

Standards Committee – 28th June 2007

Joint Report of the Director of Finance and the Director of Law and Property

Members' Allowances Scheme

Purpose of Report

1. To consider a report from the Members' Allowances Independent Panel.

Background

2. The last major review of Members' Allowances was undertaken by the Independent Panel in 2003. Some changes to the Scheme have been made subsequently (e.g. to reflect the responsibilities for liquor licensing). The current Members' Allowances Scheme was approved by the Council at its meeting on 24th July 2006.
3. When considering any amendments to the Scheme, the Council must have regard to the recommendations made by the Members' Allowances Independent Panel, which continue to be appointed jointly by Dudley MBC, Sandwell MBC and Wolverhampton City Council.
4. The Independent Panel has, therefore, recently been asked to consider whether any fundamental changes are required to the recommendations made in 2003. The Local Authorities Members' Allowances (England) Regulations 2003 state that when setting levels of Members' Allowances, local authorities can only rely on the recommendations of an Independent Panel for a period of four years (i.e. there needs to be a review by an Independent Panel every four years).
5. The report of the Independent Panel is attached at Appendix 1. Their recommendations are that:-
 - the levels of Basic and Special Responsibility Allowances paid by all three Local Authorities in the financial year 2007/08 should be increased by the same percentage increase as the agreed pay award for NJC Local Government Services effective from 1st April 2007;
 - the levels of Basic and Special Responsibility Allowances should be varied with effect from 1st April 2008 until 1st April 2010 in line with increases in the agreed pay award for NJC Local Government Services;
 - the three local authorities should monitor the duties, workloads and time commitments of Elected Members and if that shows significant changes, the Independent Panel should be asked to undertake a further review;

- where a Member holds more than one office qualifying for a Special Responsibility Allowance, that Member should be paid the higher allowance only;
- for all travel outside the County Area, Members should be encouraged to travel by public transport, the costs of which should be reimbursed or paid directly and where public transport is not available, the mileage rates applicable for officers travel should be used. Where Members are unable to take main meals in their normal place, the reasonable costs of purchasing a meal and beverage or appropriate refreshments should be reimbursed;
- membership of the LGPS be made available to all Elected Members and both Basic and Special Responsibility Allowances should be pensionable;
- where any Elected Member is required to pay a carer in order to attend official Council business, the reasonable actual costs of that care should be reimbursed up to a total annual maximum amount of 10% of the Basic Allowance;
- as a general rule, Co-opted Members should not be paid an allowance, but if authorities want to recognise the commitment of the “statutory co-optees”, to scrutiny committees dealing with education matters who serve on a voluntary basis, an allowance of up to £1,000 (to include travel and other expenses) be paid, depending on actual workloads and time commitments; and
- the Councils give consideration to including specific provisions in their Members’ Allowances Schemes covering the suspension and absence of Elected Members.

Finance

6. Provision has been made in the Revenue Budget for 2007/08 for the same percentage increase to the levels of Basic and Special Responsibility Allowances to Members as the agreed pay award for NJC Local Government Services.

Law

7. The Local Authorities (Members’ Allowances) (England) Regulations 2003 set out the arrangements for setting Members’ Allowances or amending an existing scheme. In making an amendment to the existing scheme, the Council must have regard to the recommendations of a local Independent Remuneration Panel and any amendments to the Scheme must be publicised in accordance with Regulation 16.

Equality Impact

8. This report complies fully with the Council’s policies on equality and diversity and there are no implications for services to children and young people.

Recommendation

9. It is recommended that the Standards Committee consider the recommendations of the Independent Panel and submit a recommendation to the Cabinet and Council.



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List of Background Papers - None