

COUNCIL

26 APRIL 2012

MEMBERS' ALLOWANCES - REPORT OF THE INDEPENDENT REMUNERATION PANEL

Portfolio Holder: Councillor Rodney Chambers, Leader
Report from: Neil Davies, Chief Executive
Author: Jane Ringham, Head of Elections & Member Services

Summary

The report and recommendations of the Independent Remuneration Panel (the Panel) are submitted for Members' consideration.

1. Budget and Policy Framework

- 1.1 The duty to approve or amend the Members' Allowances Scheme is a matter which cannot be determined by Cabinet under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended). Therefore, this is a matter for Council.

2. Background

- 2.1 At its meeting on 24 February 2011, Council agreed that the Independent Remuneration Panel be recommended to reduce Members' Allowances by 5%, saving £39,000. The complexity of the issues and the timing of the Local Elections resulted in delays in the Independent Remuneration Panel making its' final recommendations and therefore bringing them to the Council until this stage.
- 2.2 The principal tasks of the Panel were to consider (1) the appropriateness of the existing scheme for Special Responsibility Allowances and subsistence and travel allowances and the existing index to which they are linked for annual uprating; (2) the options to save 5% or £39,000 on the existing Members Allowances budget; (3) the appropriateness of the existing expenses for childcare or dependent care; and (4) recommendations on the appropriateness and level of an SRA to Members of the newly-established 1982 Act Panel Hearings.

- 2.3 As required by law, copies of the Panel's report have been made available for inspection and a notice has been published in a local newspaper stating that the Council has received recommendations from the Panel about their scheme of allowances and describing the main features of the Panel's recommendations including the amounts of allowances the Panel has recommended should be payable to elected Members.

3. The Panel's report and recommendations

- 3.1 In recognition of the different approaches to achieving the reductions, the Panel identified several options for the savings comprising a variety of across the board reductions and reductions targetted at specific SRAs. However it recognised that this might not be helpful for the Council's deliberations and sought some clarification from the Leaders of each of the political Groups on the Council to see if it was possible to identify an agreed approach.
- 3.2 The Panel is recommending an option that achieves the savings by making across the board reductions, with those currently receiving an SRA contributing more to the reductions required. That proposal is to meet the reductions by pooling the savings from one SRA no longer being paid (that to the Leader of the Minority Opposition with more than 10% of the Membership) and the annual saving from one Councillor who has publicly declared that he will not claim the Basic Allowance, plus a 3.26% reduction to the Basic Allowance and all SRAs. The Panel consider it is a reasonable and justifiable option and recommends it to the Council.
- 3.3 This Council meeting takes place after the start of the financial year and so the full year savings of £39,000 will not be achieved. However the balance of savings required can be met from within the Members' Services' budget due to unfilled vacancies. Council are recommended to adopt the revisions to the Members' Allowances Scheme with effect from 1 May 2012.
- 3.4 The Panel's report, including the recommendations, is attached as Appendix 1.

4. Financial and legal implications

- 4.1 A 5% budget reduction to Members' Allowances in 2011-2012 amounting to £39,000 was approved by Council on 24 February 2011. The complexity of the issues and the timing of the Local elections resulted in delays in the Independent Remuneration Panel making its' final recommendations and therefore bringing them to the Council until this stage. The budget for Members Allowances in 2012-2013 also reflects this reduction of £39,000. In addition an unbudgeted provision of £1,600 has been identified for payment of an SRA to Members sitting on the newly established 1982 Act Panels. This makes a total savings required of £40,600.
- 4.2 The reductions proposed in this report achieve savings of £38,572 in a full year, and £35,358 if the reductions are implemented with effect from 1 May 2012. It should be noted that £13,700 of the annual savings are non-recurring in the longer term, being the current requirement (until 2015 at least) not to pay one SRA to an opposition leader and one basic allowance. Savings of £3,214 have been identified in the revenue budget to cover the shortfall, from vacancies that will not be filled at least until 2015.
- 4.3 The Local Authorities (Members' Allowances)(England) Regulations 2003 ("the Regulations") make provision for the payment of allowances to Members of the Council.
- 4.4 The Regulations require the Council to prepare schemes for the payment of allowances to Members. The schemes should make provision for the payment of a basic allowance, and may also provide for the payment of special responsibility allowance, dependants' carers' allowance, travelling and subsistence allowance and co-optees' allowance.
- 4.5 The Council must establish and maintain an Independent Remuneration Panel whose function is to make recommendations to the Council concerning allowances. The Council must have regard to the panel's advice/recommendations.
- 4.6 After receiving a report from the Independent Remuneration Panel which sets out the Panel's recommendations, local authorities must ensure that copies of the report are available for inspection at their principal office at all reasonable hours. Local authorities must also, as soon as reasonably practicable after they receive the report, publish a notice in at least one newspaper circulating in their area which:
- a) states that the authority have received recommendations from an Independent Panel about their scheme of allowances;

- b) describes the main features of the Panel's recommendations including the amounts of allowances the Panel has recommended should be payable to elected Members.

4.7 The Council must ensure that such a notice is published every 12 months even if the scheme has not been amended since the last notice.

5. Risk management

5.1 If the reductions are not approved, the savings will not be realised. The mitigation is that the Independent Remuneration Panel's report explains fully the issues considered and taken into account when making its recommendations. The Independent Remuneration Panel have given their views and think the recommendations are justifiable and reasonable.

6. Recommendations

6.1 The Council is asked to approve that:

6.2 The Basic Allowance paid to all Councillors should be reduced by 3.26% to £8,730.86 per year and be index-linked to officer pay awards for the next four years;

6.3 That the Allowances payable to the Mayor and Deputy Mayor be reduced by 3.26% as follows: Mayor £13,267.60 and Deputy Mayor £6,685.23 and that they be index-linked to officer pay awards for the next four years.

.../

6.4 The levels of other Special Responsibility Allowances (SRA) should be as follows, and be index-linked to officer pay awards for the next four years on the basis that savings of £13,758 are also achieved from the non-payment of one Basic Allowance and the SRA to the Leader of the Opposition Group with more than 10% of Members:

POSITION	£	BENCHMARK %	
Leader of the Cabinet	20,148.37	110	Plus 50% of Cabinet portfolio holder SRA
Deputy Leader	14,653.36	80	Plus 50% of Cabinet portfolio holder SRA
Cabinet Portfolio Holder (8)	10,990.05	60	
Ruling Group Whip (group more than 50% of members)	1,831.64	10	
Chairman, Overview & Scrutiny Committee (4)	9,158.35	50	
Vice Chairman, Overview & Scrutiny Committee (4)	3,663.34	20	
Overview & Scrutiny Spokespersons (group more than 20% of members) (4)	5,495.01	30	
Chairman of Audit Committee	5,495.01	30	
Chairman of Planning Committee	7,326.68	40	
Vice Chairman, Planning Committee	3,663.34	20	
Opposition Group Leader (more than 20% of members)	9,158.36	50	
Deputy Opposition Group leader (more than 20% of members)	3,663.34	20	
Opposition Group Whip (more than 20% of members)	915.83	5	
Opposition Spokesperson Planning Committee (more than 20% of members)	3,663.34	20	
Opposition Group Leader (more than 10% of members)	4,426.23	25	Not currently payable

6.5 The current provisions in the Members Allowances' Scheme whereby those in receipt of more than one SRA from Medway and/or the Kent Police or Kent Fire and rescue Authorities, should have the second and any subsequent Medway SRA discounted by an appropriate amount remain unchanged;

6.6 The SRA to members of the Licensing Hearing Panel be at the rate of £31.75 per day and be index-linked to officer pay awards for the next four years;

- 6.7 The Members' Allowance scheme be adjusted to include a payment of £31.75 per day to members of 1982 Panel Hearings and be index-linked to officer pay awards for the next four years;
- 6.8 The Members' Allowance Scheme be amended to (a) adjust the maximum hourly rate to be claimed for dependents' and carer's allowance to £3.57 and that this be index-linked annually to the average Medway registered childminder rate for a maximum of four years; (b) adjust the maximum payable in any 24 hour period for conference attendance to £64.26 (representing 18 hours), and this be index-linked annually to the average Medway registered childminder rate;
- 6.9 The current subsistence and travel rates in the Members' Allowances Scheme remain at the current level, and that as currently, they are not updated annually in line with the officers' pay award for the next four years;
- 6.10 The changes to the Members' Allowances Scheme take effect from 1 May 2012.

Lead officer contact

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Background papers

Description of Background Papers	Contact details
None	Jane Ringham, ext 2864, 3 rd Floor Gun Wharf

MEDWAY COUNCIL

REPORT OF INDEPENDENT REMUNERATION PANEL

March 2012

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1. Summary of Recommendations

- 1.1 That the Basic Allowance paid to all Councillors should be reduced by 3.26% to £8,730.86 per year and be index-linked to officer pay awards for the next four years.
- 1.2 That the levels of other special responsibility allowances should be as follows, and be index-linked to officer pay awards for the next four years on the basis that it is understood that the Council can make savings of £13,758 from the non-payment of one Basic Allowance and the SRA to the Leader of the Opposition group with more than 10% of members.

POSITION	£	BENCHMARK %	
Leader of the Cabinet	20,148.37	110	Postholder also receives 50% of Cabinet portfolio holder SRA
Deputy Leader	14,653.36	80	Postholder also receives 50% of Cabinet portfolio holder SRA
Cabinet Portfolio Holder (8)	10,990.05	60	
Ruling Group Whip (group more than 50% of members)	1,831.64	10	
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Opposition Spokesperson Planning Committee (more than 20% of members)	3,663.34	20	
Opposition Group Leader (more than 10% of members)	4,426.23	25	Not currently payable

- 1.3 That the Allowances payable to the Mayor and Deputy Mayor be reduced by 3.26% as follows: Mayor £13,267.60 and Deputy Mayor £6,685.23 and that they be index-linked to officer pay awards for the next four years.
- 1.4 That the current provisions in the Members Allowances Scheme whereby those in receipt of more than one SRA from Medway and/or the Kent Police or Kent Fire and Rescue Authorities, should have the second and any subsequent Medway SRA discounted by an appropriate amount remain unchanged.
- 1.5 That the SRA to members of the Licensing Hearing Panel be at the rate of £31.75 per day and be index-linked to officer pay awards for the next four years;
- 1.6 That the Members' Allowance scheme be amended to include a payment of £31.75 per day to members of 1982 Panel Hearings and be index-linked to officer pay awards for the next four years;
- 1.7 That the Members' Allowance Scheme be amended to (a) adjust the maximum hourly rate to be claimed for dependents' and carer's allowance to £3.57 and that this be index-linked annually to the average Medway registered childminder rate for a maximum of four years; (b) adjust the maximum payable in any 24 hour period for conference attendance to £64.26 (representing 18 hours), and this be index-linked annually to the average Medway registered childminder rate;
- 1.8 That the current subsistence and travel rates in the Members' Allowances Scheme remain at the current level, but are not indexed to officers' pay awards for the next four years;

2. Introduction

- 2.1 Medway Council has established this Independent Panel to make recommendations about the financial allowances to be paid to Councillors.
- 2.2 The Panel made initial recommendations for a scheme of allowances in August 2001 and the Council adopted these recommendations in September 2001.
- 2.3 The Panel subsequently reviewed the scheme in October 2002, July 2003, in March 2005, and March, April and May 2006 taking into account changes to the political management arrangements, new responsibilities and the evolution of the overview and scrutiny function.
- 2.4 The Panel reviewed some specific parts of the Scheme in November 2007, relating to Special Responsibility Allowances and in 2009 made recommendations to the Council about

- updating the Members Allowances scheme to reflect provisions that should have been included
- clarifying the Basic Allowance
- amendments to the Dependant Carers Allowance
- subsistence and travel allowance rates
- the introduction of a cycling allowance
- Councillors not being able to join the Local Government Pension Scheme
- The introduction of a provision for members of Schools Admission and Exclusion Appeals Panels to claim subsistence, travel and dependent carers' allowances
- members of Schools Admission and Exclusion Appeals Panels not being compensated for loss of earnings (or benefits)

2.5 The Panel was due to undertake a full review of Special Responsibility Allowances in 2009 but unfortunately the timing of the European Parliamentary and then General Election in 2010 meant the support provided by the Head of Elections and Member Services was not available. Thereafter it was decided that the review should be postponed until after the Local Elections in May 2011.

3. Background

3.1 The Local Government Act 2000 and subsequent regulations require every local authority to establish and maintain an Independent Remuneration Panel to make recommendations about the financial allowances to be paid to Councillors. New regulations came into force in May 2003 that require the Panel to make recommendations on travel and subsistence allowances, pensions, and co-opted members' allowances.

3.2 Medway Council decides its own scheme of allowances for Councillors and the amounts to be paid under that scheme. However, it must first have regard to the advice of this Independent Remuneration Panel and must make the report and recommendations of the Panel widely available for public inspection.

4. Appointment of the Panel

4.1 Independent Remuneration Panels must have at least three members. Medway Council decided to set up a Panel of 7 members consisting of 4 people drawn from the Medway Citizens Panel and one each from the Medway Voluntary Sector Forum, the Medway Black and Ethnic Minority Forum and the Medway Economic Advisory Forum.

4.2 All members of the Panel have been asked to declare that they are not connected to a political party or associated with any Councillors serving on Medway Council or any of its Parishes through friendship or any other personal association.

4.3 The Panel members are as follows:

Medway Citizens Panel

Paul Newman
Andrew Wilson

Medway Black and Ethnic Minorities Forum

Bill Bhatia

Medway Voluntary Sector Forum

Vacant

Medway Economic Advisory Forum

Steve Gregory.

5. The work of the Panel

5.1 The Panel met in September and October 2011. The Head of Elections & Member Services provided it with administrative support and advice.

6. Terms of reference

6.1 The terms of reference of the Panel set by the Council are:

- to make recommendations to the authority as to the amount of basic allowance that should be payable to its elected Members
- to make recommendations to the authority about the roles and responsibilities for which a special responsibility allowance should be payable and as to the amount of each such allowance
- to make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and, if such a recommendation is made, the amount of this allowance and the means by which it is determined
- to make recommendations about which Members of the Council should be entitled to pensionable remuneration subject to further regulations
- to provide informal advice, as requested by the Council, on other allowances payable under the Local Government Act 1972 (ie travel and subsistence allowance and allowances for attendance at certain meetings and conferences)

- to make recommendations on travel and subsistence allowances, Councillor membership of the Local Government Superannuation Scheme, and allowances for co-opted members of committees.

6.2 The principal tasks of the Panel were to consider (1) the appropriateness of the existing scheme for Special Responsibility Allowances and the subsistence and travel allowances and the existing index to which they are linked for annual uprating; (2) the options to save 5% or £39,000 on the existing members allowances budget; (3) the appropriateness of the existing expenses for childcare or dependent care; and (4) recommendations on the appropriateness and level of an SRA to members of the newly-established 1982 Act Panel Hearings.

7. The Panel's approach to its task

7.1 In formulating its recommendations the Panel has taken account of statutory guidance from the relevant government department.

7.2 In addition, the Panel considered comparative information relating to allowances paid by other local authorities, particularly other Unitary authorities in the South East and London Boroughs and Kent County Council, submissions from the Labour and Liberal Democrat Groups of the Council and one individual Councillor.

7.3 The Panel also noted the workloads and outputs from the Overview & Scrutiny Committees and Role Profiles of all Councillors that were developed in 2007.

8. Analysis of comparable data

8.1 The Panel analysed comparative data on SRA's from the other Unitary authorities across the South-East region as well as the London Boroughs and Kent County Council, and noted that generally the Medway SRA's compared favourably.

8.2 The average Basic Allowance across the London Boroughs and Unitary Councils in the South East is £9,564 with Medway's Basic Allowance at £9025 appearing in the 29th percentile.

8.3 The Panel noted that there is remarkable consistency in terms of which positions attract an SRA and those positions that don't. Where there is a major difference it relates to the level at which SRA's are paid, with the London Boroughs paying more than the Unitary authorities in the South East and although Medway has the largest population amongst the Unitaries, the SRA payments are not excessive compared to the other Unitaries.

- 8.4 With regard to absolute remuneration levels, the London Boroughs generally pay higher SRA's and this is a feature of the SRA payments for the top leading roles:
- Leader of the Council
 - Portfolio holders
 - Chairman of Overview & Scrutiny Committees
 - Majority Opposition Group Leaders
 - Chairman of Planning Committee
 - Chairman of Licensing Committee
- 8.5 In particular the Panel noted that of the 42 Councils whose details were analysed, 95%, including Medway, pay SRA's to 6 key positions, including the Leader, Cabinet Members, Chair of Planning Committee, Chair of O&S Committees, Main Opposition Leader and Chair of Licensing Committee. Medway varies between the 55th and 66th percentile for four of the six positions compared to the Unitary authorities in the South East. This drops to 22nd-30th percentile for the same four positions when compared to the total 42 authorities.
- 8.6 Of the 42 Councils, fewer than 14 (33%) pay SRA's to other positions, including Deputy Cabinet Members or non-portfolio holders, Deputy Chair of Licensing Committee, Deputy/Vice Chair of Planning Committee, Deputy/Vice Chair of O&S Committees, Deputy Leader/lead Member of O&S Committees, Opposition Cabinet Members, Opposition Spokespersons on O&S Committees, Opposition Spokesperson on Planning Committee, and Members of Planning Committees.
- 8.7 Medway currently pays SRA's to the Vice Chair of Planning Committee, Vice Chairs of O&S Committees, Opposition Spokespersons on O&S Committees, and Opposition Spokesperson on Planning Committee.

9. **Special Responsibility Allowances (SRA's)**

- 9.1 The Panel were conscious that the last comprehensive review of SRA's took place in 2003, but took the view that the request from the Council for it to consider how 5% budget savings might be made negated the appropriateness of undertaking a full review of the benchmarks.
- 9.2 The Panel felt it was important to lay down some principles on which any budget reductions should be based. Initially they considered whether it was appropriate to reduce the basic allowance and all SRA's across the board to meet the 5% savings; in exchanges with the Council leadership and leading members of the minority parties, it was recognised that the whole Council had approved the reduction and therefore it was argued that the reductions should be shared equally by all Councillors, although those in receipt of higher SRA's would inevitably contribute more.

The Panel noted that such across the board reductions on their own would be too onerous – a 5.1% reduction across all allowances would result in a reduction of £460 per Councillor in the Basic Allowance and reductions in SRA's between £49 and £1083. A reduction of 15.1% would be required across SRA's to achieve the savings required.

- 9.3 The Panel also considered whether it is more appropriate to look at the workloads of those positions attracting an SRA and see where reductions could be made due to apparent duplications or where it was not clear the workload warranted an SRA. The Panel noted that the Labour and Liberal Democrat Groups took this view. The Panel, having reviewed the Role Profiles for Councillors developed in 2007 and the outputs from Overview & Scrutiny Committees could not readily see justification for the deletion of any particular SRA's.
- 9.4 In recognition of the different approaches to this, the Panel identified several options for the savings comprising a variety of across the board reductions and reductions targeted at specific SRA's. However it recognised that this might not be helpful for the Council deliberations.
- 9.5 The Panel sought further clarification from the Leaders of each of the political Groups on the Council to see if it was possible to identify an agreed approach, and/or examine the opportunity for organisational responsibility changes, to facilitate easing of the pain associated with the 5% reductions, even though this aspect falls outside of the Panel's remit.

9.6 Submissions to the Panel

- 9.6.1 The Panel considered the submissions from the Labour and Liberal Democrat Group Leaders and found them constructive although noted that some issues raised by the Liberal Democrat Group were not within the remit of the Panel so they could not consider that part of the submission.

9.7 Discounts for more than one SRA

- 9.7.1 The Panel considered the existing provisions in the Members Allowances Scheme whereby those in receipt of more than one SRA from Medway and/or the Kent Police or Kent Fire and Rescue Authorities, should have second and subsequent Medway SRA discounted by an appropriate amount.
- 9.7.2 The Panel noted that several other Authorities' Schemes provide for any one Member to be in receipt of only one SRA at any one time. However, the Panel took the view that it was only reasonable and fair that if a Member had more than one role in addition to a front-line Councillor, the additional duties and time commitments should be recognised, whilst not establishing a system whereby Councillors sought additional duties simply to receive an SRA. Therefore the Panel are recommending that the existing provisions in the Scheme remain unchanged.

9.8 Licensing Hearing Panels

9.8.1 The Panel noted that the regularity and workload of these Panels has now settled and is fairly well-established and are of the opinion that the current payment of an allowance per session reflects fairly the time commitment and workload involved and would therefore not recommend any change, other than the reductions set out later in this report. We also recommend that the amount be index-linked to officer pay rates for a further four years.

9.9 1982 Licensing Hearing Panel

9.9.1 The Panel have been asked to recommend a suitable SRA to the members of this newly established Panel that will be considering applications under new legislation. We understand that the workload and complexity of issues is likely to be similar to the other Licensing Hearing Panels already in existence and the Panel therefore recommends the Panel members are paid an allowance per session (subject to any reductions made by the Council as a result of this savings exercise).

9.10 Options for savings

9.10.1 Although the Council has asked the Panel to consider a 5% reduction, amounting to £39,000, the Panel note that due to the additional payments to the members sitting on the newly established 1982 Panel (see above), that therefore approximately £1600 will need to be found to fund this allowance. Therefore the total amount of savings would be £40,600.

9.10.2 As referred to previously, the Panel initially identified several options for the Council to consider that comprised a mixture of reductions across only the Basic Allowance, only SRA's, and across both as well as identifying some SRA's that could be discontinued although the Panel were not convinced that the workloads of the holders of these SRA's had diminished. Most of these options also resulted in Medway's relative position compared with the London Boroughs and South East Unitary Councils diminishing, in some cases quite drastically and unjustifiably.

9.10.3 The proposal put forward following the meeting with the Group Leaders recognises the savings from two Allowances currently not paid-

- The SRA to the Minority Opposition Leader with more than 10% of members amounting to £4733.48
- The Basic Allowance not claimed by one Councillor amounting to £9025.08
- This totals £13,758.56

9.10.4 The total savings to be achieved are £39,000, meaning a balance of £25,241.44 after the savings above are taken into account. £25,241.44 represents 3.26% of the total spend on the Basic Allowance and SRA's. If a 3.26% reduction is applied to the Basic Allowance and SRA's a total of £38,571.82 is achieved. It is understood that the balance can be met from underspend due to reductions in payments where more than one SRA is payable.

9.10.5 This option results in the Basic Allowance reducing by £294.22 from £9025.08 to £8,730.86 and SRA's reducing from between £30.86 and £678.97.

9.10.6 The Panel note that this proposal achieves the savings required and minimises the effects on individual Councillors by identifying known savings before applying a % reduction across the Basic Allowance and SRA's, thus making it equitable.

9.10.7 In terms of Medway's relative position to allowances paid in the London Boroughs and Unitary Councils in the South East, this reductions proposal sees Medway fall from the 29th percentile to the 21st percentile for the Basic Allowance with the average dropping from £9564 to £9557. Medway's relative position in terms of SRA's is not changed drastically.

9.11 Conclusions

9.11.1 The Panel are of the view that the comparative and other data shows that there is no justification for the deletion of selective SRA's, and reductions across the Basic Allowance and SRA's are too onerous. It also shows that the allowances paid in Medway currently compare favourably to the London Boroughs and Unitary Councils in the South East, particularly when taking population size into account.

9.11.2 The Council is already achieving savings from the non-payment of one Basic Allowance and one SRA and these allow the Council to achieve the total savings required with a more equitable reductions package than simply applying reductions across the Basic Allowance and SRA's or deleting SRA's with no justification simply to achieve the reductions required.

9.11.3 The proposal affects all Councillors but means that those who receive more from the Allowances scheme, contribute more.

9.11.4 The Panel is of the view that this proposal is reasonable.

10. Dependent and carer's Allowance

10.1 The current maximum hourly rate claimable by Councillors is £3 per hour, and it has been index-linked for the past four years to the average rate for registered childminders paid across Medway. The Scheme sets out the eligibility arrangements for claiming as well as the maximum that can be claimed in any one 24 hour period while attending conference.

10.2 The Panel noted that no claims have been made for a number of years. The Panel received information that the average rate for childminders is now £3.57 per hour and the Panel therefore recommend that the Dependant and Carer's allowance for members be adjusted to £3.57 an hour, and that the maximum claimable should be updated to £64.26. The Panel also recommend that the hourly rate and maximum claimable should be updated for the next four years in line with the childminding average in Medway.

11. Subsistence and travelling allowances

11.1 The Panel were informed that the Government has recently increased the Approved Mileage Allowance Payment ("AMAP") rate for the first 10,000 miles. The current rate of 40p per mile increased to 45p per mile with effect from 6th April 2011. The rate for mileage over and above the first 10,000 miles in the year remains 25p per mile. It is understood this change is intended to appease motorists required to use their own cars and reflects the sharp rise in fuel costs over recent months.

11.2 Councillors has previously imposed a 40p limit on their travel allowance to avoid the creation of a tax liability and although the Panel are mindful that costs of fuel have increased significantly, they are not recommending an uprate of the travel allowance on the basis that in the current climate, while seeking to identify savings in the members allowances scheme, it would seem to be contradictory to increase the travel allowance. Therefore the Panel are not recommending any change to the existing subsistence and travel allowances.

12. Background Papers

- South East Employers (SEE) Members' Allowances Survey May 2010– Unitary and District authorities
- Members' Allowances Scheme 2010-11 for London Boroughs
- New Council Constitution: Guidance on Regulation for Local Authority Allowances (OPDM)– extract of sections 70-76 re: Special Responsibility Allowances
- Schedule showing Medway current SRA's and basic allowances
- Samples of other local authority current Members Allowances Schemes
- Elected Member Profiles
- Submissions from Liberal Democrat Group dated November 2009 and July 2011
- Submission from the Labour Group dated September 2011
- Information on the completed in-depth reviews and work programmes of O&S Committees