

AT A MEETING of the MEMBERS' ALLOWANCES SCHEME PANEL of the County Council held at The Castle, Winchester on 25 January 2011.

PRESENT:

Councillors: T.K. Thornber, CBE (Chairman); Sam Darragh; R.J. Ellis; K. House; M. Kemp-Gee; R. McIntosh; Jenny Radley.

Also in attendance was Councillor A. Gibson

The following officers were present:

Mrs. B Beardwell	-	Head of Governance
Mr. K. Ridout	-	Senior Business Manager, BAMS
Mrs A. Hibbert	-	Group Manager, Budgeting, County Treasurer's Department
Ms S. Southgate	-	Media Communications Manager (Policy and Resources)

4 APOLOGIES

Apologies for absence were received from Councillor R. Perry.

5 DECLARATIONS OF INTEREST

Members were mindful that, where they believed that they had a personal or personal prejudicial interest in any matter to be considered at the meeting, they should, at the time of the debate, declare their interest and, having regard to the circumstances described in Paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting.

6 MINUTES

The Minutes of the meeting of the Panel held on 28 January 2010 were confirmed as a correct record and signed by the Chairman, subject to the fourth sentence of Minute 2 on Chairman's Communications being amended to read, "For example, as part of the 2009/10 Members' Allowances Scheme, the IRP recommended that the SRA's for the Leader and Cabinet Members be increased by 6% and 4% respectively per annum over a period of 4 years from April 2009 to bring them in line with other similar sized Councils for similar responsibilities. However, the Leader and all Cabinet Members had decided not to accept the increase in that year or in 2010/11."

7 CHAIRMAN'S COMMUNICATIONS

The Chairman welcomed David Heck, the Chairman of the County Council's Independent Remuneration Panel and Julia Abbott, a

Member of that Panel, who were attending to observe the meeting.

8 MEMBERS' ALLOWANCES SCHEME 2011/12

The Panel considered the report of the Chief Executive (Item 5 in the Minute Book) about the Members' Allowances Scheme for 2011/12.

By virtue of the Members' Allowances Regulations, before the County Council can make or amend a Members' Allowances Scheme, it is required to have regard to recommendations made in relation to it by an Independent Remuneration Panel (IRP). In this regard, the Members' Allowances Scheme Panel had, as part of the Chief Executive's report, the Minutes of the IRP meeting of 10 December 2010. (Appendix A to the report), together with the recommendations it had made.

The Head of Governance reported that since the agenda for the Members' Allowances Scheme Panel meeting had been issued, a further written communication had been received from Councillor J. Porter which supported Councillor M. Cooper's earlier submission to the IRP in favour of Members not claiming more than 40p per mile for their motor vehicles travelling expenses.

Prior to consideration of the Chief Executive's report, the Chairman proposed in relation to the Member motor vehicle travel rate, that the issues involved would benefit from a fresh investigation by the Policy and Resources Select Committee. This was to seek to establish the true and marginal cost to Members of their travel on behalf of the County Council. It was made clear that the proposal should be without prejudice to consideration by the Members' Allowances Scheme Panel of the recommendations of the IRP and, without prejudice to the current Member mileage allowance policy. It was the Chairman's understanding that sixteen of the seventy-eight County Council Members presently waived their mileage allowance saving some £12,000 to £14,000 per annum and that four Members currently claimed more than the 40p per mile motor vehicle rate costing about £1,000 per annum. The Panel supported a fresh investigation by the Policy and Resources Select Committee of Member motor vehicle expenses and asked to receive for information a copy of the benchmarking exercise which had been provided to the IRP at its meeting on 10 December 2010 giving an analysis of Basic Allowances and SRA's (along with motor vehicle rates) paid by two other comparable sized County Councils to Hampshire, namely Essex and Kent.

After discussion of the Members' Allowances Scheme for 2011/12, the Panel unanimously supported the IRP recommendation for no increase in the Basic and Special Responsibility Allowances from 1 April 2011. They also supported the IRP recommendation to investigate over the next twelve months the Independent Appeal Panel (IAP) Members

motor vehicle allowance (currently 57.8 per mile) and in the meantime to freeze the IAP allowance at this rate for 2011/12. The Panel went on to consider Member mileage rates generally. They received a short presentation by Councillor A. Gibson in his capacity as Cycling Champion of Hampshire County Council. He re-iterated the points he had made earlier to the IRP on 10 December 2010 namely to align in each case the Member bicycle allowance, the Member motorcycle mileage rate and the Member motor vehicle mileage rate with the HMRC approved rates.

The Panel noted that such an alignment of mileage rates to HMRC rates had been supported by the Independent Remuneration Panel. Whilst also supporting this proposal, the Members' Allowance Scheme Panel had first taken into account a contrary view expressed at the meeting, that the 40p per mile HMRC approved motor vehicle rate, did not represent the true cost to Members of travel on behalf of the County Council and had noted the reasons for this point of view. Accordingly, the MEMBERS' ALLOWANCES SCHEME PANEL RECOMMEND to the COUNTY COUNCIL that approval be given to a new Members' Allowances Scheme for 2011/12 as follows:

- (a) That Basic Allowances and SRAs be frozen at existing rates from 1 April 2011.
- (b) That the Independent Appeal Panel Members' motor vehicle allowance (currently 57.8p per mile) be frozen for 2011/12, but that this be investigated further by the IRP during the next twelve months.
- (c) That all mileage rates, with the exception of (b) above, are aligned to HMRC approved levels. These are currently, 20p per mile for bicycles, 24p per mile for motorcycles and 40p per mile for the first 10,000 miles and 25p per mile thereafter for motor car vehicles.
- (d) That, without prejudice to (c) above in relation to motor car vehicles, the Policy and Resources Select Committee be asked to undertake a review of the motor vehicle mileage rate to establish the true and marginal cost to Members of their travel on behalf of the County Council. The outcome of this investigation to be reported back to the Members' Allowances Scheme Panel and the County Council.

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