

**Council
20 March 2018**

**Review of the Warwickshire County Council
Members' Allowances Scheme**

Report of the Independent Panel

Recommendation

That the County Council considers the report and recommendations of the Independent Panel and decides what changes should be made to the Members' Allowances Scheme.

1.0 Introduction

The Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003, require local authorities to review their allowances schemes and to appoint independent remuneration panels to consider and make recommendations on changes to member allowances schemes. The Government's "Guidance on Consolidated Regulations on Local Authority Allowances" outlines the main statutory provisions and gives non-statutory guidance. A summary is given below.

- Basic Allowance: each local authority *must* make provision for a basic flat rate, allowance payable to all members. The allowance must be the same for each councillor and can be paid as a lump sum or in instalments.
- Special Responsibility Allowances (SRAs) – each authority *may* make provision for the payment of special responsibility allowances for those councillors who have significant responsibilities and levels of allowances.
- Co-optees' allowance – each authority *may* make provision for the payment of an allowance to co-optees for attending meetings, conferences and seminars.
- Dependants' carers' allowances – local authorities *may* make provision for the payment of an allowance to those councillors who incur expenditure for the care of children or dependants whilst undertaking approved duties.

- Travel and subsistence –each authority *may* determine the levels of travel and subsistence allowances and the duties to which they should apply.
- Indexation – each authority *may* determine that allowances should be increased in accordance with a specified index and can identify the index and set the number of years to which it should apply (but not for more than 4 years). (*WCC has linked allowances to the % annual increase in officer salaries*).
- Backdating – each authority *may* determine that, where amendments are made to an allowances scheme, the allowances as amended may be backdated.

2.0 Remit of the Review

2.1 The Council on 23 May 2017 agreed to the establishment of an Independent Panel to review the Council's current Member Allowances Scheme, in the light of the new Council and in accordance with legislation that requires regular review of schemes.

2.2 The last major review of the Scheme took place in 2013 and the Panel were advised of the following changes that have taken place since 2013 as context for their review:

- The level of the Basic Allowance and Special Responsibility Allowances have not changed substantially for a number of years.
- The indexing approach (annual increase) cannot continue beyond May 2017 without this review.
- The allowance for overnight accommodation was increased in 2013 but it is not always possible to find accommodation in London or other cities within the thresholds.
- A reduction in the number of councillors from 62 to 57 (with possible impact on individual member workload).
- The change from no one political group having control of the Council to one group control in May 2017 (which may impact on the allocation of special responsibility allowances, in particular the Group 'pot' allocations).
- Organisational change. The Council's extensive transformation plan aims to provide (or commission) quality services whilst meeting ambitious savings targets. This includes the integration of service provision, use of digital solutions and targeting resources on those with most need.
- The Council's ambition to improve air quality and health and wellbeing through encouraging walking, cycling and uptake of electric vehicle usage which could be reflected in the rates paid for vehicle/cycle travel.

3.0 Panel Findings

The report of the Panel is attached at Appendix 1 and includes a proposed revised scheme should the Council approve the recommendations. The current scheme is attached at Appendix 2.

The Council has a duty to consider the report of the Panel before any changes can be made to the Members' Allowances Scheme, but the Council is not bound to adopt the recommendations of the Panel.

Background Papers

Reports/background information supplied to the Panel

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Warwickshire County Council Review of Members' Allowances Scheme

Report of the Independent Remuneration Panel

The enclosed report sets out our findings following a review of Warwickshire County Council's Members' Allowances Scheme. The Panel's recommendations are set out below for ease of reference and cross referenced to paragraphs within the report. A proposed amended scheme is appended to take effect from the Annual Council meeting on 15 May 2018.

Recommendations

These recommendations seek to ensure that the scheme is fair, transparent and provides a clarity and consistency in terms of the positions eligible to receive funding. The proposed changes also seek to ensure expenditure is within the existing budget.

Basic Allowance (section 3 refers)

- (1) That the Basic Allowance be increased by 1% for 2017/18, backdated to 23 May 2017 (the date of Annual Council when the appointments that attract SRAs were made).
- (2) That from 15 May 2018 (Annual Council) and annually thereafter, the Basic Allowance and the Special Responsibility Allowances increase in line with the basic annual NJC pay award increase (excluding the National Living Wage).

Special Responsibility Allowances (SRAs) (section 4 refers)

- (3) That from 15 May 2018, Vice Chairs of Overview and Scrutiny Committees no longer attract a Special Responsibility Allowance. (*Paragraph 4.3.4 refers*)
- (4) That from 15 May 2018, Vice-Chair of Regulatory Committee should no longer attract a Special Responsibility Allowance. (*Paragraph 4.3.5 refers*).
- (5) That the current provision and operation of spokespersons 'pots' for allocation by the Groups be removed from 15 May 2018. (*Paragraph 4.5.1 refers*).
- (6) That, from 15 May 2018, Overview and Scrutiny Committee Spokespersons be designated as attracting a Special Responsibility Allowance at £2,000 per annum but this will only be paid for one spokesperson per Group. (The Chair will be treated as his/her Group Spokesperson for this purpose and will not get an additional allowance as spokesperson). (*Paragraph 4.5.2 refers*).

- (7) That, from 15 May 2018, Special Responsibility Allowance be claimable for a maximum of 4 Cabinet Spokespersons at £2,000 each, for specific defined areas related to the Council's corporate priorities. *(Paragraph 4.5.8 refers)*.
- (8) That Councillors on the Adoption and Fostering Panels be assigned an SRA of £1,000 per member per annum. *(Paragraph 5.2 refers)*.
- (9) That , the Chair of the Warwickshire Police and Crime Panel be assigned an SRA of £3,000 on occasions when the Chair is a nominated County Council representative on the Panel *(Paragraph 5.6 refers)*.
- (10) That, subject to the changes proposed above, the Special Responsibility Allowances remain unchanged but be increased by 1% for 2017/18, backdated to 23 May 2017 (the date of Annual Council when the appointments that attract SRAs were made).
- (11) That from 15 May 2018 (Annual Council) and annually thereafter, the Special Responsibility Allowances increase in line with the basic annual NJC pay award increase (excluding the National Living Wage).

Other issues

- (12) That the fee for individual member registration with the Information Commissioner Office be reimbursed to members as this is an unavoidable expense in undertaking their role. *(Paragraph 3.4 refers)*.
- (13) That reference to members' pensions (paragraph 13 of the Allowance Scheme) be deleted as councillors are no longer able to join the Local Government Pension Scheme.*(Paragraph 11 refers)*
- (14) That the reference to purchase of rail tickets through Democratic Services be removed from the Allowances Scheme. *(Paragraph 11 refers)*

Jacqui McKinlay (Panel Chair)
Russell Downing
Nerys Williams

March 2018

1.0 Terms of reference of the review

The Panel were invited to undertake a review of Warwickshire County Council's Members' Allowances Scheme in accordance with the Local Government (Members Allowances) (England) Regulations 2003. The Panel was invited to look at all aspects of the Scheme.

2.0 Information provided to the Panel

2.1 The Panel met twice (24 November and 21 December) and also liaised outside of the meetings. The Panel was provided with the following information:

- The current political make-up and organisation of the Council.
- A brief history of each of the reviews undertaken by Independent Panels since 2007 so that the Panel could understand the basis for the current Member Allowances Scheme.
- Benchmarking data. This included the current rates of allowances, by category, for neighbouring counties and the cost to each authority for 2016/17 (as published on the local authority websites).
- The member role profiles, as set out in the Council's Constitution, that set out the roles and responsibilities for every member and also for specific roles (e.g. Leader, Cabinet member, Chair etc.).

2.2 The Panel requested further information on a number of aspects of the scheme, the key ones being:

- Comparative data on travel, subsistence and accommodation (with other authorities and for WCC staff)
- The role and responsibilities of members of the Council's Adoption Panel and Fostering Panel.
- Dependant Carers' rates.
- An outline of the role of Group Spokespersons.
- What relationship there is, if any, between the levels of allowances (e.g. is one SRA a percentage of another).
- The total number of SRAs as a percentage of the council membership, compared to neighbouring counties.
- Background on the Council – staff levels, budget, demography, and profile of councillors as background to discussion about what are the barriers/incentives to being a councillor and whether there is anything that could be included in the Member Allowances Scheme to assist.

2.3 The Panel issued a questionnaire to members to obtain their views on the scheme and also provided the opportunity for any member to meet the Panel. 20 members responded to the questionnaire and the Panel met three Group

Leaders and one Deputy Group Leader on 21 December as part of its second day of evidence gathering.

- 2.4 The Panel were mindful of the current overall cost of the Allowances Scheme. A comparison with other authorities shows that Warwickshire is paying less on member allowances than most of its neighbours. This is despite the Council having a comparatively high number of members receiving Special Responsibility Allowances. (66% receive an SRA compared to around 50% in the last survey undertaken by the LGA). The cost is lower because the level of some of the individual SRAs are set at a lower rate than in other authorities. (The tables at 4.2.1 and 4.3.1 give comparisons with neighbouring authorities).

Comparison of Overall Spending on Member allowances 2016/17 (Number of councillors on each council shown)				
	Basic £	SRA £	Travel/Subs £	Total £
Gloucestershire 53	521,476	267,000	29,964	818,442
Leicestershire 55	558,360	319,971	21,205	900,390
Oxfordshire 63	617,120	247,249	34,410	898,779
Staffordshire 62	561,486	319,035	46,846	927,368
Worcestershire 57	511,015	319,350	21,522	854,891
Warwickshire 62	574,306	216,667	43,489	834,462

- 2.5 The recommendations in this report include the removal of some categories of SRAs and replacement with others. This approach allows the overall budget for members allowances to remain within the existing envelope. The proposed changes are also suggested to assist in ensuring the Scheme is clear, consistent, fair and transparent.

The total cost of implementing the recommendations, taking into account:

- the Council is now 57 (not 62) members
- assuming travel and subsistence cost will be not increase overall from the 2016/17 figure based on 62 members
- that there is a 1% increase for 2017/18 and 2% for 2018/19
- that a maximum of 57 members claim their ICO registration fee

is estimated to be £800,575 for 2018/19. This is within the anticipated budget spend of circa £800k-£850k and would be lower than the amount paid in 2016/17.

- 2.6 The following paragraphs summarise the Panel's findings on each aspect of the Scheme and the reasons for their recommendations.

3.0 Basic Allowance

- 3.1 The current level of basic allowance in the Warwickshire scheme is 3.4% below the average of neighbouring authorities:

	£
Gloucestershire	10,000
Leicestershire	10,152
Northamptonshire	9,054
Oxfordshire	10,100
Staffordshire	9,221
Worcestershire	8,515
Warwickshire	9,263

- 3.2 The majority of respondents to the survey considered the rate of allowance to be about right. There were some concern expressed (in the survey and in the interviews) that it would help attract younger members if the allowance was higher but also recognition that the increase would have to be considerable to compensate for loss of earnings. This would also run counter to the purpose of the basic allowance being to 'provide a contribution for the time spent by elected members in performing their duties and to cover any other incidental costs', not recompense for work undertaken.

The members who were interviewed were of the view that the biggest deterrent from standing for office was likely to be the time commitment, including having to attend daytime meetings.

- 3.3 The Panel concluded that the rate be uplifted by 1% for 2017/18 (to £9,356) and that the Council should continue the practise of increasing the allowance annually in line with the basic annual NJC pay award increase (excluding the National Living Wage). This would mean 2% increase for 2018/19). This would bring the rate to £9,543 in 2018 if the 1% was also applied to 2017/18.
- 3.4 The questionnaire asked members whether there were expenses they considered they should be able to claim for under the Scheme. Three highlighted the cost of registration with the Information Commissioner (currently £35 per year). This was also referred to at the interviews and raised informally with the Democratic Services Manager. This is an unavoidable cost and the panel considered this should be reimbursed to members.
- 3.5 The other issue raised by three members was the cost of printing papers at home, and the cost of internet/broadband. The Panel noted that these aspects had been reviewed by the previous panel in 2013 when it had been concluded that it was appropriate to cease payment for broadband connection and rentals as most people have their own broadband package (and it was complicated for the Council to be supporting different arrangements across

the Council). In addition the maintenance of printers had become an issue, along with the cost of ink. Members of particular bodies are provided with paper copies of papers and there is now provision for members to print at any of the office bases in Warwickshire, sending items to print from their computer and collecting it using their access cards. The Panel concluded that to reintroduce provision of printers and ink would be a backward step in the move to increased digital use.

4.0 Special Responsibility Allowances (SRAs) - Review of Existing

4.1 General

- 4.1.1 The Panel's starting point was that SRAs should apply to roles identified by the Council and be set at a level that reflects the level of responsibility and skills required for that position.
- 4.1.2 The Panel looked at the SRAs and compared them to those of neighbouring authorities. As found in previous reviews, the levels for Leader of the Council and Cabinet members are lower than those of neighbours and there is a danger of the gap widening. It was noted that previous panels had commented on the total number of SRAs as a percentage of the total number of councillors. In 2009/10 there had been 50 out of 62 (80%) receiving an SRA, this dropped to 37 out of 62 (60%) in 2013/14 and stands at 38 out of 57 (66%) for 2017. The Panel looked at the levels in surrounding counties and found that the levels ranged from 34% (Gloucestershire) to 62% (Oxfordshire).
- 4.1.3 The Panel concluded that, whilst the number of SRAs were relatively high, their key concern was to ensure clarity, transparency and consistency as well as each of the SRAs being set at a level that reflected the level of responsibility and workload. The Panel applied this approach in assessing each SRA as set out below.

4.2 Leader and Cabinet Members

- 4.2.1 As with previous reviews, the SRAs paid to the Leader, Deputy Leader and Cabinet members are behind those of neighbouring authorities as demonstrated below (rates are those for 2016/17):

<u>Authority</u>	<u>Leader</u> <u>£</u>	<u>Deputy</u> <u>£</u>	<u>Cabinet</u> <u>Member</u> £	Total no in Cabinet
Gloucestershire	27,300	23,659	18,200	9
Leicestershire	36,228	21,744	19,344	8
Northamptonshire	32,192	21,126	19,114	7
Oxfordshire	29,000	20,000	16,000	9
Staffordshire	35,770	26,828	17,885	7 plus 3 support
Worcestershire	31,074	16,499	16,499	10
Warwickshire	23,200	13,920	10,345	8
Average	31,927	21,643	17,840	

- 4.2.2 18 members responded to the question regarding the SRA for the Leader. The results were 9 (50%) thought the level was too low, 3 (17%) too high and 6 (33%) about right. A similar response was given for the SRA for the Deputy Leader.
- 4.2.3 17 responded to the question about the level of SRA for Cabinet members, of whom 15 (87%) thought the level was about right. It was suggested to the Panel that there be different levels of SRAs for different portfolios. There were, however, different views on which portfolio holder should attract a higher SRA. For example the portfolio holders concerned with Children's safeguarding or Adult Social Care were viewed as having a high level of responsibility compared to the portfolio holder concerned with environment issues, but equally the portfolio holder for Transport and Environment was viewed as having a high workload compared to others. (There is a high level of individual decision making in this portfolio).
- 4.2.4 The Panel concluded that the workload argument was largely answered by the choice to have a total of 8 in the Cabinet and to have 4 support members receiving an SRA from the Group 'pot'. The Panel also noted that having differential amounts attached to Cabinet Portfolio Holders would mean a further review should the responsibilities of individual portfolio holders be changed during an Administration and this was felt to be unworkable in practice.
- 4.2.5 The Panel did not think it appropriate to recommend an increase that would increase the Leader and other Cabinet members to a level in line with neighbouring authorities, given that the Council has a high level of SRAs compared to many authorities.
- 4.2.6 The Panel concluded that the Leader and Cabinet SRAs should be increased by 1% backdated to May 2017 (in line with staff increases) and a further

increase in line with staff increases for 2018/19 (2%) from May 2018 which would bring the Leader level to £23,901, Deputy Leader to £14,340 and Cabinet members to £10,657. (The total annual cost of this change would be £102,183 an overall increase of £2,993 per annum).

4.3 Chair and Vice Chairs

4.3.1 The following comparative data was noted by the Panel:

<u>Authority</u>	Chair O&S £	Vice Chair OSC £	Chair Planning £	Vice Chair Planning £
Gloucestershire	2800	N/A	5460	N/A
Leicestershire	4500	N/A	3984	N/A
Northamptonshire	11066	2012	11066	2012
Oxfordshire	6000	N/A	6000	N/A
Staffordshire	6804	2382	6804	2382
Worcestershire	9734	N/A	9734	N/A
Warwickshire	5559	2064	5559	2780
Average	6817	2197	7175	2197

4.3.2 19 responded to the question in the questionnaire regarding the level of SRA for Chair and Vice Chair positions with all 19 of a view that the levels of SRA were about right. Three of these also commented that increases should be in line with other increases –i.e. an annual percentage increase and one who considered all should decrease slightly.

4.3.3 Three commented that they did not consider the vice chairs of overview and scrutiny committees should receive an SRA at all, unless a Chair was absent for an extended period (i.e. for a number of meetings). This point of view was also expressed during the interviews. Only two authorities within the neighbouring authority group pay an SRA to their vice-chairs of overview and scrutiny and of planning committees (see table above).

4.3.4 The Panel noted that the vice-chairs of Warwickshire’s overview and scrutiny committees do attend the chair and group spokespersons meetings but concluded that they did not have a significant level of responsibility that warranted an SRA and are therefore recommending the SRA attached to the role cease from May 2018.

4.3.5 The Panel also looked at the role of the vice-chair of Regulatory Committee. The Panel appreciated that the vice-chair role has traditionally been 'a chair in waiting' and that there is an expectation that they will be properly trained for the chair role. The Panel concluded, however, that the level of responsibility in being a vice chair of the Regulatory Committee is not significant and that the need for training applied to all members of the Committee, given its regulatory role. The Panel are, therefore, also recommending that the SRA for the vice chair of the Regulatory Committee cease from May 2018.

4.4 Opposition Group Leader and Deputy Leader

4.4.1 The current scheme allows an SRA of £8,051 for leaders of opposition groups with at least 10% of the Council membership (£4,817 for deputies) whilst those groups with less than 10% of the membership get £516 for the leader of their group(s).

4.4.2 Again, the levels for opposition group leaders and deputy leaders are generally lower than those of neighbouring authorities but the size of groups vary and therefore comparisons are not particularly helpful. The Panel did note, however, that Worcestershire has a similar political group composition to Warwickshire with the largest opposition group being Labour with 10 members. The Labour Group leader received £9,734 in 2016.

4.4.3 12 responded to the question on this in the member questionnaire and all 12 said that the level was about right but two commented that there should be a clear relationship between the size of the group and the level of the SRA.

4.4.4 The Panel did not see a need for a fundamental change to these SRAs, other than the proposed percentage increases.

4.5 Group Spokespersons

4.5.1 The Panel considered the provision in the scheme for the Conservative, Labour and Liberal Democrat Groups to allocate SRAs to members of their group from a pot based on the size of the group (£14,000 for the Conservative Group and £1,000 per member for the Labour and Liberal Democrat Groups). The groups have used these 'pots' to provide SRAs to their spokespersons on overview and scrutiny committees and also for additional roles identified by the group leaders. The application of these pots has led to there being a high total level of SRAs (although this has fluctuated as not all of the funds have been allocated). The Panel again applied the test of clarity, transparency and consistency in considering these SRAs and considered that these pots should be removed and replaced by allocating SRAs to specific roles. The following paragraphs suggest an approach to this taking into account the way the Council operates.

The questionnaire distinguished between the overview and scrutiny committee spokespersons and those identified by individual group leaders.

Overview and Scrutiny Committee spokespersons

- 4.5.2 The Panel acknowledged that the overview and scrutiny committee spokespersons do have a role, identified in the Council's constitution and suggested that there be a role description for this role, as there is for other roles. The following was provided:
- 4.5.3 The key role of the spokespersons is to work together with the chair and vice chair of the committee and to produce an effective work programme for the committee.
- 4.5.4 This includes attendance at informal briefing meetings (every two months) between chair, vice chair, group spokespersons and cabinet portfolio holders. These meetings consider:
- Key service updates from senior officers and cabinet portfolio holders to ensure spokespersons are kept informed of progress on key issues and to assist in identifying items for the committees to include in their work programmes.
 - Issues raised at formal meetings of the committees that may be appropriate for a formal scrutiny review or member briefing.
 - Issues identified by the spokespersons or that have been raised by members of their groups.
- 4.5.5 The spokesperson's individual role is:
- To engage with their groups — ensuring key issues/information is disseminated to members of their group as well as identifying issues to bring forward for scrutiny. (This will include information from the chair and spokespersons meetings referred to above).
 - To keep up to date on issues within the remit of their committee.
 - To receive reports for cabinet/O&S at the draft stage (sent to spokespersons through our on-line committee management system)
 - To engage in an effective dialogue with cabinet portfolio holders and senior officers on issues within their remit.
- 4.5.6 15 members responded to the question regarding whether there should be SRAs for overview and scrutiny committee spokespersons and 13 (87%) agreed that there should be SRAs.
- 4.5.7 The Panel consider that SRAs for spokespersons should only be allocated from groups which do not hold the chair of the committee (as the chair is, effectively, the spokesperson for his/her group).

The Panel consider that £2,000 would be an appropriate level for overview and scrutiny committee spokespersons.

Spokespersons allocated for roles identified by Group Leaders

- 4.5.8 15 responded to this in the questionnaire and 10 (67%) agreed that there should be provision for spokespersons and 5 (33%) disagreed. Members suggested that it should be for the Council to identify these roles and/or that they be focussed on the corporate priorities.

The Panel concluded that there should be provision for there to be up to four cabinet spokespersons roles at £2,000 each but that these should have clearly defined remits linked to the Council's corporate priorities. It should also be clear that these roles do not have decision making powers and do not act on behalf of the cabinet portfolio holder.

5.0 Other roles that should attract SRAs

- 5.1 The questionnaire asked whether there were other roles that members considered were of such significance that they should attract an SRA. 16 out of 20 responded to the question and 12 (75%) consider there should be payment for other roles. The responses were that SRAs should be available for members on fostering and adoption panels, and membership of any group, panel or board where there is an unusually large time commitment and responsibility.

The following paragraphs set out the Panel's findings in relation to roles suggested for SRAs.

5.2 Adoption Panel and Fostering Panel

Only Gloucestershire and Northamptonshire in the neighbouring authority group pay SRAs for membership of adoption and/or fostering panels but there are examples of payment by other authorities (per member per year):

	£
Gloucestershire	5,460 (Fostering Panel only)
Northamptonshire	4,024
Coventry City Council	2,684
Derbyshire	1,800
West Sussex	3,129
Manchester City	5,400 (Adoption Panel) ,6,706 (Fostering Panel)

- 5.3 Warwickshire's Adoption Panel meets monthly and also has at least one annual training event. Panel meetings last almost a day and there is substantial reading preparation. New arrangements are being made following Warwickshire joining the Adoption Central England regional body and our councillor representative will be part of a wider pool of panel members (so may not need to attend as many meetings). Independent (i.e. non-councillor) representatives are paid £50 per meeting.

Warwickshire's Fostering Panel meets at least 24 times a year and this may increase to 30 in 2018 and there are two training days. The meetings last a day and there is substantial reading preparation. The independent members are paid £100 per meeting. Members are not necessarily required to attend every meeting.

- 5.4 The Regulations prevent local authorities paying an attendance per meeting rate to councillors, but an SRA can be paid.
- 5.5 The Panel considered the level of responsibility of members on the adoption and fostering panels and noted that the members do not chair the meetings and could be viewed as purely contributors to the decision making process, rather than making decisions themselves. The Panel concluded, however, that there is considerable work and time commitment (reflected in the fact that independent panel members are paid) and concluded that in recognition of this an SRA of £1,000 be paid.

5.6 Chair of Warwickshire Police and Crime Panel

The Police and Crime Panel is a joint committee of authorities within Warwickshire. It is established in accordance with section 28 Police Reform and Social Responsibility Act 2011. The Panel's key function is to 'support the effective exercise of the functions of the Police and Crime Commissioner.' The Panel has a number of statutory duties (including the power to veto the PCC budget, to review the PCC's Plan and confirm appointments). The Panel is effectively a scrutiny committee that ensures the PCC is held to account. The response to the member survey includes a suggestion that the Police and Crime Panel members receive an SRA.

- 5.7 The Panel received subsequent information regarding this role after they had reviewed the survey results and undertaken the interviews. The Panel has noted that the chair of the Warwickshire Police and Crime Panel has a number of responsibilities (set out in a job description for the role) and activities that are undertaken between formal Panel meetings, including attendance at sub-groups, acting as the Panel's spokesperson, representing the panel at a national level and the chair is consulted on complaints against the Police and Crime Commissioner. In order to undertake the role effectively, the chair has a number of meetings with officers supporting the panel and with officers of the Office of the Police and Crime Commissioner.
- 5.8 The Police and Crime Panel administration costs are met by a Home Office grant but authorities are not allowed to use this grant to pay member allowances and the Home Office expect authorities in membership to come to their own arrangement. Warwickshire Police and Crime Panel has agreed that each authority pay any allowance to their member in accordance with their authority's member's allowance

scheme. This means that Warwickshire County Council could chose to create an SRA for the Chair on occasions when the chair is a nominated County Council representative on the Panel. (It would not be available to other district or borough nominated representatives or independent members who take on the role. The Regulations only allow a council to pay an allowance to their own members or to co-optees).

- 5.9 A recent survey of Police and Crime Panels indicates that there are now a number of Panels where the Chair role attracts an SRA. The amounts paid vary but examples are given below.

Police and Crime Panel Chairs	£
Gloucestershire	5,808
Staffordshire	2,723
North Yorkshire	4,800
Mid Bedfordshire	5,100
Kirklees	6,138
Average	£4,913

- 5.10 The Panel concluded that, based on the evidence received, the role should attract an SRA. In considering the appropriate rate, the panel looked at neighbouring PCP Chair rates and the role compared to that of an overview and scrutiny chair. Taking account of the evidence, it is suggested that the level is set at £3,000 which is similar to a neighbouring PCP Chair. This may be subject to review if further information is forthcoming.

6.0 Impact of proposed changes to Special Responsibility Allowances

The current number of SRAs in the Warwickshire Allowances Scheme being claimed is 44 - 30 specific SRAs and 14 allocated by the Group Leaders from their allocated 'pots'. (The figure, and cost, would be higher if all of the 'pot' funds had been used).

The recommendations of this Panel would result in there being 38 SRAs. This is only a reduction in 6 SRAs, but we believe the proposed changes ensure all SRAs are clear with increased transparency whilst reflecting the Council's way of operating, particularly in having roles for Overview and Scrutiny Group Spokespersons and for Cabinet Spokespersons. In addition, the changes can be met within the current budget as explained at paragraph 2.4 above.

7.0 Dependant Carer's Allowance

The Panel reviewed the rates available for dependant care and concluded that they remained of a level comparable to neighbours. The information from the Childcare Costs Survey 2017 produced by the Daycare Trust and Family

Parenting Institute indicated that the maximum of £5.50 per hour child care was in line with the survey and the maximum of £18 per hour for dependants was in line or higher than the direct payments paid across the County. The Panel concluded that the scheme remained unchanged but include provision for the Democratic Services Manager to agree a higher rate for both categories of care in exceptional cases. (This would follow the approach applied to payment of hotel accommodation).

8.0 Travel

8.1 Vehicles (cars/vans)

The Panel noted that the current allowance is 40p per mile for vehicles (plus an additional 10p per mile for a passenger). This is lower than the 45p paid by most neighbouring counties, but it is in line with that paid to the County Council's staff. The Panel also noted that Worcestershire had introduced rates linked to vehicle excise duty bands (emissions in grams per kilometre g/km) ranging from 45p down to 36p according to emission ratings). This approach was not suggested by any member in responding to the survey and it would also be complicated to administer.

The member survey attracted 16 responses. 10 (63%) said the rates were about right, 5 that they are too low and 1 that it is too high (and that is be 28p per mile).

Comments were made that the level should be 45p or aligned with HRMC and that the rate should be the same for members and staff.

8.2 Motorcycle and cycle travel

The Panel noted that the current allowance for motor cycle and bicycle travel is 20p per mile.

16 members responded to the question in the survey with 12 (75%) agreeing that the level was about right and 4 (25%) that it is too low. The comments included that the rate should be at 30p to encourage more cycling, or 28p, or be the same as for car travel (given wear and tear on a cycle is quite high per mile).

The Panel concluded that the level should not be above that paid to staff and therefore do not recommend any change to the present rates.

9.0 Subsistence – Meal Allowances

The Panel considered comparative data and the feedback from the member survey, summarised below, but concluded that there was no evidence to warrant an increase in the rates, particularly as they are closely aligned to those for staff.

9.1 Lunch

Warwickshire currently reimburses up to £6.50 for lunch to Councillors on approved duties when they are absent from their residence for more than 4 hours including the period between 12 noon and 2 pm. The Panel noted that the allowance is the lowest amongst neighbouring authorities (which range from £7 to £8.80). The rate for staff is £6.17.

15 responded to the question in the survey regarding the lunch allowance.

9 (60%) considered it about right, 3(20%) that it is too high and 3 (20%) that it is too low. The comments included a suggestion that it be increased to £10, that there should not be any allowance, or that it be set at around £3.50 as it is possible to purchase a lunch at this level.

9.2 Dinner

Warwickshire currently reimburses up to £8.00 for tea/dinner to councillors on approved duties when they are absent from their residence for more than 4 hours, ending after 7 pm. The Panel noted that the allowance is lower than that of neighbours (which vary from £8.80 to £19.50). The rate for staff is £7.64.

15 responded to the survey, with 7(47%) considering that the rate is about right, 6 (40%) that it is too low (with 3 suggesting a rate of £10 and one a rate of £15). Two (13%) said that it was too high and that £5 should be adequate.

The Panel has concluded that there be no changes to the current subsistence rates.

10. **Overnight accommodation**

The Warwickshire current rates for overnight accommodation are £80 or £100 for London. Neighbouring authorities vary, Staffordshire has similar rates (£80 and £92), Leicestershire has higher rates (£110 and £170) but the three others in the comparisons do not specify a rate but approval is sought through the Democratic Services Manager.

16 responded to the question regarding overnight accommodation with 9 (56%) replying that the levels were about right, 2 that it was too high and 5 that it was too low.

The Panel noted research conducted by PWC in 2016 that indicated that the hotel costs averaged £145 per night in London and £69 in other areas of the UK. The Panel noted that, in common with other authorities, it is possible to exceed the rates provided it has been approved by the Democratic Services Manager. The Panel concluded that the rates remain as at present.

11. Technical Changes to the Current Scheme

The current scheme refers at paragraph 13 to Members' Pensions. Members are no longer able to be members of the Local Government Pension Scheme and therefore this paragraph should be deleted.

The current scheme states that members who do not use a senior rail card should 'purchase rail tickets through democratic services as it is often possible to obtain a more favourable rate and avoids members having to claim and await reimbursement'. The ability to obtain lower rate rail tickets has not been borne out in practice, particularly if notice is short, and it also involves additional administration. There is also the issue of transparency as it is likely that these costs would not appear in the end of year summary of member expenses that appear on the website (or at least would not appear without additional processes to ensure they are reflected in the summary). For this reason the Panel recommend that this paragraph be removed from the Scheme and members continue what has become their usual practice of making their own travel arrangements and seeking reimbursement.

12. Revised Scheme

The attached appendix sets out the text for a revised scheme, should the Council approve the recommendations in this report.

Jacqui McKinlay (Panel Chair)
Russell Downing
Nerys Williams

March 2018

Part 5

Members' Allowances Scheme

Effective from the 15th May 2018

Any enquiries about the operation of this scheme should be addressed to
The Head of Law and Governance, Shire Hall, Warwick CV34 4RL

Any enquiries about the duties of councillors should be addressed to
The Joint Managing Director (Resources) Shire Hall, Warwick CV34 4RL

Warwickshire County Council Members' Allowances Scheme

1. This scheme is made under the Local Authorities (Members' Allowances) (England) Regulations 2003 as amended.
2. Each elected member of the county council is entitled to receive a basic allowance of £9,542

As a matter of principle the basic allowance recognises that there is a voluntary element to the work undertaken by elected members and therefore does not set out to fully recompense all work undertaken.
3. The basic allowance is a contribution to the time spent by elected members in performing their duties and to cover any other incidental costs.
4. Elected members who hold one of the appointments listed in the following table are entitled to receive a **special responsibility allowance** at the rate shown per annum. Members holding more than one post attracting a special responsibility allowance may only claim one special responsibility allowance. (The Joint Managing Director (Resources) will apply the higher special responsibility allowance, unless advised otherwise.)
5. On appointment elected members are required to confirm in writing to the strategic director for resources whether they wish to receive the basic allowance and any special responsibility allowance. A member (including a co-opted member) may elect at any time by notice in writing to the strategic director for resources to forgo any part of their entitlement to an allowance under the scheme.
6. Entitlements to basic, special responsibility and co-optees allowances will be calculated pro-rata taking into account the day on which a member takes office and/or is appointed to a post attracting a special responsibility or co-optees allowance and the day such office or appointment ends. Such allowances are normally paid monthly in arrears.
7. The basic and special responsibility allowances will be increased by the basic annual NJC pay award increase (excluding the National Living Wage)
8. **Special Responsibility Allowances (SRAs)**

SRAs are payable from date of appointment to office.

	£
Leader of the Council	23,901
Deputy Leader of the Council	14,340
Cabinet Member	10,657
Chair of the Council	5,727
Vice-Chair of the Council	2,864
Overview and Scrutiny Committee Chair	5,727
Chair of the Warwickshire Police and Crime Panel when the Chair is a member of the County Council	3,000
Regulatory Committee Chair	5,727
Audit and Standards Committee Chair	4,450
Pension Fund Investment Sub-Committee Chair	4,450
Leader of an Opposition Group* representing at least 10% of the membership of the council	8,295
Deputy Leader of an Opposition Group* representing at least 10% of the membership of the council	4,962
Leader of an Opposition Group* representing less than 10% of the membership of the council	531
Spokesperson on an overview and scrutiny committee (limited to one identified by each Group, other than the Group from which the Chair is appointed).	2,000

Cabinet spokesperson (up to a maximum of 4 and with specific responsibilities to be published on the Council's website)	2,000
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9. Co-optees Allowance

A co-optee is a non-elected member of the council who is a member of a committee or sub-committee of the council.

An allowance of £1,226 is payable to any co-optee who is not paid by or in receipt of allowances from their nominating body.

10. **Travelling allowances** may be claimed by members for the duties listed in the appendix in accordance with the provisions set out below. Claims **must** be made within two months from the date of the event for which the allowance is claimed.

Public Transport

- (i) Reimbursement for travel by public transport will not exceed the amount of the standard fare. In the case of rail travel, this will include the cost of a seat reservation.
- (ii) Members may also claim for the cost of disability railcards or senior railcards where these are used to the council's advantage to reduce fares incurred on council business.
- (iii) For the avoidance of doubt, the cost of first class rail travel will not be reimbursed.
- (iv) Receipts for all travel must be provided.
- (v) Members who do not use a senior rail card should purchase rail tickets through democratic services as it is often possible to obtain a more favourable rate and avoids members having to claim and await reimbursement.
- (vi) Members should, wherever feasible, take advantage of the countywide travel pass scheme for residents over 60 which allows free travel on local bus services within the county.

Taxi Cab

Taxi cab fares (including a reasonable gratuity) may be reimbursed in cases of urgency or when no public service is reasonably available. Receipts must be provided.

Air or Sea

Air or sea fare may be reimbursed if the rate compares reasonably with the cost of alternative means of travel and/or having regard to the likely savings in time. In respect of travel by air or sea, this must be agreed in advance with the democratic services manager. Receipts must be provided.

Insurance

It is essential that a member's own motor vehicle insurance policy covers them when using their own vehicle on county council approved duties.

Member's Private Vehicle

The rates for travel by motor vehicle (excluding motor cycle) are 40p per mile. Claims should be based on travel from the member's home address or from the actual starting point, whichever is the shorter. The monitoring officer (strategic director for resources) will agree a standard mileage from the member's home to Shire Hall for each member. If a passenger is carried on any journey, an additional 10p per mile may be paid in respect of each passenger, provided it is economical to so do. The name of any passenger(s) must be entered on the claim form for that journey.

VAT Receipts

Claims for mileage should be accompanied by a VAT receipt issued in the month of the claim.

Motor Cycle or Bicycle

The rate for motor cycle or bicycle is 20p per mile.

Hired vehicle

The rate for travel by a hired motor vehicle other than a taxi cab shall not exceed the rate which would have been applicable had the vehicle belonged to the member who hired it.

11. **Subsistence allowances** may be claimed by members for the duties listed in the appendix subject to the following provisions:

The council will reimburse actual costs up to the maximum subsistence rates agreed for officers. Receipts must be provided with all claims and the claim for subsistence must be made within two months from the date of the event for which the allowance is claimed.

Subsistence will not be paid when lunch or tea is provided – for example on days of full council.

Subsistence will not be paid for alcoholic beverages.

The rate of subsistence shall not exceed figures shown below without the prior agreement of the strategic director for resources.

- (1) In the case of an absence, not involving an absence overnight, from the usual place of residence:
 - (a) of more than 4 hours including the period between 12 noon and 2 pm (lunch allowance), £6.50.
 - (b) of more than 4 hours ending after 7 pm (evening meal allowance), £8.00.
- (2) In the case of an absence overnight from the usual place of residence the cost of accommodation (including breakfast) ***should not exceed £80 outside of London, or £100 in London.*** These rates shall be deemed to cover a continuous period of absence of 24 hours.
- (3) The rates at (2) can only be exceeded if there are exceptional circumstances and members should consult the democratic services manager for approval or may be required to pay any excess above the rates.

12. A **dependant carer's allowance** may be claimed by members who incur expenditure on the care of children or other dependants for the duties listed in the Appendix in accordance with the following provisions.

The event requires the member to provide care for a person who normally lives with the member as part of the member's family

A carer is any responsible mature person who does not normally live with the member as part of the member's household.

Receipts must be provided with all claims for the allowance and the claim must be made within 2 months from the date of the event for which the allowance is claimed.

The sum claimed is the lower of the actual paid or the applicable maximum hourly rate below,

Current Members' Allowances Scheme – subject of review by the Independent Panel

Part 5

Members' Allowances Scheme

Effective from April 2016

Any enquiries about the operation of this scheme should be addressed to
The Strategic Director for Resources, Shire Hall, Warwick CV34 4RL

Any enquiries about the duties of councillors should be addressed to
The Chief Executive, Shire Hall, Warwick CV34 4RL

Warwickshire County Council Members' Allowances Scheme

1. This scheme is made under the Local Authorities (Members' Allowances) (England) Regulations 2003 as amended.
2. Each elected member of the county council is entitled to receive a basic allowance of £9,263.

As a matter of principle the basic allowance recognises that there is a voluntary element to the work undertaken by elected members and therefore does not set out to fully recompense all work undertaken.

3. The basic allowance is a contribution to the time spent by elected members in performing their duties and to cover any other incidental costs.
4. Elected members who hold one of the appointments listed in the following table are entitled to receive a **special responsibility allowance** at the rate shown per annum. Members holding more than one post attracting a special responsibility allowance may only claim one special responsibility allowance. (The strategic director for resources will apply the higher special responsibility allowance, unless advised otherwise.)
5. On appointment elected members are required to confirm in writing to the strategic director for resources whether they wish to receive the basic allowance and any special responsibility allowance. A member (including a co-opted member) may elect at any time by notice in writing to the strategic director for resources to forgo any part of their entitlement to an allowance under the scheme.
6. Entitlements to basic, special responsibility and co-optees allowances will be calculated pro-rata taking into account the day on which a member takes office and/or is appointed to a post attracting a special responsibility or co-optees allowance and the day such office or appointment ends. Such allowances are normally paid monthly in arrears.
7. The basic, special responsibility and co-optees allowances will be increased by the average % pay increase for APT&C staff. *

** revised for 2016/17 in line with pay award.*

8. Special Responsibility Allowances (SRAs)

SRAs payable from date of appointment to office.

	£
Leader of the Council	23,200
Deputy Leader of the Council	13,920
Cabinet Member	10,345
Chair of the Council	5,559
Vice-Chair of the Council	2,780
Overview and Scrutiny Committee Chair	5,559
Overview and Scrutiny Committee Vice-Chair	2,064
Regulatory Committee Chair	5,559
Regulatory Committee Vice-Chair	2,780
Audit and Standards Committee Chair	4,320
Pension Fund Investment Sub-Committee Chair	4,320
Leader of an Opposition Group* representing at least 10% of the membership of the council	8,051
Deputy Leader of an Opposition Group* representing at least 10% of the membership of the council	4,817
Leader of an Opposition Group* representing less than 10% of the membership of the council	516

Conservative group spokespersons to be determined by the group leader and notified to the council from a total allocation of £14,000.

Liberal Democrat group spokespersons and Labour group spokespersons have an allocation of £1,000 x number in their group to be allocated as determined by the group leader and notified to the council.

** An opposition group is defined as a group not represented on the cabinet.*

9. Co-optees Allowance

A co-optee is a non-elected member of the council who is a member of a committee or sub-committee of the council.

An allowance of £1,190 is payable to any co-optee who is not paid by or in receipt of allowances from their nominating body.

10. Travelling allowances may be claimed by members for the duties listed in the appendix in accordance with the provisions set out below. Claims **must** be made within two months from the date of the event for which the allowance is claimed.

Public Transport

- (i) Reimbursement for travel by public transport will not exceed the amount of the standard fare. In the case of rail travel, this will include the cost of a seat reservation.
- (ii) Members may also claim for the cost of disability railcards or senior railcards where these are used to the council's advantage to reduce fares incurred on council business.
- (iii) For the avoidance of doubt, the cost of first class rail travel will not be reimbursed.
- (iv) Receipts for all travel must be provided.
- (v) Members who do not use a senior rail card should purchase rail tickets through democratic services as it is often possible to obtain a more favourable rate and avoids members having to claim and await reimbursement.
- (vi) Members should, wherever feasible, take advantage of the countywide travel pass scheme for residents over 60 which allows free travel on local bus services within the county.

Taxi Cab

Taxi cab fares (including a reasonable gratuity) may be reimbursed in cases of urgency or when no public service is reasonably available. Receipts must be provided.

Air or Sea

Air or sea fare may be reimbursed if the rate compares reasonably with the cost of alternative means of travel and/or having regard to the likely savings in time. In respect of travel by air or sea, this must be agreed in advance with the democratic services manager. Receipts must be provided.

Insurance

It is essential that a member's own motor vehicle insurance policy covers them when using their own vehicle on county council approved duties.

Member's Private Vehicle

The rates for travel by motor vehicle (excluding motor cycle) are 40p per mile. Claims should be based on travel from the member's home address or from the actual starting point, whichever is the shorter. The monitoring officer (strategic director for resources) will agree a standard mileage from the member's home to Shire Hall for each member. If a passenger

is carried on any journey, an additional 10p per mile may be paid in respect of each passenger, provided it is economical to so do. The name of any passenger(s) must be entered on the claim form for that journey.

VAT Receipts

Claims for mileage should be accompanied by a VAT receipt issued in the month of the claim.

Motor Cycle or Bicycle

The rate for motor cycle or bicycle is 20p per mile.

Hired vehicle

The rate for travel by a hired motor vehicle other than a taxi cab shall not exceed the rate which would have been applicable had the vehicle belonged to the member who hired it.

11. **Subsistence allowances** may be claimed by members for the duties listed in the appendix subject to the following provisions:

The council will reimburse actual costs up to the maximum subsistence rates agreed for officers. Receipts must be provided with all claims and the claim for subsistence must be made within two months from the date of the event for which the allowance is claimed.

Subsistence will not be paid when lunch or tea is provided – for example on days of full council.

Subsistence will not be paid for alcoholic beverages.

The rate of subsistence shall not exceed figures shown below without the prior agreement of the strategic director for resources.

- (1) In the case of an absence, not involving an absence overnight, from the usual place of residence:
 - (a) of more than 4 hours including the period between 12 noon and 2 pm (lunch allowance), £6.50.
 - (b) of more than 4 hours ending after 7 pm (evening meal allowance), £8.00.
- (2) In the case of an absence overnight from the usual place of residence the cost of accommodation (including breakfast) ***should not exceed £80 outside of London, or £100 in London.*** These rates shall be deemed to cover a continuous period of absence of 24 hours.
- (3) The rates at (2) can only be exceeded if there are exceptional circumstances and members should consult the democratic services manager for approval or may be required to pay any excess above the rates.

12. A **dependant carer's allowance** may be claimed by members who incur expenditure on the care of children or other dependants for the duties listed in the Appendix in accordance with the following provisions.

The event requires the member to provide care for a person who normally lives with the member as part of the member's family

A carer is any responsible mature person who does not normally live with the member as part of the member's household.

Receipts must be provided with all claims for the allowance and the claim must be made within 2 months from the date of the event for which the allowance is claimed.

The sum claimed is the lower of the actual paid or the applicable maximum hourly rate below, updated as appropriate following the annual review of rates undertaken by the strategic director for people.

Dependant	Rate per hour
A child below school age or a child under 14 years of age outside school hours	£5.50
An elderly, sick or disabled dependant requiring constant care	£18

13. Members' Pensions

Any elected member who is otherwise eligible to do so under the terms of the legislation may opt to join the Local Government Pension Scheme, in accordance with prevailing legislation.

Both basic and special responsibility allowances shall count towards the calculation of a 'councillor's pay' in any year for the purposes of the Local Government Pension Scheme.

Appendix

Duties of councillors for which travel expenses may be claimed

1. All formal meetings arranged by the county council for the conduct of county council business.
2. All consultation meetings arranged by the county council for which the member's attendance is required or where the business directly affects the member's electoral division.
3. All meetings of bodies to which the member has been appointed as the county council's representative by the council, cabinet, Regulatory Committee or area committee, including meetings of companies in which the county council has an interest as the nominated director. (Note: this does not include acting as a representative of the council on a school governing body.)
4. Participation in delegations or attendance at conferences approved by committees.
5. Seminars and training sessions arranged by the county council which are open to all members or open to all members of a particular committee and any individual training or development sessions approved by the democratic services manager.
6. Pre-agenda briefing meetings with officers, taking place before committees, etc. and to which all parties are invited.
7. Consultation and briefing meetings with officers by members of the cabinet or others with special responsibility holding appointed or elected positions.
8. Group meetings.
9. Surgeries.
10. Meetings of a parish or town council in the member's own division.
11. The carrying out of any other duty approved by the authority or any duty of a class so approved, for the purpose of, or in connection with the discharge of the functions of the authority, its committees or sub-committees.

updated as appropriate following the annual review of rates undertaken by the strategic director for people.

Dependant	Rate per hour
A child below school age or a child under 14 years of age outside school hours.	£5.50 *
An elderly, sick or disabled dependant requiring constant care	£18*

*This rate can only be exceeded if there are exceptional circumstances and members have prior approval of the Democratic Services Manager.

Appendix

Duties of councillors for which travel expenses may be claimed

1. All formal meetings arranged by the county council for the conduct of county council business.
2. All consultation meetings arranged by the county council for which the member's attendance is required or where the business directly affects the member's electoral division.
3. All meetings of bodies to which the member has been appointed as the county council's representative by the Council, Cabinet, or Regulatory Committee , including meetings of companies in which the county council has an interest as the nominated director. (Note: this does not include acting as a representative of the council on a school governing body.)
4. Participation in delegations or attendance at conferences approved by committees.
5. Seminars and training sessions arranged by the county council which are open to all members or open to all members of a particular committee and any individual training or development sessions approved by the democratic services manager.
6. Pre-agenda briefing meetings with officers, taking place before committees, etc. and to which all parties are invited.
7. Consultation and briefing meetings with officers by members of the cabinet or others with special responsibility holding appointed or elected positions.
8. Group meetings.
9. Surgeries.
10. Meetings of a parish or town council in the member's own division.
11. The carrying out of any other duty approved by the authority or any duty of a class so approved, for the purpose of, or in connection with the discharge of the functions of the authority, its committees or sub-committees.