

Committee: General Purposes Urgency Sub-	Date: 14 July 2004	Title of Report: Travel Allowances for Members
Classification: For General Release		Report of: Director of Legal and Administrative Services
Wards involved:	None	
Policy context:	Management of the Council	
Financial Summary:	No financial implications	
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1. Summary

- 1.1 The Council, in adopting the Members Allowances Scheme at its meeting on 14 November 2003 agreed not to allow the reimbursement of travel costs to and from approved duties. Following a review it is now recommended that a modified travel costs reimbursement scheme be re-introduced.
- 1.2 In deciding on the scheme last year the General Purposes Committee and the Council had regard to the recommendations of the Independent Remuneration panel, (their recommendation relating to travel allowances is set out in paragraph 3.6).

2. Recommendation

- 2.1 That the Council be recommended to amend the Members Allowances Scheme, adopted by the Council on 14 November 2003 by the addition of the Travel and Subsistence Scheme attached (Appendix A) which will form Appendices B and C of the Members Allowances Scheme, with effect from 1 August 2004.

3. Background Information

- 3.1 The Council is entitled to amend its Members' Allowances Scheme during the course of the year but is not permitted to adopt a new scheme other than with effect from the 1st April in any year.
- 3.2 The Deputy Leader of the Council asked that a review of other boroughs be carried out on the impact of not paying Members travel expenses. The review found that whilst several of the other boroughs asked had broadly stopped the payment of all travel allowances most had retained (unlike the City Council), payment in certain circumstances.
- 3.3 The administration of the Travel Scheme is fairly straightforward with Members claiming on a monthly basis and reimbursement being made through the monthly payroll.
- 3.4 For some Members the cost of travel is significantly higher than for others, mainly as a result of a large number of meeting commitments, which require travel expenses to be incurred. The re-introduction of a limited travel scheme will, at least in part, address this and should also be seen in the context of the City Council's basic allowances being amongst the lowest in London.
- 3.5 The proposed scheme differs from the previous scheme in that it does not allow for the reimbursement of taxi fares or the Central London Congestion Charge.
- 3.6 The Independent Remuneration Panel, as part of its report recommended, as follows, in respect of travel allowances:-

“that the basic allowance should be treated as covering all intra-Borough travel costs and subsistence, but with local variations to this rule to meet different local conditions. We also recommend that the rules and entitlements for reimbursement of travel expenses, and for travel by bicycle, should be the same for officers, members and co-opted members”.

The Council is required to have regard to this recommendation, but may deviate from it if there are good reasons to do so, as set out in this report:

- 3.7 The levels of travel expenses and subsistence were previously set at maximum levels by the Secretary of State. The Secretary of State no longer sets these, the Independent Panel having been given the role to make recommendations in this respect. The levels recommended here are the maximum levels set by the Secretary of State on the last occasion that he set maximum allowances and are in line, where relevant, with those available to Officers as per the Independent Panel's recommendation. Notwithstanding the view of the Panel that the better approach would be to increase the main allowance, it is not considered that this would in fact be the most equitable or cost effective way of dealing with the issue, for the reasons set out in para 3.4.

4. Legal Implications

- 4.1 It is a requirement that when considering a new scheme or amending an existing scheme that regard be had to the recommendations of the Independent Remuneration Panel. An extract of the report relating to travel and subsistence is attached as Appendix B. The Council for this purpose uses the ALG Panel. Also attached (Appendix C) is recently issued guidance on Allowances.

5. Financial Implications

- 5.1 The budget provision for Members' Travel Allowances is £4,000, which is expected to be sufficient based on the proposed limited scheme.

If you have any questions about this report, or wish to inspect one of the background papers, please contact Mick Steward

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1972 BACKGROUND PAPERS.

The documents referred to in compiling this report are as follows:

- The current report of the Independent Remuneration Panel.