

To:
All members of the
Council

Please reply to:

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Date: 18 May 2022

Supplementary Agenda

Council - Thursday, 26 May 2022

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Council meeting to be held on Thursday, 26 May 2022:

11. Members allowances scheme

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To agree interim arrangements for the Members' Allowances Scheme pending the completion of the Independent Remuneration Panel process.

Yours sincerely

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To the members of the Council

Councillors:

I.T.E. Harvey (Mayor)

S.M. Doran

M.M. Attewell

C.F. Barnard

C.L. Barratt

R.O. Barratt

C. Bateson

I.J. Beardsmore

M. Beecher

J.R. Boughtflower

A. Brar

S. Buttar

J. Button

R. Chandler

J.T.F. Doran

R.D. Dunn

S.A. Dunn

T. Fidler

N.J. Gething

M. Gibson

K.M. Grant

A.C. Harman

H. Harvey

N. Islam

T. Lagden

V.J. Leighton

A.J. Mitchell

S.C. Mooney

L. E. Nichols

R.J. Noble

O. Rybinski

D. Saliagopoulos

J.R. Sexton

R.W. Sider BEM

V. Siva

R.A. Smith-Ainsley

B.B. Spoor

J. Vinson

Council

26 May 2022



Title	Members' Allowances Scheme 2022/23
Purpose of the report	To make a decision
Report Author	Gary Lelliott, Principal Committee Manager
Corporate Priority	This item is not in the current list of Corporate Priorities but still requires a Council decision
Recommendations	The Council is asked to agree interim arrangements for the Members' Allowances Scheme, namely continuing with the provisions of the Members' Allowances Scheme for 2021/22, pending the receipt and consideration of recommendations from the Independent Remuneration Panel.
Reason for Recommendation	The Council is required to make a scheme of allowances and the Independent Remuneration Panel is appointed by the Council to advise on the type of its allowances and the amounts to be paid.

1. Summary of the report

- 1.1 This report requests that the Council agree interim arrangements for the Members' Allowances Scheme pending the completion of the Independent Remuneration Panel process.

2. Key issues

- 2.1 The Independent Remuneration Panel is tasked with reviewing the Members Allowances Scheme on an annual basis and making recommendations to the Council.
- 2.2 The locally agreed position is that Spelthorne Borough Council "shall have regard to" the advice from the Panel and the Council cannot make any changes to its Scheme of Members' Allowances without first considering the Panel's advice on the issues involved. The Panel acknowledges that it is a matter for the Council to decide the level of Members' Allowances. In having regard to the Panel's advice, the Council is to "give proper consideration" to the Panel's report. In this way, the Council can take full account of its particular circumstances and be directly accountable to its electorate.

3. Options analysis and proposal

- 3.1 The Council is asked to retain the existing special responsibility allowances (SRA) until recommendations are received from the Panel.

4. Financial implications

- 4.1 The budget for the agreed Members' Allowances Scheme for 2021/22 was £374,300 (including the newly introduced SRA for Development Sub-Committee members).
- 4.2 Following a review of the Council's committee arrangements on 28 April 2022, the number of voting members on the Development Sub-Committee was revised from 7 to 11. There will therefore be an additional annual cost of approximately £8,000, bringing the annual cost of the scheme to **£382,300**.
- 4.3 If the Council agrees this interim position, a supplementary estimate of approximately £8,500, being the additional budget required for the 2022/23 municipal year (including the newspaper advertising cost), will need to be agreed by the Chief Finance Officer in consultation with the Chair and Vice Chair of Corporate Policy and Resources Committee, as per Financial Regulations.

5. Risk considerations

- 5.1 There are no considerations.

6. Legal considerations

- 6.1 The Council is required to agree its member allowances scheme on an annual basis. See paragraph 10.2.

7. Other considerations

- 7.1 There are none.

8. Equality and Diversity

- 8.1 There are no impacts.

9. Sustainability/Climate Change Implications

- 9.1 There are no implications.

10. Timetable for implementation

- 10.1 The timetable for implementing the Development Sub-Committee element of the scheme is dependent on the date it is constituted. Its proper constitution requires nominations from the Corporate Policy and Resources Committee and the Environment and Sustainability Committee, and the eventual agreement of the Council.
- 10.2 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 the Scheme will be made available on the website and a notice published in a local newspaper.

Background papers: There are none.

Appendices:

The 2021/22 allowances scheme.

Members' Allowances Scheme

1 April 2021 to 31 March 2022

Introduction

Every local authority will make, or review, a scheme annually in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 and will set out the nature and level of allowances payable each year to each member of the authority. The allowances are set by the Council after due consideration of any recommendations of the annual Independent Remuneration Panel (IRP).

Publication of Members' Claims

Regulations (Section 228 of the Local Government Finance Act 1972) require publication of details of the total sum paid in allowances to members during each year.

A schedule of total cash payments made to each member during the preceding financial year, in respect of all allowances, is available on the Spelthorne Borough Council website.

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The Members' Allowances Scheme operating from 27 May 2021 provides for the following:

- 1. A Basic Allowance** paid at a flat rate to all members on a monthly basis.
- 2. Special Responsibility allowances** paid to certain roles, agreed by the Council, to recognise significant additional responsibilities. These are also paid on a monthly basis.

	Per Annum £
Basic allowance payable to all Members	£6403
Special Responsibility allowances	
Leader of the Council and Chair of Policy & Resources Committee	£11000
Deputy Leader and Vice-Chair Policy & Resources Committee	£5500
Service Committee Chairs: Environment and Sustainability Community Wellbeing and Housing Economic Neighbourhood Services	£7700
Planning Committee Chair	£6600
Planning Committee Vice-Chair	£3300
Spelthorne Joint Committee Chair/Vice-Chair	£5500
Licensing Committee Chair	£5500
Licensing Committee Vice-Chair	£2750
Audit Committee Chair	£4400
Audit Committee Vice-Chair	£2200
Service Committee Vice-Chairs	£3850
Administrative Committee Chair	£2200
Members of Development Sub-Committee	£2000
Co-optees' Allowance (Chair/Vice-Chair of Standards Committee)	£1500/£750
Independent Person on Audit	£500

- ❖ Payments will be made on a monthly basis, directly into a nominated bank or building society account.
- ❖ Members who wish to elect to forgo their entitlement to some or all of their allowances may do so by giving notice, in writing, to the Chief Executive.
- ❖ No one councillor shall be entitled to receive more than one Special Responsibility Allowance except in the situation where the Chairman/Vice-Chairman of the Joint Committee is a Borough Councillor already in receipt of an SRA under the Scheme

3. **Travelling expenses** will be paid for attendance at approved meetings. The list of approved duties is set out in **Schedule 1** to the Scheme.
4. Where the requirements of paragraph 3 are met a travelling allowance for use of a vehicle will be paid at the following rates:

Cars	
Up to 999cc	46.9p
1000cc– 1199cc	52.2p
1200cc and over	65p
Motorcycles	24p
Cycles	20p

5. The allowance for all cars may be increased by not more than 1.0 pence per mile in respect of each passenger, up to a maximum of four, to whom a travelling allowance would otherwise be payable.
6. Where the requirements of paragraph 3 are met a travel allowance for use of public transport may be claimed. Members can claim the ordinary fare or any available cheap fare. Receipts must be obtained and attached to the relevant claim form otherwise expenses will be liable for tax.
7. **Subsistence allowance** will be paid for attendance at approved meetings. The list of approved duties is set out in **Schedule 1** of the Scheme.
8. Where the requirements of paragraph 7 are met, a subsistence allowance will be paid for expenses actually incurred on completion of the relevant claim form, to which receipts are attached.
9. If meals are provided at a meeting, e.g. a sandwich lunch, a claim for subsistence should not normally be made for that same meal. If a member chooses to purchase a meal elsewhere when a free meal was provided, any claim made for subsistence should be reduced to reflect the value of the free meal which was available.
10. Whilst travel and subsistence claims may be made for attendance as the Council's representative at the meetings listed on Schedule 1, members should note that claims may not be made in respect of duties which an external body itself has asked the member to undertake. Any claim for expenses in these circumstances should be referred to the external body.
11. **Dependent's Carer's allowance** including child care, where a member incurs costs in arranging for care of their child or dependent relative, will be paid for attendance at approved meetings. The list of approved duties is set out in **Schedule 1** of the Scheme.

- 12.** Where the requirements of paragraph 11 are met, a dependent's carers' and child care allowance will be paid for expenses actually incurred on completion of the relevant declaration form.
- 13.** All claims must be made within the current financial year and for no more than three months in arrears.
- 14.** Members' claims for travel and subsistence should be sent to Committee Services by the 6th of each month.
- 15.** The Principal Committee Manager will check all members' claims before passing them to Payroll for payment.

Taxation

Basic and Special Responsibility Allowances are both liable to income tax and national insurance contributions, depending on members' personal circumstances. All payments are made through the payroll.

Travel allowances for cars are not subject to tax and National Insurance for the first 45p per mile but anything above that is as per the HMRC Approved Mileage Allowance Payments.

National Insurance Contributions

National Insurance contributions are payable on all allowances that exceed the minimum lower earnings limit. The current minimum earnings level (2021/2022) equates to £797 per month.

The exemptions are:

a) Where individual's earnings are above the upper earnings limit

If your gross salary in paid employment exceeds the upper earnings threshold (currently £4189 per month) members should apply for deferment using form CA27A or CA72B for self-employed. **This must be applied for each Tax year.**

b) When an individual is over the state retirement age

There is no liability to pay employee's National insurance contributions once you reach state pension age (this may not be 65). If you are over the state retirement age, we will need proof of your age e.g. a birth certificate or passport, to make sure you stop paying National Insurance.

c) When an individual is self-employed

Class 1 employee deductions are not due if you are self-employed. The Department of Social Security does not issue an exemption certificate, but requires you to produce the contributions card or direct debit statement for your self-employed contributions for inspection. (If you would prefer to account to the Inland Revenue for the income tax due on your allowances, this can be arranged by asking your Tax Office to inform Payroll of your self-employed status).

d) When a married woman has elected to pay reduced rate contributions

Any Member currently holding a valid Married Woman's Reduced Rate Liability Card, (reference CF383), should send this to Payroll, so that the reduced rate contributions, (currently 5.85%), can be implemented. The option to make reduced rate contributions is no longer available, so this will only apply to Members already holding a valid certificate.

Schedule 1

Members' Allowances Scheme 2021-2022

List of Approved Duties

When a member uses his or her own home to undertake representative duties on behalf of the Council (e.g. to see constituents), that home becomes their place of work and an allowance can be paid for travel between home and the Council Offices for approved duties, but not for ordinary visits to the Council.

Meetings:

The activities that shall be approved duties include:

- meetings of the Council, Committees including Task Groups and Panels.
- deputations, delegations or other representation at meetings with a government department or another local authority.
- training seminars organised by the Council, including members' inductions.
- presentations to councillors by government departments, statutory undertakers, utility or private companies, in respect of proposals in or affecting the Borough, as well as meetings of the organisations external to the Council listed below.
- opening of tenders where Standing Orders require one or more members to be present.
- Visits to sites for which a Planning application is due to come before Planning Committee, by members of the Planning Committee.
- Meetings with Council partners and other Leaders where such meetings take place outside the Borough of Spelthorne.

To qualify as an approved duty, such meetings, seminars and presentations need to be authorised by the Council or a Committee and representatives of more than one political group must be invited, except in the case where the Leader is invited.

Meetings with organisations

Meetings of the following organisations **have been approved** by the Council for travel/expenses claims:

- Armed Forces Covenant
- Ashford and St Peter's Hospitals NHS Foundation Trust
- Enterprise M3 (where held outside Spelthorne)
- Heathrow Airport Consultative Committee (HACC)
- Heathrow Local Focus Forum (BAA)
- Heathrow Airport Ltd - Annual Meeting with Spelthorne Borough Council
- Heathrow Community Noise Forum
- Heathrow Strategic Planning Group (where held outside Spelthorne)
- Local Authority Aircraft Noise Council (LAANC)
- Management Committee of Mediation North Surrey
- On-street Parking Partnership (OSPP) Joint Task Group
- Surrey Police and Crime Panel
- River Thames Alliance

- South East Employers (SEE)
- South West Middlesex Crematorium Board
- Spelthorne Mental Health Association Management Committee - Trustee
- Spelthorne Safer, Stronger Partnership Board
- Strategic Aviation Special Interest Group (SASIG)
- Surrey Waste Partnership
- Surrey Leaders' Group
- Surrey Museums Consultative Committee
- Surrey Traveller Community Relations Forum
- (NHS) Sustainability and Transformation Plan Stakeholder Reference Group
- The Traffic Penalty Tribunal

List of authorised conferences:

The following have been prescribed under Section 175 of the Local Government Act 1972 for the payment of travel and expenses claims:

- Chartered Institute of Housing (CIH)
- Chartered Institute of Public Finance and Accountancy (CIPFA)
- Institute of Building Control
- Institute of Waste Management
- Local Government Association Annual Conference
- Local Government Association Annual Housing Conference
- National Housing and Town Planning Conference
- Royal Town Planning Institute (RTPI)
- South East Employers (SEE)
- Surrey Heritage Strategy Annual Conference

List of duties not approved:

The following is a list of those organisations external to the Council to which the Council makes appointments, but which **do not qualify** for any travel or expenses allowances:

- A2 Dominion Customer Insight Panel
- Spelthorne Business Forum

The following duties have **not** been approved by the Council:

Social occasions, receptions, official openings, sporting occasions, visits by members to the Council offices to meet with staff outside of formal meetings; and ward surgeries.

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