

STANDARDS COMMITTEE - 4th APRIL 2005

MEMBERS' ALLOWANCES FOR LIQUOR LICENSING RESPONSIBILITIES

JOINT REPORT OF THE DIRECTOR OF FINANCE AND THE DIRECTOR OF LAW AND PROPERTY

1. PURPOSE

- 1.1. To consider a report from the Members' Allowances Independent Panel regarding allowances for liquor licensing responsibilities.
- 1.2. To consider an alternative mechanism for annual variations for the Members' Allowances Scheme.

2. BACKGROUND

- 2.1. The current Members' Allowances Scheme was approved by the Council on the 17th November 2003 and was based on recommendations made by the Members' Allowances Independent Panel covering the four Black Country boroughs.
- 2.2. The Licensing Act 2003 has introduced new licensing responsibilities for local authorities and the Independent Panel was asked by Dudley, Sandwell and Wolverhampton Councils to reconvene to consider whether these new responsibilities and workloads warranted any amendment to the Members' Allowances Scheme.
- 2.3. The report of the Independent Panel is attached at Appendix 1, and its recommendations for the payment of a Special Responsibility Allowance to each member of and chairman of the Licensing Sub-Committees are set out in Section 5 of the report. In summary, the Independent Panel is proposing a Special Responsibility Allowance of £2,000 for each member of the Licensing Sub-Committees. In addition the five chairmen of each of the sub-committees would receive up to £3,000 in view of their additional responsibilities.
- 2.4. The total cost of the recommendations would be up to £45,000, which would be a charge against the fee income generated by applications under the new arrangements.
- 2.5. In accordance with previous practice the Standards Committee is being asked to consider these proposals and submit a recommendation to the Cabinet and Council.
- 2.6. If the Members' Allowances Scheme is to be amended, the amended scheme must be publicised in one or more local newspapers.

2.7. Increase in Members' Allowances Scheme

- 2.7.1 The Members' Allowances Scheme states that "the allowances in this Scheme shall be varied with effect from 1st April each year in line with changes in the average non-manual male wage for "All Industries and Services" for the West Midlands County area, as published in the New Earnings Survey".
- 2.7.2 The last New Earnings Survey was produced by the Office for National Statistics in 2003. This survey has been superseded by the "Annual Survey of Hours and Earnings" which was first produced in 2004.
- 2.7.3 The Annual Survey of Hours and Earnings for 2004 states that the annual percentage change for full-time employees for the West Midlands County was 1.3%.
- 2.7.4 It is recommended that Members' Allowances increase by 1.3% with effect from 1st April 2005.

3. PROPOSAL

- 3.1. It is proposed that the Standards Committee consider the recommendations of the Members' Allowances Independent Panel and the proposal to increase Members' Allowances by 1.3% with effect from the 1st April 2005 in accordance with the Annual Survey of Hours and Earnings, and submit its views to the Cabinet and Council.

4. FINANCE

- 4.1. The financial implications of the recommendations regarding licensing are set out in Section 6 of the report of the Independent Panel.
- 4.2. The annual increase of 1.3% for Members' Allowances will be met from the existing budget.

5. LAW

- 5.1. 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 an 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.

6. EQUAL OPPORTUNITIES

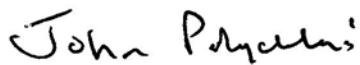
- 6.1. This report complies fully with the Council's policies with regard to equality and diversity.

7. RECOMMENDATION

- 7.1. It is recommended that the Standards Committee consider the recommendations of the Members' Allowances Independent Panel and the proposal to increase Members' Allowances by 1.3% with effect from the 1st April 2005 in accordance with the Annual Survey of Hours and Earnings, and submit its views to the Cabinet and Council.



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BACKGROUND PAPERS

1. None