

		Agenda Item No.
Title	Members Allowances 2008/09	
For further information about this report please contact	Philip Morgan, Financial Services Manager, 01926 456802. philip.morgan@warwickdc.gov.uk	
Service Area	Finance/Members	
Wards of the District directly affected	None	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	Executive 25 th September 2004	
Background Papers	The Third Report by the Independent Remuneration Panel	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes

Officer/Councillor Approval		
With regard to officer approval all reports <u>must</u> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive	15/5/08	Chris Elliott
CMT	15/5/08	CMT
Section 151 Officer	14/5/08	Mary Hawkins
Legal	22/4/08	Simon Best
Finance	22/4/08	Mike Snow
Portfolio Holder(s)	2/5/08	Councillor Michael Doody
Consultation Undertaken		
Below is a table of the Council's regular consultees. However not all have to be consulted on every matter and if there was no obligation to consult with a specific consultee they will be marked as n/a.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 All Councils are required to convene their Members Allowances Remuneration Panel and seek its advice before they make any changes or amendments to their allowances scheme. They must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 1.2 The Panel's report has recommended minor alterations to member's allowances which need to be considered. Executive needs to make a recommendation to Full Council for consideration.

2. RECOMMENDATION

- 2.1 To recommend that the decisions outlined in Paragraph 7.1 and in the Panels report be accepted, and to recommend to Council the Scheme of Members' Allowances to operate for 2008/09 onwards.

3. REASONS FOR THE RECOMMENDATION

- 3.1 The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, and requires all local authorities to set up and maintain an advisory Independent [Members'] Remuneration Panel to review and provide advice on Members' allowances. All Councils are required to convene their Remuneration Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 3.2 Specifically, the Panel was convened on this occasion to make recommendations to the Council on the applicability of the indexation of allowances for the next four years.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 As the Council is fulfilling its statutory responsibility by undertaking this review under Regulation 10(5) of the 2003 Members' Allowances Regulations no other options were considered.

5. BUDGETARY FRAMEWORK

- 5.1 The approved budget for 2008/09 is;

	£
Members Allowances - Basic	219,100
Members Allowances – Special	55,400

The report recommends that the Basic Allowance remains unchanged and that only a few changes are made to the Special Responsibility Allowances. These changes can be accommodated within the existing budget.
The Panel process cost £1,750 and will also be met from the existing budget.

5.2 The existing and recommended allowances are as follows;

ALLOWANCE	EXISTING	RECOMMENDED
	£	£
Basic Allowance	4,398	4,398
Leader of the Executive	7,950	7,950
Portfolio Holders on Executive	3,762	3,762
Non-Portfolio Holders on Executive	3,021	3,021
Observers to Executive per annum	1,059	Removed from scheme
Chairs of Overview and Scrutiny Committees	2,385	2,385
Chair of Planning Committee	3,021	3,762
Chair of Licensing Committee	2,490	1,059
Chair of Regulatory Committee	0	2,490
Chair of Licensing and Regulatory Committee	2,490	3,021
Chair of Standards Committee	1,059	1,059
Chair of the Warwick District Towns Conservation Area Advisory Forum	1,059	1,059
Chair of Employment Committee	1,059	1,059
Leader of Majority Opposition Group	2,385	800 plus 100 per member
Leader of Opposition Groups	N/A	800 plus 100 per member
Co-optees	267	267
Appeals panels	130 per day, 65 per half day	130 per day, 65 per half day

6. POLICY FRAMEWORK

6.1 This report has no effect on the Policy Framework, Community Plan, or specific policies and will have no environmental impact.

7. BACKGROUND

7.1 The main recommendations of the Review Panel are:

1. That the Basic Allowance is unaltered, bar the application of indexation.
2. That the Special Responsibility Allowance for the Chair of Licensing is reduced and set on a par with the SRA currently paid to the Chair of Standards (the third quasi-judicial committee on the Council – although the Panel notes that the provision for the Chair of Standards will have to be deleted after it becomes law that the post will have to be held by an independent Co-optee and therefore not eligible for a SRA), which is currently £1,059 per annum.
3. The Regulatory Committee has become more active in the past few years, dealing with taxi and private car hire as well as elections, with a lot of work undertaken behind closed doors, meetings with Officers, and associated

reading. The Panel recommends that if the post is separated from that of Licensing it should remain at the present level paid to the Chair of Licensing, which is £2,490.

4. If the Chairs of the Licensing and Regulatory Committees are held by one person as has been traditionally the case then the Panel recommends that their SRA is increased and set on a par with the current SRA payable to the Chair of the Planning Committee, which is currently £3,021
5. The Panel does not recommend a SRA for the Members of the Licensing Committee in respect of their work on licensing appeals panels
6. The Panel recommends that the SRA for the Chair of the Planning Committee is increased to £3,762 per annum.
7. The Panel does not recommend SRAs for Members of the Planning Committee at this juncture. However, it will look at the issue once more in the context of a wider review of the Basic Allowance in 12 months time, particularly to ascertain whether the current workload has been maintained over time
8. The Panel recommends that all Members should be able to claim for reimbursement for broadband supplied to their homes up to a maximum monthly sum currently paid to the Council-supplied broadband, or actual reimbursement if less upon production of receipts.
9. The Panel confirms the current terms and conditions and rates claimable for the Members' Travel and Subsistence Allowances scheme. It also recommends that provision for claiming motorcycling allowances should also be revised at set at 24p per mile regardless of amount of miles undertaken within any one year. The recommended motorcycle rates are based on the approved mileage rates as determined by HMRC as the National Joint Council does not produce mileage rates for motorcycles (or bicycles, which is currently 20p per mile).
10. Members can currently join the Local Government Pension Scheme. The Panel in 2003 supported the right of the Council to decide on whether Members should be allowed to join the LGPS. The Panel continues to support the right of the Council to make this decision and by such recommendation is providing the Council with a fresh authority to do so for another four years.
11. The Panel recommends that the workloads and responsibilities of the Leader and Executive Members should be reviewed in 12 months time in conjunction with a wider review of the Basic Allowance and the workload of Members of the Planning Committee
12. The Panel recommends that the provision for a SRA for the Observers to the Executive is removed from the Members' Allowances scheme
13. The Panel recommends that the method of arriving at the SRAs for Leaders of the Opposition Group is revised to take into account any future changes in the size of Opposition Groups.

- For an Opposition Group Leader to be eligible for a Opposition Group Leader's SRA the Panel recommends that it has to reach a critical mass, which it has defined as 10 per cent of the Council membership, which is 4 Members.
 - The Panel has laid out below the methodology employed in reaching the appropriate SRAs for the qualifying Leaders of the Opposition Groups.
 - Standard element: the Panel believes that the Leader of an Opposition Group should receive £800 regardless of the size of their group – as long as the qualifying criteria of 4 Members has been reached.
 - Variable element: £100 per group Member to reflect the fact that the larger the group the greater the group management role.
 - The recommended SRAs for the Leaders of the qualifying Opposition Groups are as follows:
 - Labour – 9 Members
 - Standard element: £800 +
 - Variable element: £100 per Member X 9 Members
 - = £1,700
 - Liberal Democrats – 9 Members
 - Standard element: £800 +
 - Variable element: £100 per Member X 9 Members
 - = £1,700
 - Independents – 4 Members
 - Standard element: £800 +
 - Variable element: £100 per Member X 4 Members
 - = £1,200
14. The Panel recommends that the Co-optees' Allowances should also be reviewed in 12 months to assess the impact of the new powers on the roles and responsibilities of the statutory Co-optees on the Standards Committee.
15. The current Allowances Scheme contains provision (in schedule one) for the Chair of Standards to be paid a SRA of £1,059. The Panel recommends that this provision is removed and replaced with a Co-optees' Allowance for the Independent Chair of the Standards Committee at the same level - £1,059. It also recommends that the current scheme is altered to remove the "SRA" for other Co-optees (£267 – in schedule one) and replaced with the correct term "Co-optees' Allowance"
16. The Panel also recommends that a provision is inserted in the Warwick Allowances scheme to suspend allowances when a Member or Co-optee is suspended from Council for the term of that suspension (after been found guilty of a breach of the code of conduct that warrants suspension) for both elected Members and Co-optees

17. The Panel recommends that the SRA for members of the Appeals Panel of £130 per day or £65 per half day is maintained, subject to the annual index.
18. The Panel recommends that the Dependants Carers Allowance distinguishes between the child care and other (social/medical) dependants – as is currently the case. The child care element should be paid at a maximum rate of minimum wage relevant to the age of the carer as long as they are over 18 years of age or less for actual reimbursement

The medical/social care element should be paid at the average hourly rate charged by Warwickshire Social Services for social/medical care of dependants or less for actual reimbursement and only upon production of receipts.

19. The Panel recommends that the current indices remain in place for another 4 years.
 - Basic, Special Responsibility and Co-optees' Allowances: indexed to the annual local government pay percentage increase as agreed each April (linked to spinal column point 49 of the National Joint Councils scheme)
 - Travel and Subsistence Allowances: indexed to same rates applicable to employees, and in the case of the bicycle and motorcycle mileage allowance to the rates prescribed by HMRC.
 - The DCA: maximum hourly rates indexed to minimum wage for age of carer for the child care element and the rate for other care indexed to the average hourly cost of a home help charged by Warwickshire Social Services
20. To recommend that the Council reconsiders the format of the definition of approved duties. In particular, schedule 2 (ix) should be amended so rather than containing a list of outside bodies to say:

“Attendance as an Official Council representative at meetings of bodies or organisations on the list retained by the Assistant Chief Executive (Members' Services)”
21. To recommend that the Council hold's another review of allowances in 12 months time, with a particular remit to review the Allowances of the Leader, Executive, Members, Members of the Planning Committee – within the context of clarifying the scope of the Basic Allowance and the allowances for ordinary Members of the Standard Committee.