

## The Scheme for Payment of Members' Allowances

### Report of the Clerk

For further information about this report please contact Sharon Lloyd, Corporate Services Manager, on 01743 260210.

### 1 Purpose of Report

This report outlines the current position regarding Members' allowances and asks the Fire Authority:

- To agree its 2008/09 Scheme for the Payment of Members' Allowances;
- To agree a special responsibility allowance for the Member nominated to serve on the West Midlands Fire and Rescue Fire Services Regional Control Centre; and
- To note that the Independent Remuneration Panel will carry out a full review of Member allowances in autumn 2008.

### 2 Recommendations

The Fire Authority is asked to agree:

- a) To maintain the current Scheme for Payment of Members' Allowances, in which case the allowances will increase automatically by the percentage to be agreed by the National Joint Council for Local Government Services with effect from 1 April 2008;
- b) The wording of the Scheme for 2008/09;
- c) A special responsibility allowance of £2,562 per annum for the Member appointed to sit as the Fire Authority's nominated Director on the Board of the West Midlands Fire and Rescue Services Regional Control Centre;
- d) Whether that allowance should be backdated to the date of the appointment, namely 18 July 2007; and
- e) To note that the Independent Remuneration Panel will carry out a full review of the Scheme in autumn 2008.



### 3 Background

On 1 May 2003 the Local Authorities (Members' Allowances) (England) Regulations 2003 came into force, which required combined fire authorities to establish their own schemes of allowances, so replacing the existing practice whereby Members were paid allowances for their fire authority duties by their constituent authorities.

At its Annual Meeting in July 2003 Shropshire and Wrekin Fire Authority agreed its first Scheme for Payment of Members' Allowances and since then, in accordance with the Regulations, it has agreed a Scheme each year.

In 2004, although not required to do so by legislation, the Fire Authority established an Independent Remuneration Panel on Members' Allowances to review the allowances paid to its Members. This was at no cost to the Authority and ensured that any review of the Scheme was objective.

In autumn 2006, following significant changes to the Fire Authority's organisational structure, the Panel conducted a full review of Members' allowances. At its meeting in December 2006 the Authority considered and agreed, with some modifications, the recommendations of the Panel. One of those recommendations was that a further review of Members' allowances would be conducted by the Panel in autumn 2008.

### 4 The 2008/09 Scheme

Under the Regulations referred to in section 3 of this report the Fire Authority is required each year to agree a scheme for the payment of allowances to its Members. Section 14 of the Fire Authority's Scheme states that the basic and special responsibility allowances may be reviewed annually from 1 April each year based on the National Joint Council (NJC) for Local Government Services' annual pay reviews, and any percentage increase applied automatically from that date.

Given at the Appendix to this report is the current Scheme, showing the allowances payable following the addition of the 2.475% increase agreed by the NJC with effect from 1 April 2007 (see Schedule 2 of the Appendix). Payroll has been instructed to apply this increase and it is anticipated that the arrears and new rate will be paid in December.

In summary the 2007/08 allowances payable per annum are as follows:

- Basic allowance payable to all Members £2,562
- Special Responsibility Allowances:
  - Chair £7,686
  - Vice-Chair £3,843
  - Leader of the Main Opposition Group £2,562



- Chair of the Integrated Risk Management Planning Members' Group £2,562
- Co-Optee Allowance for Independent Members of Standards Committee £263

plus £51 for up to 4 hours and £102 for over 4 hours spent considering locally allegations of breaches of the Code of Conduct

It is proposed that, in accordance with the Fire Authority's Scheme, these rates are increased in 2008/09 by the percentage rate, which will be agreed by the NJC in 2008. A full review would then be carried out in the autumn, which would inform the setting of the 2009/10 Scheme.

Minor changes, shown in bold italics, are proposed to the wording of the previous Scheme (see the Appendix to this report) to ensure that it is fully up-to-date.

## 5 Additional Special Responsibility Allowance

At its Annual Meeting in July 2007 the Fire Authority agreed in principle that a special responsibility allowance should be paid to the Member appointed to sit as its nominated Director on the Board of the West Midlands Fire and Rescue Fire Services Regional Control Centre (currently Councillor Allen). It was suggested that, until the Independent Remuneration Panel conducts its review, an interim special responsibility allowance should be paid to that Member in line with that paid to the Leader of the Main Opposition Group and the Chair of the Integrated Risk Management Planning Members' Group. At that time this allowance was £2,500 per annum but it has recently increased to £2,562, following implementation of the NJC 2007/08 award.

The Panel's views were sought on the issue and Mr Martin, Chair of the Panel, has now responded as follows:

*'What is clear at this stage is that Councillor Allen has already taken up his responsibilities, is attending monthly board meetings, preparing himself, representing the FRA and reporting back. Quantifying that and making a comparison with other roles is problematic without further data or a better understanding of how things will develop. Typically, we have taken a wait and see approach to awarding allowances. However, [the] Councillor is taking on legal responsibility as a Director and I would be uncomfortable asking him to do so without some compensation. On balance, therefore, and, given the responsibility that falls to the person representing the Authority, I think the proposed allowance of £2,500 seems reasonable. In saying that, I would ask for caution and ensure that Councillor Allen is aware that this is an interim approach, which could be revised (up or down) in light of developments.'*

This approach was supported by Mr Weaver, the second member of the Panel.



As stated, it is not yet clear how the role of Directors will develop. Members should be aware, therefore, that, when the Panel conducts its review, it may recommend an increase or **decrease** in this interim proposal.

The Fire Authority is asked to agree the proposed special responsibility allowance of £2,562 per annum for this role and also whether payment should be backdated to 18 July 2007, when the Fire Authority appointed Councillor Allen as its nominated Director to the Board.

## **6 Financial Comment**

The cost of applying the percentage increase agreed by the NJC for 2007/08 is £1,469, which will be met from the pay and prices contingency. The cost for 2008/09 is as yet unknown but it is likely that this too could be met from the same contingency in the 2008/09 budget.

The cost of introducing a special responsibility allowance of £2,562 for the Member appointed to sit on the Board of the West Midlands Fire and Rescue Fire Services Regional Control Centre would be taken from the General Fund in 2007/08 and built into the budget for 2008/09 and future years.

## **7 Legal Comment**

Under the Local Authorities (Members' Allowances) (England) Regulations 2003 the Fire Authority is required to establish annually a scheme to provide for the payment of a basic annual allowance to each of its Members. That scheme may also provide for the payment of special responsibility allowances and of allowances to co-optees serving on committees.

## **8 Equality Impact Assessment**

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have decided that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

## **9 Appendix**

Proposed Scheme for the Payment of Members' Allowances

## **10 Background Papers**

### **Office of the Deputy Prime Minister**

1 May 2003 Local Authorities (Members' Allowances) (England) Regulations 2003



Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balance Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity		Member Involvement	*
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Equality and Diversity	*	Retained	
Efficiency Savings		Risk and Insurance	
Environmental		Staff	
Financial	*	Strategic Planning	
Fire Control/Fire Link	*	West Midlands Regional Management Board	
Information Communications Technology and Data			



## **Shropshire and Wrekin Fire Authority Draft Scheme for the Payment of Members' Allowances 2008/09**

The Shropshire and Wrekin Fire Authority, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI No. 2003: 1021) ['the Regulations'] hereby makes the following scheme.

1. This scheme shall have effect from **1 April 2008**.

2. In this scheme:

“Member” means a Member of the Shropshire and Wrekin Fire Authority

“the Authority” means the Shropshire and Wrekin Fire Authority

“year” means the 12 months ending with 31 March

“pro rata” means in proportion to the number of days during the effective period of this scheme to the total number of days in the year

“independent person” means a person, other than a member of the Authority, appointed to serve on the Authority's Standards Committee (in accordance with Section 53 of the Local Government Act 2000 and the Relevant Authorities (Standards Committee) Regulations 2001)

**“NJC” means the National Joint Council.**

3. **Basic Allowances**

3.1 Basic allowance payable to each Member shall be **£2,562 (plus the percentage increase agreed in the NJC for Local Government Services' annual pay review for 2008/09)** per year, pro rata, payable by monthly instalments.

4. **Special Responsibility Allowances**

4.1 The Members holding the offices specified in **Schedule 2** shall receive the Special Responsibility Allowances shown there, pro rata.

4.2 No Member shall receive more than one special responsibility allowance from the Authority.

4.3 Special responsibility allowances will be payable, pro rata, by monthly instalments.

## 5. Travel and Subsistence Allowances

- 5.1 Payment of travel and subsistence allowances shall be made in respect of the approved duties undertaken by a Member, as set out in **Schedule 1** to this scheme, as amended from time to time by the Authority.
- 5.2 The amounts payable to each Member in respect of travel allowances and subsistence allowances shall be in accordance with the scales adopted by the Authority, from time to time, outlined in **Schedule 2**.

## 6. Dependants'/Carers' Allowance

- 6.1 In accordance with the Regulations, the scheme does not provide for this allowance.

## 7. Independent Persons

- 7.1 Basic allowance payable to each independent person shall be £263 *(plus the percentage increase agreed in the NJC for Local Government Services' annual pay review for 2008/09)* per year, pro rata, payable by monthly instalments commencing 1 April 2008.
- 7.2 ***An additional allowance of £51 for up to 4 hours and £102 for over 4 hours shall be payable to independent persons, should they be required to consider locally any allegations of breaches of the Code of Conduct.***

## 8. Renunciation

- 8.1 A Member may, by notice given to the Treasurer to the Authority, elect to forego any part of his or her entitlement to an allowance under this scheme.
- 8.2 Any such notice shall specify the effective date of renunciation and, once given, the notice may not be revoked otherwise than with effect from 1 April in any year.

## 9. Time Limit for Claims

- 9.1 Members should submit completed claim forms for travel and subsistence for each calendar month, to the Corporate Services Manager at Brigade Headquarters by the 9<sup>th</sup> of the following month to ensure payment at the end of the month.
- 9.2 Claims must be submitted within three months of the end of the relevant month. The Treasurer may, having consulted the Chair of the Authority, accept a late claim for good cause and make the related payments.

## **10. Dual Claims**

- 10.1 Where a Member of the Authority is also able to claim allowances as a Member of another authority, that Member may not receive any allowance from more than one authority in respect of the same duties, travel or subsistence.

## **11. Right to Withdraw Allowances or Require Repayment**

- 11.1 Where a Member is suspended or partially suspended from his or her duties as a Member of the Authority in accordance with Part III of the Local Government Act 2000 or Regulations made under that Part, the Authority reserves the right to withhold that part of basic or special responsibility allowance or travelling and subsistence allowance payable to him or her in respect of the period of suspension or part suspension.
- 11.2 In the circumstances outlined in paragraph 11.1, or if a Member ceases to be a Member of the Authority, or is in any other way not entitled to receive an allowance for any particular period, the Authority reserves the right to require that such part of the allowance as relates to any such period be repaid to it.

## **12. Part-Year Entitlement**

- 12.1 The provisions of this paragraph shall have effect to regulate the entitlements of a Member to basic and special responsibility where, in the course of a year:
- a) this scheme is amended; or
  - b) that person becomes or ceases to be a Member; or
  - (c) that Member accepts or relinquishes a special responsibility for which a special responsibility allowance is payable.
- 12.2 In relation to basic and special responsibility allowances:
- a) if an amendment to this scheme changes the amount to which a Member is entitled; or
  - b) where the term of office of a Member begins or ends otherwise than at the beginning or end of a year; or
  - c) where the special responsibilities of a Member do not subsist throughout the year; or
  - d) where the scheme is amended as referred to in (a) above and the term of office and/or the special responsibilities of the Member do not subsist throughout any part of the periods within the year distinguished by the payment of different amounts for these allowances then the entitlement to the allowances shall be



calculated by reference to the proportion the number of days in each such period bears to the number of days in that year.

### **13. Administration**

- 13.1 The Treasurer to the Authority shall maintain, on behalf of the Authority, a record of all payments made under this scheme which shall specify in relation to each payment the name of the recipient and the amount and nature of the payment.
- 13.2 This record shall be available at all reasonable times for inspection by local government electors in Shropshire and Borough of Telford & Wrekin at no charge. Copies will be provided on request on payment of a reasonable fee decided by the Treasurer.

### **14. Review of Allowances**

- 14.1 The basic and special responsibility allowances payable under this ~~interim~~ scheme may be reviewed annually from 1 April each year based on the NJC for Local Government Services annual pay reviews, and any percentage increase applied automatically from that date.

***14.2 Likewise the travel and subsistence allowances payable under this scheme may be reviewed annually from 1 April each year based on the NJC for Local Authority Fire and Rescue Services annual reviews and any increase applied automatically from that date.***

### **15. Revision or Revocation of the Scheme**

- 15.1 This scheme may only be amended or revoked by the Authority in accordance with the provisions of the relevant Regulations.

### Approved Duties

For the purposes of paragraph 5 of the Authority's Scheme for the Payment of Members' Allowances, the following shall be regarded as approved duties:

- Meetings of the Authority
- Meetings of Committees, Panels and Working Groups of the Authority
- Any other meeting convened by the Authority (or by the Chair or Vice-Chair in cases of urgency) to which Members are invited
- Meetings between the Chair and/or the Vice-Chair of the Authority and the Chairs and/or Vice-Chairs of the Authority's Committees and officers of the Authority or the Brigade or other fire authorities or brigades to discuss Authority business
- Meetings between other Members of the Authority and officers of the Authority or the Brigade to discuss Authority business, at the specific direction of the Authority, or at the specific or general direction of the Chair
- Attendance at Shropshire Fire and Rescue Service events, at which Members' attendance is specifically requested
- Attendance at meetings and conferences of the Local Government Association (including plenary meetings and Policy Groups) by the appointed Members or their Substitutes
- Attendance at Her Majesty's Fire Service Inspections and Audit Commission inspections and meetings related to inspections
- Meetings organised by the Authority with Ministers and/or Government officials on Authority business
- Meetings organised by the Authority with Shropshire and Borough of Telford & Wrekin Members of Parliament
- Attendance at the Local Government Association Annual Fire Conference by the Chair or Vice-Chair or any other Member specifically authorised by the Authority
- Attendance at the annual Standards Board Conference by up to two Members (including Independent Members) of the Fire Authority's Standards Committee
- Attendance at any other meetings, groups, seminars, conferences, courses or visits on Authority matters, subject to the prior approval of the Authority (or the Chair or Vice-Chair in the case of urgency) for attendance at external or individual events

- Meetings of bodies (other than those specified above) to which the Authority has resolved to make appointments or nominations (***for example the Board of the West Midlands Fire and Rescue Services Regional Control Centre and Crime Reduction Partnerships***)
- Carrying out any other duty previously approved by the Authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the Authority's functions

## Travel Allowances and Subsistence Allowances As at 1 April 2007\*

\* Revised car allowances are likely to be introduced with effect from 1 April 2008.

### Travelling Allowances

#### Car

Passenger allowance  
Mileage allowance for engine size is as follows:

#### **Per mile up to 8,500 miles**

Not exceeding 999cc  
Over 999cc but not exceeding 1199cc  
Over 1199cc

#### **Per mile over 8,500 miles**

Not exceeding 999cc  
Over 999cc but not exceeding 1199cc  
Over 1199cc

As NJC rate
<b>3.0p</b>
<b>40.5p</b>
<b>44.2p</b>
<b>55.8p</b>
<b>12.1p</b>
<b>12.1p</b>
<b>14.4p</b>



#### Bicycle

Mileage allowance  
Or the higher amounts shown above, if a car of the appropriate engine capacity would otherwise have been used.

<b>32.5p</b>
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#### Train

Members are entitled to claim:

- The lowest reasonably available FIRST class fare, where there is a real need to work whilst travelling by rail or where otherwise appropriate, otherwise second class fare;
- Reservation and left luggage expenses; and
- Costs of getting to, and from, the station



#### Taxi

Members are entitled to claim:

- The fare and reasonable gratuity, where the need to travel is URGENT or where no public transport is reasonably available.
- The appropriate public transport fare (e.g. bus fare) in other cases.



Additional expenses can be claimed for the actual cost of parking.



### Subsistence Allowances

#### Where no overnight stay is required:

#### Breakfast Allowance

Payable in respect of absence from home for at least 4 hours, before 11.00 am.

#### Lunch Allowance

Payable in respect of absence from home for at least 4 hours, including the whole of the period 12 noon to 2.00 pm.

#### Tea Allowance

Payable in respect of absence from home for at least 4 hours, including the whole of the period 3.00 pm to 6.00 pm.

#### Evening Meal Allowance

Payable in respect of absence from home for at least 4 hours, ending after 7.00 pm.

Up to NJC* rate £
<b>5.57</b>
<b>7.70</b>
<b>3.04</b>
<b>9.54</b>



**Note:** Tea and evening meal allowances will not be paid in respect of the same evening. All claims must be substantiated by receipts (*or are subject to taxation*).

### Overnight Allowance

Claims can be made where overnight absences from the usual place of residence exceed 24 hours. The following allowances are for bed and breakfast:

- Visits to London (excluding VAT)
- All other cases (excluding VAT)

£
130
120



### Members' Allowances

The **basic allowance** for all Members of the Fire Authority is £2,562 per annum payable by monthly instalments.

The **co-optee allowance** for Independent Members of the Standards Committee is £263 per annum payable by monthly instalments. An additional allowance of £51 for up to 4 hours and £102 for over 4 hours shall be payable to Independent Members, should they be required to consider locally any allegations of breaches of the Code of Conduct.

The following **Special Responsibility Allowances** are also payable by monthly instalments:

	£ per annum
Chair of the Fire Authority	7,686
Vice-Chair of the Fire Authority	3,843
Leader of the Opposition Group	2,562
Chair of Integrated Risk Management Planning Members' Working Group	2,562
Director on the Board of the West Midlands Fire and Rescue Services	
Regional Control Centre	2,562

### How and When to Claim

Claims for travelling and subsistence allowances should be submitted to the Corporate Services Manager and must relate to approved duties undertaken (see the attached schedule for details). Claims will be paid directly to Members' bank accounts on a monthly basis. Claims must be made on the Members' allowances claim forms (FB218), copies of which are available from the Corporate Services Manager.



Claim forms should be completed for each calendar month, in which expenses have been incurred, and forwarded to the Corporate Services Manager **no later than the seventh of the following month to ensure payment at the end of the month.**

VAT receipts for petrol purchased prior to the dates of travel listed on the claim form should also be provided. Claims must be submitted within three months of the end of the relevant month. The Treasurer may, having consulted the Chair, accept a late claim for good cause and make the related payments.



The full address for completed claim forms is:

**Corporate Services Manager, Shropshire Fire and Rescue Service,  
Brigade Headquarters, St Michael's Street, Shrewsbury, Shropshire, SY1 2HJ**