

Title: Review of Warwick District Council Members' Allowances Scheme

Lead Officer: Graham Leach, Democratic Services Manager & Deputy Monitoring Officer, 01926 456114, graham.leach@warwickdc.gov.uk

Portfolio Holder: Councillor Andrew Day

Wards of the District directly affected: None

Summary

The report brings forward the recommendations of the Independent Remuneration Panel following a review of Warwick District Members' Allowances Scheme undertaken in 2021.

Recommendation

- (1) The Cabinet note the recommendations of the Independent Remuneration Panel (IRP) following a review of Warwick District Members' Allowances Scheme undertaken in 2021, as set out at Appendix A.
 - (2) The Cabinet and recommends to Council that the recommendations from the IRP are accepted but do not come into effect until Annual Council in May 2022
 - (3) That subject to Cabinet agreeing (2), Cabinet asks officers to produce a draft Members Allowances Scheme for Council to consider at its meeting on 23 February 2022.
 - (4) The Cabinet recommends to Council that the IRP be thanked for their work and detailed report which clearly sets out the challenges faced and reasoning for their recommendations.
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1 Background/Information

- 1.1 The Panel was convened because under the regulations for allowances the indexation of allowances is required to be reviewed every four years which had expired.
- 1.2 The Panel was convened under The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021) ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory IRP to review and provide advice on Members' allowances on a periodic basis.
- 1.3 All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their Members' Allowances Scheme. They must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme. On this particular occasion, the Panel has been reconvened under the 2003 Regulations as it has not reviewed the allowances scheme since 2017.
- 1.4 The review was undertaken in August 2021 by the Council's IRP. The IRP comprised of:

Dr Declan Hall	An independent consultant specialising in members' allowances and support and a former academic at the Institute of Local Government, The University of Birmingham.
Christopher Purser	Former Chairman of Warwick District Council Standards Committee and former Governor of Warwickshire College. Previously the Group Treasurer of a multinational corporation. A Chartered Accountant and Chartered Secretary.
Alan Wilkinson	Former Warwick District Councillor (for Leamington Brunswick Ward) and Leamington Town Councillor; and Town Mayor. Previously a Sales Manager in a local electronic business.

1.5 The IRP met on 4, 5 and 11 August 2021. The IRP meetings were in closed session to enable the IRP to meet with Members and Officers and conduct its deliberations in confidence.

1.6 All Members were provided a questionnaire addressing the issues that the IRP were required to consider. The questionnaire also had the methodological advantage of ensuring all Members were being asked a common set of questions, the main point being that all Members had at least one opportunity to exercise their voice during the review. Twenty four Councillors responded to the questionnaire. A number of members from across the Council were also invited to meet with the Panel.

1.7 The IRP met with the Chief Executive and the Democratic Services Manager & Deputy Monitoring Officer for factual briefings on political structures and constitutional changes since the last review and to obtain an overview on the challenges facing the Council.

1.8 The IRP took account of the range and levels of allowances paid in comparable local authorities, namely the four other district/borough councils in Warwickshire and Warwick District Council's eight nearest neighbours as defined by the Chartered Institute of Public Finance and Accountancy or CIPFA, which are used by councils for benchmarking purposes.

1.9 After considering this information the IRP produced the report and recommendations, as set out at Appendix A to the report.

2 Alternative Options available to (name of Committee/Cabinet etc.)

2.1 The Cabinet could make a number of recommendations to Council about the Independent report. This is because within law they only have to 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme. For this reason Cabinet could recommend to Council, as an example, increasing the allowances to the value as proposed, but phasing these in over the next four years (the life of the scheme), or recommending that no changes are made and the current scheme be readopted.

3 Consultation and Members' comments

3.1 The views of Councillors were taken into consideration through the survey of all Councillors and with those Councillors who met with the Panel.

3.2 The recommendations are brought forward with the support of Group Leaders following consultation with them.

4 Implications of the proposal

4.1 Legal/Human Rights Implications

4.1.1 Include a summary of the legal or human rights implications of the proposal.

4.2 Financial

4.2.1 The report in itself does not impact on the budgetary framework of the Council. However, should the recommendations of the Panel be agreed (or a variance thereto), there will be budgetary requirements which will need to be financed.

4.2.2 A comparison of the current and the proposed is set out at Appendix B to the report and the budgetary impact is summarised below:

	Budget 2021/22	Cost of new proposal	Budget effect
Basic allowance*	£247,790	£247,808	-£18
Special Responsibility Allowances*	£88,950	£113,195	-£26,247
Co-Optees Allowance*	£600	£600	0
Mileage	£100	£100	£0
Subsistence	£100	£100	£0
Total	£337,540	£361,803	-£26,265

*these are subject to increase of any pay award to officers on scp 43 as at 1 April 2021.

4.2.3 If the Cabinet recommended to Council, and Council agreed the proposal as laid out, there would be an adverse effect on the budget of circa £26,000 per year from the increase in the basic allowance and special responsibility allowances. However, if the proposal to only permit one Special responsibility Allowance per Councillor, this would currently reduce the figure currently required by £5,716 as two Group Leaders are also Chairs of Committees.

4.2.4 The Cabinet will need to consider how any increases will be funded from within the General Fund as at present there is no allocation for this. Therefore it needs to be considered as part of the budget setting process 2022/23, so increasing the budget pressures and savings required to be found.

4.3 Council Plan

4.3.1 In respect of Warwick District Council Business Plan the report only impacts on the internal elements of People – Effective Staff and Money – Firm Financial Footing over the Longer Term.

4.3.2 In respect of People – Effective Staff The report brings forwards independent proposals in respect of allowances for Members in respect of ensuring they are remunerated for the responsibilities they undertake.

4.3.3 In respect of Money - Firm Financial Footing over the Longer Term – The report brings forward proposals which if adopted have an adverse variance on the budget and Medium Term Financial Strategy.

4.4 Environmental/Climate Change Implications

4.4.1 There are no direct impacts on the proposals within the Allowances Scheme in respect of Climate Change.

4.5 Analysis of the effects on Equality

4.5.1 The IRP considered the revised scheme and were responsible for considering any impacts as part of their decision. The report is considered not to impact on any of the protected characteristics, of; Race; Gender; Disability; Age; Sexual Orientation; Religion/Belief; or Gender re-assignment.

4.5.2 However the Panel have made proposals in respect of Pregnancy and maternity explicitly by proposing the application of allowances for those on maternity or paternity leave. This is considered to be a positive statement of clarification for Councillors in respect of the allowances scheme and general legislation with regard to attendance at meetings. The equality impact assessment for this is set out at Appendix C to the report.

4.6 Data Protection

4.6.1 The details of Allowances to Councillors are required by law to be in the public domain and therefore there are no data protection considerations for this report.

4.7 Health and Wellbeing

4.7.1 The proposals within the Panel's report are intended to provide a fair allowance for Councillors, therefore aiding their personal well being. In addition the proposals include recommendations regarding maternity/paternity pay and this will further support individuals wellbeing.

5 Risk Assessment

5.1 There are two primary risks associated with consideration of this report. These are the public perception and reaction to the proposed revisions but also recognising the impact of retaining allowances at their current level. The first risk is difficult to mitigate against but Members need to be mindful of and have confidence in the review being undertaken by an Independent Panel, that said the final decision rests with all Councillors. The second risk relates more to ensuring Members are recognised for their work and that this proposal does not differ significantly with neighbouring local authorities.

6 Conclusion/Reasons for the Recommendation

6.1 The recommendations from the IRP are ones for the Cabinet to consider and determine what, if any, they feel should be recommended to Council. Officers have set out the financial implications of these which the Cabinet need to be mindful of as well as the overall recognition for Councillors in the level of their allowances.

Background papers: None

Supporting documents: None

Report Information Sheet

Please complete and submit to Democratic Services with draft report

Committee/Date	Cabinet 10 February 2022	
Title of report	Review of Warwick District Council Members' Allowances Scheme	
Consultations undertaken		
Consultee *required	Date	Details of consultation /comments received
Ward Member(s)		N/A
Portfolio Holder WDC & SDC *	12/10/21	
Financial Services *	6/10/21	
Legal Services *		
Other Services		
Chief Executive(s)	12/10/21	
Head of Service(s)	6/10/21	
Section 151 Officer	6/10/21	
Monitoring Officer	6/10/21	
CMT (WDC)		
Leadership Co-ordination Group (WDC)		
Other organisations	6/10/21	Group Leaders
Final decision by this Committee or rec to another Ctte/Council?		Recommendation to : Council 23 February
Contrary to Policy/Budget framework	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No	Forward Plan item – 1244
Accessibility Checked?	Yes	File/Info/Inspect Document/Check Accessibility