “employees” under the Social Security and Housing Benefits Act 1982 and are entitled to receive sick pay for the first 28 weeks of sickness a year. If members wish to pursue claims for sickness benefit, the period of sickness should be in excess of 3 consecutive days and the Member Services Officer must be given prompt notification of sickness.

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TRAVEL AND SUBSISTENCE - SUMMARY OF RATES WEF 1 November 2010

1. **MILEAGE RATES** (up to 8500 miles per annum after which reduced rates apply) for journeys within Somerset and Devon, and between Members' homes and Dulverton:-

A flat rate allowance based on the NJC Casual User rate for vehicles up to 999cc: **46.9p**

Passenger supplement: **5p** per passenger per mile

The rate for use of a motor cycle is 24p per mile.

2. **JOURNEYS OUTSIDE DEVON AND SOMERSET**

For journeys outside Devon and Somerset members should use public transport whenever possible and appropriate. Recognising that there are situations when it would be more appropriate to travel by private vehicle the rate of **35.2p** per mile is payable unless a case can be made for payment of the full mileage rate and this is subject to PRIOR approval by the Chairman or Deputy Chairman. Travel by car can be either by the use of a hire car or by the payment of the normal mileage rates for the journey. Situations where such prior approval is appropriate are on the grounds of-

- sustainability where two or more people are sharing a vehicle
- inadequacy where public transport is not available or the journey is too time consuming involving changes of trains and taxis
- economy where the costs of using public transport are significantly greater, overnight stays would be avoided, etc.
- efficiency where savings in staff and members time could justify the payment of the full rate

NB Members must ensure that they have adequate insurance cover for journeys made by them in respect of Exmoor National Park Authority business.

3. SUBSISTENCE ALLOWANCES

Breakfast	£6.80	Claimable if away from normal place of residence for more than 4 hours before 11.00am
Lunch	£9.20	Claimable if away from normal place of residence for more than 4 hours including the lunch time period of 11.30am and 2.30 pm
Tea	£3.90	Claimable if away from normal place of residence for more than 4 hours Including the period 3pm to 6pm and cannot be claimed if Evening Meal Allowance is also claimed
Dinner	£11.90	Claimable if away from the normal place of residence more than 4 hours, ending after 7pm and cannot be claimed if tea is also claimed.
Overnight	£105.00	Claimable if away overnight from normal place of residence
Out of Pocket	£5.30 per night £21.20per week	Claimable for residential courses and conferences.
Receipts have to be submitted to obtain subsistence allowances up to maximum allowances above.		

Notes: Reimbursement of subsistence and other expenses should not give rise to a tax or national insurance contributions as there is no payment element involved.

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LIST OF APPROVED DUTIES FOR THE PAYMENT OF TRAVEL AND SUBSISTENCE ALLOWANCES

Each of the following duties shall be regarded as authorised by the ENPA:-

- Attendance at any
 - Exmoor National Park Authority meeting
 - Planning Committee or Resources and Performance Committee meeting to which the Member is formally appointed or specifically invited by the Chairman
 - Working group or panel meetings to which the member has been appointed by the Authority
 - “ad hoc” meetings and site visits set up by the ENPA or its committees when attending as an appointed member.
 - Association of National Park Authorities meetings as agreed by the Authority.
- The undertaking of any duty associated with the ENPA or its committees and sub-committees, including briefing sessions, site visits, meetings with outside bodies or individuals, by
 - the Chairman, Deputy Chairman and 2nd Deputy Chairman
 - the Chairman, Deputy Chairman of the Planning or Resources Committees
 - the Chairman of the Consultative and Parish Forum
- Attendance on Authority, committee and sub-committee tours of inspection and at Members' conferences or seminars where formally appointed by the ENPA
- Attendance as the ENPA's nominee or representative at meetings associated with approved bodies
- Attendance at Open Days, official ceremonies where the Member is performing a specific function
- Attendance at any approved conference where appointed by the ENPA or a committee or sub-committee.
- Any other attendance for which prior approval has been given by the Chairman or Deputy Chairman of the ENPA

NB A duty cannot be approved, in retrospect, for the purpose of paying allowances.