

EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Member Remuneration Panel **Date:** Monday, 11 November 2013

Place: Group Room, Room 1.19, First Floor, Civic Offices, High Street, Epping **Time:** 5.30 - 6.10 pm

Members Present: D Jackman, Ms R Kelly and S A Lye

Other Councillors:

Apologies:

Officers Present: I Willett (Assistant to the Chief Executive) and G Lunnun (Assistant Director (Democratic Services))

1. CHAIRMAN

RESOLVED:

That Mr D Jackman be elected Chairman for the meeting.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made by members of the Panel in relation to any item on the agenda.

3. MINUTES OF THE LAST MEETING

RESOLVED:

That the minutes of the meeting held on 31 January 2013 be taken as read and signed by the Chairman as a correct record.

4. REVIEW OF REMUNERATION SCHEME

The Panel considered a report dealing with:

- (a) a review of the Remuneration Scheme following an inspection by Her Majesty's Revenue and Customs (HMRC) of the Council's payroll arrangements; and
- (b) the future of the Remuneration Scheme in relation to pensionable status.

The Panel was advised that in March 2013, the Council had hosted one of its regular inspections by HMRC of its payroll arrangements. The inspection had reflected

HMRC's particular interest in taxation arrangements and had covered payroll arrangements for both Council employees and elected members.

The Assistant to the Chief Executive reported that following the inspection HMRC had issued directions to the Council on how travelling and subsistence allowances were to be treated for tax and national insurance purposes. The directions were:

- (a) all future taxable and non-taxable travel expenses should be reimbursed through the payroll system;
- (b) the Council should differentiate between taxable and non-taxable travel expenses;
- (c) deductions for tax and national insurance should apply to councillors' home to work journeys;
- (d) deductions for tax/NI would not apply to business mileage incurred by councillors if the rate claimed did not exceed 45p per mile;
- (e) for the purposes of (c), councillors' workplace was deemed to be the Civic Offices; and
- (f) for the purposes of (d), business mileage applied to journeys undertaken from home to other venues and return in connection with Council business.

The Panel considered suggested amendments to the Remuneration Scheme and the supplementary guidance to reflect the requirements of HMRC in relation to the treatment of mileage and subsistence for taxation and national insurance purposes.

The Panel also considered proposed wording amendments to the scheme to reflect the current entitlement of councillors to join the Local Government Pension Scheme and the Government's intention to discontinue the entitlement of councillors to join the Scheme from 1 April 2014 with existing subscribers' accrued rights protected.

The Panel noted that at their last meeting they had resolved to give further consideration at this meeting to the Special Responsibility Allowance for the Chairman of the Standards Committee and for the allowances paid to the Independent Persons on the Standards Committee.

The Panel was advised that since the new standards regime had commenced the role of the Chairman of the Standards Committee had in the main been chairing meetings of that Committee. In relation to the Independent Persons, their role had been attendance at meetings of the Committee and being consulted by the Monitoring Officer about complaints which had been made regarding District and Town and Parish Councillors.

The Panel concluded that, having regard to the limited number of hearings held about complaints regarding member conduct since the introduction of the new standards regime, the extent of the roles to date of both the Chairman of the Standards Committee and the Independent Persons had not differed significantly from the position when the matter had last been considered.

RESOLVED:

That an item be placed in the Council Bulletin inviting District Councillors to raise issues regarding the Remuneration Scheme, and that in the event of

any issues being raised these be discussed between members of the Panel and officers and, if necessary, a further meeting of the Panel be held to consider possible further amendments to the Scheme before the Panel reports to the Council; and

RECOMMENDED:

(1) That the Members' Allowances Scheme and the Guidance Note be amended as indicated in the bold type underlined in the Appendix to these minutes;

(2) That no changes be made to the Special Responsibility Allowance for the Chairman of the Standards Committee or to the allowances for the Independent Persons on that Committee;

(3) That the Panel gives further consideration to the allowances for the Chairman of the Standards Committee and the Independent Persons if their workload increases or, if and when, the Council changes the number of Independent Persons; and

(4) That, subject to no District Councillor expressing any other suggestions or concerns in relation to the Scheme, no further changes be made to the Remuneration Scheme at this time.

5. DATE OF NEXT MEETING

RESOLVED:

That the next meeting be held on a date to be agreed.

CHAIRMAN