

 Standards Committee 23 September 2009		Agenda Item No.
Title	Update on the Members Allowances Scheme	
For further information about this report please contact	Philip Morgan by email @ philip.morgan@warwickdc.gov.uk and by telephone @01925456802	
Service Area	Finance	
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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	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 10 June 2009 minute 10	
Background Papers	The Local Authorities (Members Allowances) (England) Regulations 2003 The Guidance on Consolidated regulations for Local Authority Allowances, issued by the Office of the Deputy Prime Minister.	

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)	No

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
Relevant Director	8/9/2009	A Jones
Chief Executive		
CMT		
Section 151 Officer	7/9/2009	M Snow
Legal	7/9/2009	P Oliver
Finance	7 /9/2009	M Snow
Portfolio Holder(s)	8/9/2009	A Mobbs
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report		
None.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report outlines the regulations concerning member's allowances and the current scheme in operation at Warwick District Council.

2. RECOMMENDATION

- 2.1 That the report be noted.

3. REASONS FOR THE RECOMMENDATION

- 3.1 The Standards Committee Work plan – 2009/10 requested a report to update Members on the Warwick District Council Members' Allowances scheme and the regulations that form it.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 None.

5. BUDGETARY FRAMEWORK

- 5.1 In 2009/10 there is a budget of £219,100 for Members Basic Allowances, £55,400 for Members Special Responsibility Allowances £8,900 for transport and £8,800 for other expenses giving £292,200 in total.

- 5.2 The previous financial years the following sums were paid in total to members;

2003/04 - £217,169
2004/05 - £227,280
2005/06 - £250,631
2006/07 - £257,673
2007/08 - £266,680
2008/09 - £289,211

A breakdown of the above sums and the amounts paid to each member is posted on the Council's website. The breakdown is also published annually in a local newspaper.

6. POLICY FRAMEWORK

- 6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 govern the payment of allowances to Members of Local Authorities under the Local Government and Housing Act 1989 and the Local Government Act 2000.

- 6.2 Section 18 of the 1989 Act allows the Secretary of State to make regulations requiring local authorities to make a scheme of allowances for their members and to establish and maintain a panel to make recommendations to the council about the scheme.

7. BACKGROUND

7.1 The 2003 Regulations provide that it is for each local authority to decide its scheme and the amounts to be paid under that scheme. Councils are required to establish and maintain an independent remuneration panel which will broadly have the function of providing advice to the authority on its scheme. Local authorities must have regard to this advice.

7.2 The main provisions of the 2003 regulations cover;

- The allowances which can be paid these are basic allowances, special responsibility allowances, dependants carers allowances and travel and subsistence allowances.
- Withholding allowances, usually following suspension of a member of an authority.
- Backdating allowances
- Annual adjustments of allowances and indexing.
- Forgoing allowances. Members must give written notice to the proper officer.
- The Independent Panel, appointment of the panel, size, who can not be a member of the panel, how to find members, the appointment process, advertising, public perception, panel's connections, panel's knowledge, term of office, time commitments, administrative support.
- The work of the panel. To make recommendations, clear in its remit, and timetable, considering research in the field.
- Publicity. Copies of report available to the public, advertise scheme in at least one paper. Advertise the sums paid to each member each year.

The guidance on the regulations can be found at <http://www.communities.gov.uk/publications/localgovernment/newcouncilconstitutions>

7.3 Warwick District Council established a Independent Remuneration Panel in 2001 the panel made recommendations which the council largely accepted and set the current framework in place

7.4 The second review in December 2003 was a joint review with Stratford-on-Avon District Council. The panel was tasked to review the Basic and Special Responsibility Allowances and this lead to some minor revisions.

7.5 The third review was in March 2008 and was to gain fresh approval for the indexation of member's allowances and to consider whether the scheme was still fit for purpose following its introduction seven years previously. The panel considered that the scheme was only in need of minor amendments.

- 7.6 In June 2009 the Council approved that the Panel will not sit in 2009/10, but will sit during 2010/11 to make recommendations applicable from 1 April 2011. Ahead of then, the Panel and its terms of reference should be reviewed.
- 7.7 The current Warwick District Council scheme is attached as appendix A

SCHEME FOR MEMBERS' ALLOWANCES



JULY 2008
(Updated July 2009)

FOREWORD

Subject only to the requirements of commercial or personal confidences which must be maintained, Warwick District Council continues to strive to be open with the public about its activities and to encourage people to communicate their views. In keeping with its strive for increasing openness, the Council is happy to make details of its Members' Allowances Scheme available to the public. Copies of this document are available from the Head of Finance, P.O. Box 2180, Riverside House, Milverton Hill, Royal Leamington Spa, CV32 5QW. Telephone 01926 456812.

Details of amounts paid to individual members are also open to public inspection and are available on the Council's website.

The Council has considered the report of the Independent Remuneration Panel of March 2008 and has implemented the recommendations of the Panel.

It is anticipated that the overall cost of the members allowances scheme will be £274,000 per annum - an average of around £6,500 per year for each member. Although this is an average, some members are paid more because of their particular responsibilities.

Mike Snow,
Head of Finance.

SCHEME FOR MEMBERS' ALLOWANCES

Warwick District Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, has made the following scheme for Members' Allowances.

Definitions

1. In this scheme:-

- a) "Councillor" means a member of the Warwick District Council who is a Councillor;
- b) "Co-Optee" means a person who serves on the committees or sub-committees of an Authority but who is not a member of an Authority,
- c) "Year" means the twelve months ending with the Annual Meeting of the Council.

2. Basic Allowance

Subject to paragraph 5, for each year a basic allowance of £4631 shall be paid to each Councillor.

3. Special Responsibility Allowance

- a) For each year a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 to the scheme.
- b) Subject to paragraph 5, the amount of each such allowance shall be the amount specified against that special responsibility in that scheme.
- c) Only one special responsibility allowance will be payable, and this will normally be the largest for which the Councillor is eligible.

4. Renunciation

A Councillor may by notice in writing given to the Head of Finance elect to forego any part of his/her entitlement to an allowance under this scheme.

5. Part Year Entitlements

- a) This part of the scheme deals with entitlement to allowances where during any year:- the scheme is amended; a Councillor is elected to or leaves the Council; or a Councillor takes on or gives up a position for which a special responsibility allowance is payable.
- b) Any changes affecting special responsibilities will result in pro rata payments from the date of the change.
- c) Newly elected Councillors or Councillors leaving the Council during the year will be entitled to basic allowance pro rata to the full year allowance.
- d) Councillors entitled to special responsibility allowances for part only of any year will be paid a pro-rata amount.

6. **Payments**

Payments shall be made of basic and special responsibility in instalments of one-twelfth of the amount specified each month, subject to the amount due being adjusted in accordance with paragraph 5.

7. **Up-rating**

The allowances identified in paragraphs 2 and 3 above and 11 below shall be increased by the annual local government pay percentage increase as agreed each April (linked to spinal column point 49 of the NJC scheme) to be implemented the following May in that year from the date of the Council Annual Meeting.

8. **Travel and Subsistence Allowances**

- a) Councillors shall be entitled to claim allowances for the cost of certain travel and subsistence, as prescribed in Schedule 3 to this scheme.
- b) These allowances will be the same rates as applicable to employees, and in the case of the bicycle and motorcycle mileage will allowance to the rates prescribed by HMRC.

9. **I.T. Expenses**

All Councillors, upon production of receipts, can claim for reimbursement for broadband supplied to their homes, up to a maximum monthly sum currently paid for the Council-supplied broadband, or actual reimbursement if less.

10. **Vice Chairman's Expenses**

For those occasions where the Vice Chairman of the Council is required to attend official functions but does not have use of the civic car, it will be appropriate for the Vice Chairman to be reimbursed any car travel expenses incurred, in accordance with the rates set out in Schedule 3.

11. **Dependants' Carers' Allowance**

- a) A dependants' carers' allowance is payable to members who incur expenditure on the care of children or dependants on approved duties only.
- b) The event requires the member to provide care for a person who normally lives with the member as part of his/her family and who is:
 - i) a child under 14
 - ii) an elderly or disabled dependant requiring care.
- c) In the case of (i) Member must register that they have a dependent child living with them under the age of 14. A signed statement is to be produced which declares that childcare has been provided by a childminder or member of the immediate family not normally resident at the Member's home address.

- d) In the case of (ii) Members must make a written declaration to be lodged with the Standards Committee (and the Legal and Democratic Services Manager). A receipt for actual expenditure incurred has to be produced. As care for elderly and/or disabled dependants would be provided by professional carers they would be in a position to provide formal receipts in a way that many child carers would not.
- e) Payment will be made as follows:
 - i) the child care element should be paid at the 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.
 - ii) 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.

12. **Disabled Allowance**

Payment of an allowance to disabled members to assist them in carrying out their duties. This would be at the same level of support that would be offered to disabled officers. Decisions to provide support and at what level to be taken by the Head of Organisation and Performance Improvement and Head of Finance jointly.

13. **Suspension of Allowances**

If a member of the Council or a co-opted member of the Council is suspended from the Council after being found of a breach of the Code of Conduct their allowances be suspended for the duration of that suspension.

SCHEDULE 1

SPECIAL RESPONSIBILITY ALLOWANCES

The following are specified as the special responsibilities in respect of which special responsibility allowances of the amounts shown are payable:-

Leader of the Executive	£8371 per annum
Portfolio Holders on Executive	£3961 per annum
Non-Portfolio Holders on Executive	£3181 per annum
Chairs of Overview and Scrutiny Committees	£2511 per annum
Chair of Planning Committee	£3865 per annum
Chair of Licensing Committee	£1115 per annum
Independent Chair of Standards Committee	£1115 per annum
Chair of Regulatory Committee	£2622 per annum
Chair of both the Licensing & Regulatory Committee	£3181 per annum
Chair of the Warwick District Towns Conservation Area Advisory Forum	£1115 per annum
Chair of Employment Committee	£1115 per annum
Leader of an Opposition Group (minimum of 4 members)	£822.00 per annum Plus £103 per group member
Co-optee Allowance	£281 per annum
Appeals panels	£135 per day or £67.50 per half day

SCHEDULE 2

MEETINGS QUALIFYING FOR TRAVEL & SUBSISTENCE ALLOWANCE

Travelling and Subsistence allowances may be claimed as follows:-

- (i) Attendance at a meeting of the Council, the Executive, or any of its Committees or Sub-Committees, including training seminars arranged for members.
- (ii) All meetings held as pre agreed briefings as part of the Council's Committee timetable between any Committee, Policy or Scrutiny Chair, or Portfolio Holder and appropriate briefing officer of the Council.
- (iii) Attendance at any meeting which may be arranged to discuss matters affecting the work of the Council, provided such meeting is recognised in advance by the Head of Finance and Group Leaders.
- (iv) Attendance at Council, Committee and Sub-Committee meetings of the Association of District Councils and the Local Government Association.
- (v) Attendance at Council, Committee and Sub-Committee meetings of the West Midlands Provincial Council or carrying out Provincial Council duties.
- (vi) Attendance at meetings of a Working Party and Forum or Study Group formally appointed by the Council or one of its Committees.
- (vii) Attendance as an appointed representative of the Council at meetings with, or delegations to, local authorities or public bodies.
- (viii) Attendance as an appointed representative of the Council at meetings of a Study Group or Working Party appointed by another local authority or public body.
- (ix) Attendance as an official Council representative at meetings of bodies or organisations on the list retained by the Assistant Chief Executive (Members' Services).

SCHEDULE 3

MEMBERS TRAVELLING and SUBSISTENCE ALLOWANCES

GENERAL

All references in this schedule to travel and subsistence allowances are subject to the overriding requirement that they relate to a duty under Schedule 2.

A. TRAVEL

Within the District on approved duties:

Casual Car user Rate:

	451-999 c.c.	1000 – 1199 c.c.	1200 + c.c.
Per mile – first 8,500 miles	42.9p	47.7p	60.1p
Per mile – after 8,500 miles	11.7p	12.2p	14.2p

Following the recommendation made by the Executive on the 10th June 2009 'that the Inland Revenue rates on mileage will be applied to all Councillors from the 1st July 2009 whatever the type and engine size of vehicle'

The rates have been amended from 1st July 2009 and currently stand at 40p per mile.

Bicycle Allowance

20p per mile

Motorcycles

24p per mile

Out of District on approved duties:

The most cost-effective method of transport should be used. (This is usually public transport). Receipts must be supplied for all public transport journeys

Travel by car to be at the Casual Car User Rate shown above.

Travel by train to be at standard class.

Exceptional circumstances requiring first class travel require the prior approval of the Chief Executive

Other types of journeys requiring different modes of travel require the prior approval of the Chief Executive

Requirement for Business Use Insurance

Members are reminded that if you use your own vehicle on Council business, then you should ensure that the vehicle is insured for business use and for third party claims e. g. passengers. The mileage allowance includes an element to cover you for these costs.

B. SUBSISTENCE

Within the District on approved duties:

Except where food is provided at Council meeting the NJC rates of subsistence apply for approved duties

Breakfast	£6.61
Lunch	£9.10
Tea	£3.59
Dinner	£11.28

Out of District on approved duties:

Wherever possible meals and accommodation should be pre booked and pre paid in advance through the Council.

If this is not possible then they should conform to the above rates.

For meals that cannot be pre-booked and paid and are in excess of the current rates payable, then reasonable costs will be reimbursed on production of receipts up to a limit of £40 per day.

