# **Members' Allowances**

# (Report by the Head of Administration)

# 1. INTRODUCTION

At its meeting held on 16th April 2008, the Council, on the recommendation of the Corporate Governance Panel, approved the following recommendations which had emerged from a review of the Council's Travel Plan by a Working Group of the Overview and Scrutiny Panel (Service Support) -

- (a) that an alternative form of mileage allowance be introduced for Members of the Council based upon exhaust emissions;
- (b) that the new mileage allowance be optional for existing Members but compulsory for all newly elected Members with effect from 1st May 2008;
- (c) that the Members Independent Remuneration Panel be requested to confirm their agreement to the changes to the mileage allowance for Members; and
- (d) that the necessary changes be made to the Members' Allowances Scheme.

# 2. BACKGROUND

- 2.1 The Travel Plan Working Group were of the view that Members could demonstrate their commitment to reducing emissions, reducing their carbon footprint and improving local air quality by altering their mileage allowances to one based on emission rates. It was considered that the payment of mileage rates based upon emissions might influence Members to choose cars that have less impact on the local environment and therefore it was proposed that newly elected Members be paid an emission rated allowance.
- 2.2 Any proposal to vary the Members' Allowances Scheme of which travel (motor car) allowances form a part, is required under the Local Authorities (Members' Allowances) (England) Regulations 2003, to be considered by the Councils Independent Remuneration Panel (IRP), chaired by Dr Declan Hall. To expedite this process, Dr Hall had advised that it was not necessary to reconvene the Panel provided Panel members were formally consulted on the proposed changes and that it could be demonstrated that this process had been undertaken and an audit trail recorded.

# 3. CONSULTATION

- 3.1 In accordance with Dr Hall's advice, consultation with the four other Members of the Independent Remuneration Panel has taken place over the summer. No objections to the proposed changes to the scheme were raised.
- 3.2 The following additional comments were received –

"I feel that the final decision on how much to pay Members for travelling and expenses should be voted on by the elected Members and the proposed scheme seems reasonable and in line with income tax allowances and 'green tax' thinking"; and

"I can see merit in this initiative. Provided no Member is disadvantaged, or potential new Members discouraged from standing (and this seems to be the case), I have no objection to the proposal".

# 4. CONCLUSION

4.1 On the basis of the replies received from his colleague Panel Members, the Chairman of the IRP has submitted the following view –

"the IRP notes that the proposed changes from the Travel Plan Working Group, based on vehicle emissions is in line with current Government policy to promote 'greener travel' and fully supports the following mileage rates that can be claimed by Members on approved duties. These are as follows –

	First 8,500 miles	thereafter	Element of expense liable to tax
Band A	64.0p	32.0p	24.0p
Band B	56.0p	28.0p	16.0p
Bands C&D	40.0p	20.0p	0p
Bands E&F	36.0p	18.0p	0p
Band G	30.0p	15.0p	0p
Vehicles	30.0p	15.0p	0р
registered			
before			
1/1/2001			
Motorcycles	24.0p	24.0p	0р

I can confirm that the IRP also supports the view that the new mileage allowance should be optional for existing Members but compulsory for those Members newly elected to the Council in May 2008 and that, for ease of implementation, the necessary changes be made to the Members' Allowances Scheme with effect from 1st October 2008".

# 5. **RECOMMENDATION**

5.1 The Independent Remuneration Panel

#### RECOMMENDS

- (a) that an alternative form of mileage allowance be introduced for Members of the Council as set out in paragraph 4.1 above based upon exhaust emissions;
- (b) that the new mileage allowance be optional for existing Members but compulsory for all newly elected Members with effect from 1st October 2008; and
- (c) that the necessary changes be made to the Members' Allowances Scheme.

# BACKGROUND DOCUMENT

Council Minutes 16th April 2008. Report of the Travel Plan Working Group

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