

# Research and Information Service Briefing Paper

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# **Councillor Remuneration**

The following paper is in response to a request from the Environment Committee and gives details on the remuneration schemes for councillors in Wales, Scotland and Northern Ireland.

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# Introduction

Remuneration is basically the money paid for work or a service, and can be paid by a wage/ salary and includes any allowance or benefit. In the case of this paper, remuneration is referred to as the allowances paid to councillors.

The amount of allowance has changed considerably over the years throughout the UK. Councillors began to receive allowances in the 1970s to cover any expenses occurred in carrying out their approved duties. The determination of the amount has changed between being decided by the individual councils at the beginning, to having a nationally set limit within which councils could determine the amount of allowances for their councillors. In Wales and Scotland these limits are established by an independent remuneration panel, however in Northern Ireland they are currently determined by the Department of Environment. Due to this variation, establishing the exact amount afforded by councils to their councillors since the 1970s has been difficult. Details in this paper are presented on the basis of information that was available; gaps exist where information was unobtainable.

# Wales Background

#### Historical background from the 1970s

Local councillors were not paid until the 1970s, before this councillors and their civic duty was voluntary. This changed in 1972 under the UK Local Government Act 1972, which also applied to England where expenses for carrying out approved duties such as attending meetings were introduced. The levels of allowance were determined by the local councils themselves.

For an indication of the value of allowances given in Wales in the 1970s, a review was carried out in 1976 by a committee known as the Robinson Committee which recommended a Basic Allowance (set initially at £1,000) to acknowledge their role and cover expenses such as travel and subsistence.

The 1980 Local Government Planning and Land Act brought about the introduction of a Special Responsibility Allowance. This was detailed further in the Local Government and Housing Act 1989 and the Local Authorities (Members' Allowances) Regulations 1991. The Secretary of State set a maximum amount which local authorities could spend on councillors' allowances, and this varied by the type of council (see below). It required councils to:

- apply between 25 % and 95 % of the total to the basic allowance, paid equally to each councillor.
- pay between 5 % and 25 % of the total to special responsibility allowances.

These changes were in response to a review carried out in 1986 (by the Widdicombe Committee set up by Government) which recommended:

- a basic allowance claimable by right by every councillor and determined in bands according to size of population, ranging from £1,500 to £4,000.
- that every authority draw up a scheme to distribute special responsibility allowances amongst key councillors at the maximum aggregate level allowed.

The Local Authorities (Members Allowances) Regulations 1991 kept a nationally imposed ceiling on the amount that could be paid through the basic allowance. However, following pressure from local authorities in 1995 the Government allowed local authorities' discretion in the amount they could pay, therefore allowances became a matter for individual local authorities. Many authorities revised payments to members, which in many cases led to an increase in allowances.

Part V of the Local Government Act 2000 (2000 Act) gave the Welsh Assembly Government powers on councillor's allowances and gratuities (similar to severance allowances) and introduced a Care Allowance. The 2000 Act was responsible for:

- A reform of allowances for community and town councillors
- expenses for councillors to include Welsh fire and rescue authorities.
- Abolishment of the Attendance Allowance, leaving councillors to be entitled to a Basic Allowance and a Special Responsibility Allowance (SRA) (based on the criteria).

#### Non Statutory Remuneration Panel

The 2000 Act was also responsible for the establishment of a national remuneration panel to set allowances. This being said, the Act allowed for councils to set their own remuneration panel, but Wales decided to set a non-permanent one at a national level. Up until this point allowance schemes were decided by local authorities under the Local Government and Housing Act 1989.

In July 2002, the Welsh Assembly approved The Local Authorities (Allowances for Members of County and County Borough Councils and National Park Authorities) (Wales) Regulations 2002. Revoking much of the previous legislation, the 2002 Regulations:

- set out the rules for allowances in councils and also National Park Authorities (NPAs);
- required councils and NPAs to make a scheme of allowances each year;
- for the first time allowed councils to backdate increases in the levels of allowances to the beginning of the financial year;
- ensured the basic allowance was paid to each councillor at the same level for each elected member;

 allowed SRAs to be paid to councillors matching the criteria provided in the regulations;

- allowed the Care Allowance for those with dependents; and
- allowed any co-opted member entitlement to a Financial Loss Allowance.

The maximum amounts payable were set in Statutory Guidance by the Welsh Assembly Government which were set at £10,200 pa<sup>1</sup>, and these varied according to the population grouping of the council. The guidance recommended that:

- maximum SRA should increase in line with percentage increase in basic salary level of Assembly Members (AMs)
- the maximum annual increase in the Basic Allowance and the Care Allowance should be in line with the percentage annual increase in the average male nonmanual wage in Wales (replaced by the 'Wales All Persons Average Wage').
- mileage rates of travel allowances should be tied to those paid to AMs<sup>2</sup>

### More recent arrangements

The Local Authorities (Allowances for Members) (Wales) Regulations 2007 ('the 2007 Regulations') replaced most of the extant legislation and included a number of 'tidying' provisions such as allowing authorities to withhold a member's allowance (Basic, SRA, care, co-optees' and travel and subsistence Allowances) during any period of suspension. Councils could also recover allowances already received by a member should they be subsequently suspended.<sup>3</sup>

#### Remuneration Panel

The 2007 Regulations established a permanent independent Remuneration Panel to establish levels of allowances via review rather than a system tied to allowances of Assembly Members.

The Panel was required to produce an Annual Report setting the maximum levels of SRAs, co-optees' allowance, Basic, care, travel and subsistence Allowances. The Panel could set different maximum amounts for different councils to be released in the Annual Report on the 31 December for the following year.

Since 2007 the Panel's remit has been extended to include councillors and members of national park authorities (NPAs), Welsh Fire and rescue authorities. The role of the panel has been given more flexibility in defining what qualifies councillors for payments

<sup>&</sup>lt;sup>1</sup> Independent Remuneration Panel Initial Report 2008 <a href="http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en">http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en</a> (p.19)

<sup>&</sup>lt;sup>2</sup> Information supplied by Welsh Assembly Research.

<sup>&</sup>lt;sup>3</sup> Independent Remuneration Panel for Wales, Legislative Background <a href="http://wales.gov.uk/irpwsub/home/remit/legis/?lang=en">http://wales.gov.uk/irpwsub/home/remit/legis/?lang=en</a>

and to set the levels of payments. For instance the Panel can now stipulate the amount of payment an authority can make to a member, as well as setting the maximum for authorities. These changes came about by the Local Government (Wales) Measure 2011 which replaces the 2007 Regulations.

For more information on the Panel visit <a href="http://wales.gov.uk/irpwsub/home/?lang=en">http://wales.gov.uk/irpwsub/home/?lang=en</a>

## Timelines of allowances in Wales

The following section details the different allowances offered from 2002 to 2013 for the Basic Allowance, the Special Responsibility Allowance, Care Allowance, Travel and Subsistence and Co-optees Allowance. An indication of the rate of earlier allowances can be found in the *Historical Background from the 1970s* section above.

#### **Maximum Basic Allowances**

**2002** - £10,2000 pa<sup>4</sup>

**2007/2008** - £12,718 pa.<sup>5</sup>

2008/9 -£13,030 pa<sup>6</sup>

**2009/10** - £13,356 pa<sup>7</sup>

2010/11 - £13,868 pa8

**2011/12** - £13,868 pa<sup>9</sup>

<sup>&</sup>lt;sup>4</sup> This figure notionally took into account IT, telecommunications and office costs that councillors were expected to pay out of their Basic Allowance. Each year after the amount could be increased in proportion with the 'Wales All Person Average Wage'. From 2007/8 on allowances were established by the new permanent Independent Remuneration Panel.

<sup>&</sup>lt;sup>5</sup> Independent Remuneration Panel for Wales, Initial Report (2008)

http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en (p. 19)

<sup>6</sup> ibid

<sup>&</sup>lt;sup>7</sup> Independent Remuneration Panel Annual Report (2008) http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en

<sup>&</sup>lt;sup>8</sup> Independent Remuneration Annual Report (2009) http://wales.gov.uk/irpwsub/home/publication/201011/annreport09/?lang=en

<sup>&</sup>lt;sup>9</sup> Independent Remuneration Panel Report (2010)

http://wales.gov.uk/irpwsub/home/publication/201112/reportdec2010/?lang=en

#### 2012/13

The Local Government(Wales) Measure 2011 produced a new set of Regulations which come into effect on 1 April 2012 and which apply to payments made to members and co-opted members of local authorities, National Park authorities (NPAs), and Welsh fire and rescue authorities (FRAs) as set out in the Measure at Sections 142 and 147.

- Local Authority (LA) £13,175
- National Park authority (NPA) £3,550
- Welsh fire and rescue authority (FRA) £1,350<sup>10</sup>

#### **SRAs**

These have been made payable since 2002/3 under the 2002 Regulations and were set under the statutory guidance. Now they are determined by the Panel. No more than 50% of all councillors in each council can receive an SRA; this is based on the number of seats on the council. The maximum amounts available vary depending on the population size for which:

- Group A = population >300,001
- Group B = Population of 200,001 to 300,000
- Group C = Population 100,001 to 200,000
- Group D = Population up to 100,000

# Bands:

- Band 1 Directly elected mayors
- Band 2 Leaders of councils
- Band 3 Chairs of Boards in councils operating alternative arrangements
- Band 4 Chairs of Overview and Scrutiny Committees, planning committees, licensing committees (inserted by the 2007 Regulations) Chairs of National Park Authorities
- Band 5 Chairs of council committees (not mentioned above), Vice Chairs of committees and NPAs
- Band 6 Vice chairs of council committees (not mentioned above) and NPAs

<sup>&</sup>lt;sup>10</sup> Panel Annual Report 2011 http://wales.gov.uk/irpwsub/home/publication/201112/irpannreport111/?lang=en

	Grou	ир А	Grou	ир В	Group C		Group D	
	08/09	07/08	08/09	07/08	08/09	07/08	08/09	07/08
Band 1	£60,545	£59,097	£51,895	£50,654	£43,247	£42,213	£34,596	£33,769
Band 2	£48,434	£47,276	£41,516	£40,523	£34,597	£33,770	£27,679	£27,017
Band 3	£24,206	£23,627	£20,757	£20,261	£17,299	£16,885	£13,839	£13,508
Band 4	£14,532	£14,184	£12,454	£12,156	£10,378	£10,130	£8,304	£8,105
Band 5	£9,689	£9,457	£8,304	£8,105	£6,918	£6,753	£5,534	£5,402
Band 6	£4,844	£4,728	£4,153	£4,054	£3,460	£3,377	£2,768	£2,702

Source: Independent Remuneration Panel<sup>11</sup>

#### 2009/10

SRA Max	Gro	ир А	Group C Group C		Group C		Grou	ıp D
	09/10	08/09	09/10	08/09	09/10	08/09	09/10	08/09
Band 1	£62,059	£60,545	£53,192	£51,895	£44,328	£43,247	£35,461	£34,596
Band 2	£49,645	£48,434	£42,554	£41,516	£35,462	£34,597	£28,371	£27,679
Band 3	£24,811	£24,206	£21,276	£20,757	£17,731	£17,299	£14,185	£13,839
Band 4	£14,895	£14,532	£12,765	£12,454	£10,637	£10,378	£ 8,512	£ 8,304
Band 5	£ 9,931	£ 9,689	£ 8,512	£ 8,304	£ 7,091	£ 6,918	£ 5,672	£ 5,534
Band 6	£ 4,965	£ 4,844	£ 4,257	£ 4,153	£ 3,547	£ 3,460	£ 2,837	£ 2,768

Source: Independent Remuneration Panel Annual Report 2009/10<sup>12</sup>

#### 2010/11

# Changes to population groups and bands

- The Panel decided to reduce the number of population groups from four to three as they received a great deal of evidence expressing the view that there was too big a difference between highest and lowest SRAs paid to leaders across Wales.
- Band 1(Directly elected Mayors) was deleted as at the time there were no directly elected mayors in Wales.
- Bands 5 and 6 (for vice chairs of committees) were removed as the Panel felt that SRAs for vice chairs could not be justified as most councils do not remunerate for vice chairs of committees.

<sup>&</sup>lt;sup>11</sup> Independent Remuneration Panel for Wales, Initial Report (2008)

http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en (p. 25)

<sup>&</sup>lt;sup>12</sup> http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en

SRA Max	Group A	Group B	Group C
Band 1	£43,917	£38,139	£32,360
Band 2	£20,803	£17,336	£13,869
Band 3	£9,708	£9,708	£9,708
Band 4	£4,161	£4,161	£4,161

Note: Deputy leaders and vice-chairs of boards may receive an SRA at a level higher than Band 2 (see paragraph 4.24).

Source: Panel Annual Report for 2010/11<sup>13</sup>

#### 2011/12

SRA Max	Group A	Group B	Group C
Band 1	£43,917	£38,139	£32,360
Deputy Leader/ Vice-Chair of Board	£26,582	£22,537	£18,492
Band 2	£20,803	£17,336	£13,869
Band 3	£9,708	£9,708	£9,708
Band 4	£4,161	£4,161	£4,161

Note: Deputy leaders/vice-chairs of boards may receive a maximum SRA which, when added to the Basic Allowance, makes their combined allowance equal to 70% of the equivalent payment to the leader.

Source: Panel Report for 2011/12<sup>14</sup>

### **Care Allowances**

These were introduced in 2002 under the 2002 Regulations for councillors who satisfy the council that they had dependent children under 15 years of age or a dependent aged 15 or over who required supervision. <sup>15</sup>

2002/3 - £300 a month

2007/8 - £374 a month

2008/9 - £384 a month

2009/10 - £403 a month16

2010/11 - £403 a month<sup>17</sup>

http://wales.gov.uk/irpwsub/home/publication/201011/annreport09/?lang=en

<sup>&</sup>lt;sup>13</sup> Independent Remuneration Annual Report (2009)

http://wales.gov.uk/irpwsub/home/publication/201011/annreport09/?lang=en

<sup>&</sup>lt;sup>14</sup> Independent Remuneration Panel Report (2010)

http://wales.gov.uk/irpwsub/home/publication/201112/reportdec2010/?lang=en

<sup>&</sup>lt;sup>15</sup> Independent Remuneration Panel for Wales, Initial Report (2008)

http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en p. 27/28

<sup>&</sup>lt;sup>16</sup> Independent Remuneration Panel Annual Report (2008) <a href="http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en">http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en</a>

<sup>&</sup>lt;sup>17</sup> Independent Remuneration Annual Report (2009)

2011/12 - £403 a month<sup>18</sup>

**2012/13** – same as 2011/12<sup>19</sup>

# **Travelling and Subsistence Allowance**

The 2002 Regulations introduced reimbursement of expenses for travel and subsistence determined at a rate by the council. These were not to exceed rates paid to Assembly Members (AMs). <sup>20</sup>

## 2007/8

Mileage for AMs was at 40p/mile reducing to 25p after 10,000miles.

#### 2008/9

Rates changed from being based on AM travel rates to HMRC rates which included

All vehicle sizes of private motor vehicle:

- Up to 10,000 miles 40p per mile
- Over 10,000 miles 25p per mile
- Private motor cycles 24p per mile
- Pedal cycles 20p per mile
- Passenger supplement 5p per passenger per mile.

Subsistence Allowance was left to the discretion of the council and based on the retention of receipts, however in 2008/9 the following was implemented:

- Day Allowance = £26/day
- Overnight = from £25 -£105

#### 2009/10

Travel/mileage was same as 2008/9

Subsistence Allowance:

- £28 for day Allowance
- £95-125 for overnight<sup>21</sup>

<sup>&</sup>lt;sup>18</sup> Independent Remuneration Panel Report (2010)

http://wales.gov.uk/irpwsub/home/publication/201112/reportdec2010/?lang=en

<sup>&</sup>lt;sup>19</sup> Panel Annual Report 2011 <a href="http://wales.gov.uk/irpwsub/home/publication/201112/irpannreport111/?lang=en">http://wales.gov.uk/irpwsub/home/publication/201112/irpannreport111/?lang=en</a>

<sup>&</sup>lt;sup>20</sup> Independent Remuneration Panel for Wales, Initial Report (2008)

http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en p.31-34

#### 2010/11

Linked to rates set by HM Revenue & Customs (HMRC) which currently stand at:-

Private Motor vehicle:

- 40p per mile Up to 10,000 miles
- 25p per mile Over 10,000 miles
- 5p per passenger per mile Passenger supplement
- 24p per mile Private Motor cycles
- 20p per mile Bicycles<sup>22</sup>

Subsistence Allowance:

- £28 per day Day allowance
- £95 £150 London overnight
- £25 Overnight staying with friends/family

# 2011/12 and 2012/13

Same as 2010/11<sup>23</sup>

## **Co-optees Allowance**

Introduced under the 2007 Regulations and replaced the Financial Loss Allowance introduced under the 2002 Regulations. A co-opted member refers to someone who is appointed to a council committee or sub-committee but is not a councillor. <sup>24</sup>

### 2008/9

Set at two levels:

- For co-optees who chair council committees (such as Standards Committees) a maximum of £1,450 per year.
- For other co-optees (including lay members of standards committees) a maximum of £760 per year.

#### 2009/10

£1486 per year for Chairs of Standards Committees
 £779 per year for other Statutory Co-optees on Standards Committee

<sup>&</sup>lt;sup>21</sup> Independent Remuneration Panel Annual Report (2008) <a href="http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en">http://wales.gov.uk/irpwsub/home/publication/200910/?lang=en</a>

<sup>&</sup>lt;sup>22</sup> Independent Remuneration Annual Report (2009)

http://wales.gov.uk/irpwsub/home/publication/201011/annreport09/?lang=en

<sup>&</sup>lt;sup>23</sup> Independent Remuneration Panel Report (2010)

http://wales.gov.uk/irpwsub/home/publication/201112/reportdec2010/?lang=en

<sup>&</sup>lt;sup>24</sup> Independent Remuneration Panel for Wales, Initial Report (2008)

http://wales.gov.uk/irpwsub/home/publication/200809/report1/?lang=en p.35

# 2010/11<sup>25</sup> and 2011/12<sup>26</sup>

- £2,230 per year Chairs of Standards Committees
- £1,400 per year Chairs of Standards Committees for Community and Town Councils

 £1,200 per year – Other Statutory Co-optees on Standards Committee, Education Scrutiny Committee and Crime and Disorder Scrutiny Committee

#### 2012/13

- Chair, Standards Committee (LA) £256 daily fee
- Chair, Standards Committee (NPA) £256 daily fee
- Chair, Standards Committee (FRA) £256 daily fee
- Ordinary member (LA) £198 daily fee (Standards committee; education scrutiny committee; and crime and disorder scrutiny committee)
- Ordinary member (NPA) £198 daily fee
- Ordinary member (FRA) £198 daily fee
- Ordinary member/chair (LA) £226 daily fee (ordinary members standards committees also chair standards committees for community and town councils)<sup>27</sup>

# Scotland Background

Remuneration in Scotland is comparably simpler than Wales as it does not date back as far, where May 2007 saw the introduction of salaries for elected members. Previously, councillors did not receive salaries, although they did receive allowances, based upon a system introduced in 1995. The basic allowance depended upon the size of the council, and when it was first introduced in 2005 it was £15,452, increasing to £15,838 on 1 April 2008, and £16,234 from 1 April 2009. In addition, individual councils had the discretion to determine Special Responsibility Allowances for councillors with significant additional responsibilities: typically, the leader or deputy leader of a political group within the authority.

<sup>&</sup>lt;sup>25</sup> Independent Remuneration Annual Report (2009)

http://wales.gov.uk/irpwsub/home/publication/201011/annreport09/?lang=en

<sup>&</sup>lt;sup>26</sup> Independent Remuneration Panel Report (2010)

http://wales.gov.uk/irpwsub/home/publication/201112/reportdec2010/?lang=en

<sup>&</sup>lt;sup>27</sup> Panel Annual Report 2011 <a href="http://wales.gov.uk/irpwsub/home/publication/201112/irpannreport111/?lang=en">http://wales.gov.uk/irpwsub/home/publication/201112/irpannreport111/?lang=en</a>

<sup>&</sup>lt;sup>28</sup> Scottish Local Authorities Remuneration Committee entitled 'Review of Remuneration for Local Authority Councillors' (2011) http://www.scotland.gov.uk/Publications/2011/03/02152201/0

# Regulations

The rates of remuneration introduced in 2007 can be found in the following regulations:

- Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 as amended
- The Local Government (Allowances and Expenses) (Scotland) Regulations 2007.

# Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 as amended

These came into force on 10th February 2009 and set out that each local authority shall pay remuneration to each of its Councillors of a total yearly amount of £16,234. This remains the current remuneration rate for councillors.

# Local Government (Allowances and Expenses) Scotland Regulations 2007

These introduced the following rates:

- Breakfast £8 per day
- Lunch- £12 per day
- Dinner £25 per day
- Overnight accommodation £94.82 to £118.63Mileage
- car or van 49.3 pence per mile;
- motorcycle 24 pence per mile; and
- bicycle 20 pence per mile.<sup>29</sup>

# The Local Government (Allowances and Expenses) (Scotland) Amendment Regulations 2008 made the following changes:

- Brought Mileage down to 40 pence per mile for car/van
- Overnight accommodation changed to £110-£131 and £25 allowed if staying with friends/family.<sup>30</sup>

# The Local Government (Allowances and Expenses) (Scotland) Amendment Regulations 2011

These amend the 2007 regulation and change mileage from 40p/mile to 45p/mile<sup>31</sup>

<sup>&</sup>lt;sup>29</sup> 2007 Regulations <a href="http://www.legislation.gov.uk/ssi/2007/108/contents/made">http://www.legislation.gov.uk/ssi/2007/108/contents/made</a>

<sup>30 2008</sup> Regulations http://www.legislation.gov.uk/ssi/2008/414/regulation/2/made

<sup>&</sup>lt;sup>31</sup> 2011 Regulations <a href="http://www.legislation.gov.uk/ssi/2011/304/regulation/2/made">http://www.legislation.gov.uk/ssi/2011/304/regulation/2/made</a>

For more information see the Scottish Guidance document available at http://www.scotland.gov.uk/Publications/2010/04/12120139/1

#### **Remuneration Panel**

The Scottish Local Authorities Remuneration Committee was established under the provisions of the Local Governance (Scotland) Act 2004 to advise Scottish Ministers on the payment by Local Authorities of remuneration (including pensions), allowances and the reimbursement of expenses incurred by local authority councillors in accordance with criteria specified by Scottish Ministers. Similar to Wales they produced Annual Reports for the following year; however the Committee was stood down in February 2013<sup>32</sup>

# NI Remuneration Proposals

#### **Establishment of an Independent Panel**

The following information was obtained through correspondence with the Department of Environment who informed that new arrangements are being developed by an independent remuneration panel to advise the Minister. The panel will consider the allowances for councillors post reorganisation in April 2015 and the shadow period following local elections in 2014. The panel was appointed in May 2013 and has six months to submit its recommendations; therefore details were unavailable at this stage.

# **Current Allowances**

The main allowances that make up the system of councillors' remuneration are set out in two sets of regulations made under section 36 of the Local Government Act 1972 (Northern Ireland):

- the Local Government (Payments to Councillors) Regulations (Northern Ireland)
  1999 (as amended), and
- the Local Government (Travelling and Subsistence Allowances to Councillors)
  (No.2) Regulations 1973 (as amended)

However these have since been revoked and replaced by Part 3 of the Local Government Finance Act (Northern Ireland) 2011, the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012. In Wales and Scotland allowances are determined by an independent remuneration panel, in NI they are determined by the Department. However as already detailed, a remuneration panel has been set up to help advise the Minister on allowances post reorganisation 2015.

<sup>&</sup>lt;sup>32</sup> Scottish Local Authorities Remuneration Committee <a href="http://www.scotland.gov.uk/Topics/Government/local-government/governance/SLARC">http://www.scotland.gov.uk/Topics/Government/local-government/governance/SLARC</a>

Provision is made for the following kinds of Allowances for Councillors:

#### **Basic Allowance**

Similar to Wales and Scotland it is intended to recognize a time commitment of all Councillors e.g. meetings, and all civic duties. It includes telephone calls and mobile calls. It must be the same for each Councillor and no Council may pay more than one basic allowance to each Member.

Current Basic Allowance - £9,738 pa to each Councillor or £811.50 per month.33

#### **Special Responsibility Allowance**

Similar to Wales and Scotland each Council may also make provision in its Scheme for the payment of Special Responsibility Allowance (SRA) in addition to Basic Allowance to those Members of the Council who have significant additional responsibilities over and above the general accepted duties of a Councillor.

According to guidance issued by the Department of Environment:

- (a) Councillors shall be able to claim only one Special Responsibility Allowance
- (b) No more than 50% of Councillors (excluding Mayor and Deputy Mayor) should receive a Special Responsibility Allowance.

The Department determines the maximum amount (banded by size of population) that the council may spend on SRA and it is for the council to decide which responsibilities attract an SRA and the amount of payment for each SRA.

The following table details the maximum as stipulated by the Department

District council population	Total amount payable in a financial year	Maximum payable to individual members
Exceeding 200,000	£82,00	one-fifth of the amount in column 2
100,000 - 200,000	£61,500	one-fifth of the amount in column 2
50,000 - 100,000	£30,750	one-fifth of the amount in column 2
Not exceeding 50,000	£20,500	one-fifth of the amount in column 2

Source DOE<sup>34</sup>

<sup>33</sup> http://www.northernireland.gov.uk/index/media-centre/news-departments/news-doe/news-archive-doe-october-2011/news-doe-101011-attwood-consults-on.htm

<sup>34</sup> http://www.doeni.gov.uk/index/local\_government/latest\_news/sra.htm%20DOE

## **Multiple Mandates**

Minister Attwood consulted in 2011 on introducing legislation where the payment of both Basic Allowance and Special Responsibility Allowance will be reduced by two thirds for those Councillors who are also Members of the House of Lords, Members of Parliament, Members of the European Parliament or Members of the Legislative Assembly. This would see a drop in the Basic Allowance from £9,738 to £3,246.<sup>35</sup>

## Dependants' Carers' Allowance

In 2011 the Carers Allowance was set by the Local Government (Payments to Councillors) Regulation 2011 to take effect from October 2012 as follows:

STANDARD CARE	SPECIALISED CARE		
£6.19 per hour	£12.38 per hour		
£161.00 per month	£322.00 per month		

Source: DOE

#### Travel and subsistence allowance

The following rates are determined by the Department of Environment and are the rates for 2012. Table 1 details the travel rates and Table 2 the subsistence rates. These rates were obtained by looking at individual councils' Scheme of Allowances to get the most up to date rates issued by the Department. The following information is taken from Newry and Mourne District Council for no particular reason other than to give an indication of the rates.

<sup>35</sup> http://www.northernireland.gov.uk/index/media-centre/news-departments/news-doe/news-archive-doe-october-2011/news-doe-101011-attwood-consults-on.htm

**Table 1: Travel Rates** 

TYPE OF VEHICLE	RATE 12/13
A pedal cycle	20.0p per mile
A solo motor cycle of cylinder capacity not exceeding 149cc	11.4p per mile
A solo motor cycle of cylinder capacity exceeding 149cc but not exceeding 499cc	16.5p per mile
A solo motor cycle of cylinder capacity exceeding 499cc	
or a motor cycle with side car	22.0p per mile
A motor car or tri-car of cylinder capacity not exceeding 450cc	22.0p per mile
A motor car or tri-car of cylinder capacity exceeding 450cc	46.9p per mile
but not exceeding 999cc	13.7p per mile *
A motor car or tri-car of cylinder capacity exceeding 999cc	52.2p per mile
but not exceeding 1,199cc	14.4p per mile *
A motor car or tri-car of cylinder capacity exceeding	65.0p per mile
1,199cc	16.4p per mile *

Source: Newry and Mourne Scheme of Allowances 2012/13<sup>36</sup>

<sup>&</sup>lt;sup>36</sup> http://www.newryandmourne.gov.uk/council/Members Photos.aspx

**Table 2: Maximum Subsistence Allowances** 

PERIOD/MEAL	RATES		
	British Isles	London	
	£	£	
An absence involving an overnight stay only,	400.70	400.45	
away from the normal place of residence	100.70	122.45	
Breakfast allowance (more than 4 hours away			
from the normal place of residence or, where	11.50	11.50	
approved by the council, a lesser period before11 am)			
Lunch allowance (more than 4 hours away from			
the normal place of residence or, where approved			
by the council, a lesser period including the	13.50	13.50	
period between 12 noon and 2pm)			
Tea allowance (more than 4 hours away from			
the normal place of residence or, where approved			
by the council, a lesser period including the	4.70	4.70	
period between 3pm and 6pm)			
Evening meal allowance (more than 4 hours			
away from the normal place of residence or,			
where approved by the council, a lesser period	20.95	20.95	
ending after 7pm)			
Sub-total for meals	50.65	50.65	
Total maximum rate (absence of 24 hours)	151.35	173.10	

Source: Newry and Mourne Allowances Scheme 2012/13<sup>37</sup>

# Comparison across the UK

It is important when making comparisons that all factors are taken into consideration, such as the roles and responsibilities of councillors in each jurisdiction tend to vary, as do the percentage of population to each councillor. Therefore it is not possible to make a direct comparison based purely on the monetary value of allowances. However the following section gives an indication on the variation across jurisdictions and appreciates that there are many differing local factors that may influence the rates set.

NI pays a maximum Basic Allowance of £9,738 per year to councillors, this compares to Wales with a maximum of £13,175 for 2012/13 and Scotland which is currently set at £16,234 per year.

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<sup>37</sup> ibid

The *Tax Payers Alliance*<sup>38</sup> has collated the basic allowances across England, Scotland and Wales for 2012, for which a summary is as follows:

# **Highest Basic Allowances to Councillors:**

The highest rates across the UK are found in Birmingham (£16,247) and the Scottish Borders (£16,932):

- English County Council Nottinghamshire £12,906
- English Unitary Authority Durham £13,300
- English Metropolitan District Birmingham £16,267
- London Borough Croydon £11,239
- Welsh Council Seven councils pay £13,868, namely Bridgend, Carmarthenshire,
  Conwy, Monmouthshire, Rhondda Cynon Taff, Torfaen, and Vale of Glamorgan
- Scottish Council Scottish Borders £16,932

#### **Lowest Basic Allowances are:**

Lowest rates can be found in South Ribble (£1,500) and Rutland (£3,860). Scotland lowest rates still remains high in comparison at £16,100):

- English County Council Northamptonshire £7,086
- English Unitary Authority Rutland £3,860
- English Metropolitan District Trafford £6,352
- English Non-Metropolitan District South Ribble £1,500
- London Borough Kingston £7,528
- Welsh Council Cardiff £11,342
- Scottish Council Clackmannanshire £16,100

More detail on this can be viewed at the Tax Payer Alliance website:

http://www.taxpayersalliance.com/home/2012/08/taxpayers-alliance-reveals-highest-lowest-paid-councillors-uk.html

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<sup>38</sup> Website: http://www.taxpayersalliance.com/