



**Lancaster City Council**

**Independent Remuneration Panel**

**Report to Council**

**November 2011**

**RECOMMENDATIONS ON TRAVEL AND  
RELATED EXPENSES**



## **Introduction**

The requirement for an Independent Remuneration Panel, how it operates, and the contents of a members' allowances scheme continue to be subject to the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003.

Regulation 19(1) states that *"Before an authority...makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel."*

An independent remuneration panel must have at least three members

## **Panel Members**

Following two resignations, the Independent Remuneration Panel (the Panel) for Lancaster City Council now comprises four members, who are:

**Colin Everett** – retired Local Government finance officer (Chairman of the Panel)

**Unity Lawler** – Finance Manager for family business, with previous experience in Local Government and research in academic institutions.

**Pat Loryman** – retired Local Government IT officer, and previously a director of a private company

**Janice Wilson** – retired Local Government Learning and Development Officer with previous experience in the public and private sector.

## **Meetings**

The Panel met on the 2nd September 2011 to consider issues that had arisen with regard to the payment of travel expenses and the reimbursement of car parking fees.

The Panel invited elected members who wished to make comments on the issues under discussion, to attend the meeting on the 2nd September. Five elected Members met the Panel on an individual basis, and they were Councillors Aitchison, Bryning, Dixon, Kerr and Mace. The Panel also received written comments from two group leaders on behalf of their respective groups, and individual written comments from three other members.

The Panel is grateful for these contributions.

## **Background Information**

The Members' Allowances Scheme includes provision for the payment of travel and subsistence allowances which can be claimed when members are engaged in "approved duties". Approved duties are Council, Cabinet and Committee meetings, attendance at meetings of outside bodies where the member has been nominated to represent the Council, conferences and seminars which the member has been nominated to attend, and various other scheduled, formal meetings.

Two issues had arisen which were not specifically covered by the Scheme, and on which the views and recommendations of the Panel were sought. These were:

- whether members who are students should be entitled to claim travel expenses from outside the district when attending meetings during the vacation
- whether it was anomalous for members who purchased annual car parking permits not to receive any reimbursement for parking, whilst those who chose not to purchase a permit were able to claim full reimbursement of car parking fees.

In addition, the Panel took the opportunity to review the mileage rates payable, as these had not been considered in any detail in the earlier review of basic and special responsibility allowances for 2011/12.

These issues are considered in turn below.

### **Travel expenses for members attending meetings from outside the district**

#### **Background**

The Panel was advised that at the Council elections in May 2011, a number of students were elected to the Council, most notably two representing the University ward. This had raised an issue as to the expenses that such members could claim when attending meetings outside term time, when resident, not at their term-time address within the district, but for example at their family home which might be many miles away.

The Council has never previously reimbursed the cost of travel from outside the district.

It had been suggested by the University ward members that the Council should recognise that the elected representatives for that ward might well be students, and that they should be able to continue their role as councillors during the vacations, and in particular from July to September, without the financial barrier of having to pay the cost of their travel back to the district. They expressed the view that the burden of such a cost might well deter students from standing for election in the future.

Inquiries had been made of a number of other local authorities which had universities within their area. None of those consulted had experienced this particular issue. Some, for example, Exeter, Lincoln and Cheltenham, indicated that they did not pay travel expenses in respect of meetings within the district. The allowances schemes in Oxford and Cambridge were probably wide enough to cover the payment of expenses from outside the district, although this had not been tested.

The Panel was advised that the Council's Constitution makes provision for the groups to arrange for substitute members (either designated named substitutes or casual substitutes) to attend Committee meetings in the absence or non-availability of a full member.

The information presented orally at the meeting indicated that student accommodation was not available during the summer vacation after July. The University ward members indicated that they continued their work as councillors from their family homes. They were not looking to the Council to pay the full amount of the cost of their travel to meetings, but rather a fraction. In response to questions from the Panel, they indicated that if they returned to the district for a group or party meeting, the party did not reimburse their travel costs.

### The Panel's Recommendation

The Panel was satisfied from the oral evidence it had heard that the Council's substitute system was robust and could be relied on when a group member was unable to attend a Committee meeting.

The Panel noted that the two members for the University ward appeared to be asking for the Council to pay a fraction of their travel expenses from outside the area.

The Panel did not consider it appropriate for the Council to bear the cost of a member's travel from outside the district, and felt that the Scheme should be amended to make it clear that travel expenses should be claimed only from a member's current address within the district, or if the member did not have such an address, from the address within the district given at the time of election.

### **Reimbursement of car parking fees**

#### Background Information

All members are currently eligible to purchase annual parking permits, at a cost of £210 for a seven day permit or £200 for a five day permit. This covers parking in any car park managed by the Council, and can be used at any time regardless of whether or not the member is on Council business.

A member who has purchased such a permit is not permitted to claim reimbursement for any parking authorised by the permit.

However, a member who chooses not to purchase such a permit receives reimbursement of any parking fees that may be incurred in the course of approved duties.

Whilst officer parking is outside the remit of the Panel, the Panel was advised that officers who purchase an officer car parking permit, valid for a number of long stay car parks, are able to claim a pro rata rate of 67p per day for any day on which they are required to use their vehicle for Council business.

The Panel was asked to consider the reimbursement of car park fees, as the view had been expressed by some members that it was anomalous and unfair that members, on Council business, who had purchased a permit were not permitted to claim any reimbursement, whereas those who had not purchased a permit received full reimbursement of car park fees whilst on Council business.

### The Panel's Recommendation

The Panel would recommend, as a starting point, that, where there are convenient public transport links, elected members should be encouraged to use public transport in appropriate circumstances.

The Panel noted that the view had been expressed that the current arrangements with regard to car parking were unfair. The Panel felt that it would be fair to everyone if the member permit

facility was withdrawn, and that where it is necessary for a member to travel by car, a long stay car park only should be used, and the actual cost of car parking be reimbursed on presentation of a receipt from the ticket machine.

The panel recommended that the Scheme be amended accordingly.

### Mileage Rates – the Panel’s Recommendations

The Panel noted that the Members’ Allowances Scheme currently provides for a rate of 40p per mile for motor cars, which at the time of approval was the rate recommended by HMRC. However, the Scheme provides that 40p per mile is payable also for motor cycles and bicycles.

The Panel recommended that the Scheme should provide for the motor car, motor cycle and bicycle rates to be those for the time being recommended by HMRC, so that the rates would be automatically adjusted as and when the HMRC rate changes. The current rates are 45p per mile for motor cars, 24p for motor cycles and 20p for bicycles.

The Panel noted also that the current Scheme draws a distinction between journeys within a 35 mile radius from Lancaster Town Hall, and journeys beyond such a radius. The Panel felt that it would be clearer to amend the Scheme to distinguish between journeys within the Council’s administrative area, for which mileage would be paid, and journeys outside the Council’s administrative area for which the lower of the mileage allowance or the relevant standard class rail fare would be paid.

### Conclusion

In summary, the Panel’s recommendations are as follows:

1. That no travel expenses be paid in respect of travel from outside the Council’s administrative area, and that all travel expenses be paid on the basis that the journey commenced at the member’s current address within the district, or if the member does not have such an address, from the member’s address within the district given at the time of election.
2. That the Member car parking permit be withdrawn, that members be encouraged to use public transport where it is available and appropriate, and that where it is necessary to travel by car within the district, a long stay car park be used, and the actual cost of parking be reimbursed on presentation of a receipt.
3. That mileage be reimbursed on the basis of the HMRC recommended rates, currently 45p per mile for motor cars, 24p per mile for motor cycles and 20p per mile for bicycles, and that mileage be paid in respect of journeys within the Council’s administrative area, and that for journeys outside that area, the lower of the mileage allowance or the relevant standard class rail fare be paid.