
Cabinet
Council

18 June 2013
25 June 2013

Name of Cabinet Member:

Cabinet Member (Community Safety and Equalities) - Councillor Townshend

Director Approving Submission of the report:

Director of Customer and Workforce Services

Ward(s) affected:

All

Title:

Review of the Members' Allowances and Expenses Scheme

Is this a key decision?

No

Executive Summary:

Cabinet and Council are requested to consider the recommendations that have been made by the Independent Remuneration Panel (IRP) on the Review of the Members' Allowances and Expenses Scheme with specific focus on the remuneration of the new Deputy Cabinet Member roles appointed at the Council's Annual Meeting on 16 May 2013.

Recommendations

Cabinet is requested to consider the report of the Independent Remuneration Panel (IRP) and make a recommendation to Full Council as to whether each recommendation should be approved, rejected, or an alternative proposal approved.

Council is requested to:

- (1) Acknowledge the work of the IRP for undertaking the review
- (2) Consider each recommendation within the IRP's report
- (3) Note the recommendations of Cabinet
- (4) Approve, reject or amend alternative proposals for each of the following recommendations made in the IRP's report:
 - i. That the Deputy Cabinet Member position be subject to a Special Responsibility Allowance of £5,140 per annum (50% of the Cabinet Member SRA), with effect from 16 May 2013, and that the Members' Allowances and Expenses Scheme be amended accordingly.

- ii. That the Deputy Cabinet Member SRA be reviewed after 12 months, in the light of experience.
- iii. That the Special Responsibility Allowance for the Leader of the Opposition be reviewed at a future meeting of the Independent Remuneration Panel.

List of Appendices included:

Appendix A – Report of the Coventry City Council IRP May 2013

Other useful background papers:

Local Authorities Members' Allowances Regulations 2003

Deputy Cabinet Member Role and Responsibilities

(Approved at the Council's Annual Meeting on 16 May 2013, Item 16, *Changes to the Constitution, including Members' Allowances, and those consequential changes arising from the Annual Meeting decisions and appointments*)

Has it been or will it be considered by Scrutiny? No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body? No

Will this report go to Council? Yes, 25 June 2013

Report title: Review of the Members' Allowances and Expenses Scheme

1. Background

- 1.1 All local authorities are required to have a Members' Allowances and Expenses Scheme which makes provision for a range of allowances and expenses available to some or all elected Members. This must be agreed locally, in accordance with the Local Authorities (Members Allowances) Regulations 2003 (as amended).
- 1.2 Whilst each authority approves its own scheme, it is legally required to appoint an Independent Remuneration Panel (IRP) to make recommendations on allowances and expenses. The Council must have regard to its recommendations.
- 1.3 The Council established a new role of Deputy Cabinet Member at its Annual Meeting on 16 May 2013. Deputies were appointed to assist 3 Cabinet Members to carry out the duties of their portfolios. The Deputies were appointed to Cabinet Member (Children and Young People), Cabinet Member (Education) and Cabinet Member (Health and Adult Services).
- 1.4 An Independent Remuneration Panel was appointed to review and make recommendations to the City Council about remuneration levels for the new positions introduced at the Annual Meeting of the Council. Remuneration levels paid to Members are set out within Coventry City Council's Scheme of Members' Allowances and Expenses.
- 1.5 The Panel met on 15 May 2013, at a meeting facilitated by the Assistant Director of Democratic Services. The scope of the Panel's review was:
 1. To review the City Council's Scheme of Members' Allowances and Expenses in accordance with the provisions of the Local Authorities (Members Allowances) Regulations 2003 (as amended) with specific focus on the remuneration of a new Deputy Cabinet Member role; and
 2. To make recommendations to the City Council on any amendments to the scheme that the Panel considers necessary or appropriate.
- 1.6 The Panel's report is attached at Appendix A. Any recommendations from the Panel will, subject to approval at Council, be reflected in a revised Scheme.

2. Options considered and recommended proposal

- 2.1 The Panel Membership was comprised of three independent people, who were all present:
 - Mr. Darren Jones,
 - Professor David Bailey and
 - Lieutenant Colonel Peter Stanworth (Ret'd) OBE.Details of their background and experience are given in the Panel's Report at Appendix A).
- 2.2 In reaching its conclusions, the Panel took account of the following information and feedback:
 - The ten Cabinet Member portfolios for 2013/14, with three of these being allocated a new position of Deputy Cabinet Member;
 - The role description and function of the new Deputy Cabinet Member position at Coventry (contained within the Panel's report at page 7);

- The existing numbers and levels of allowances paid to elected Members at Coventry City Council, both basic and Special Responsibility Allowances;
 - Benchmarking information on the role and remuneration (Special Responsibility Allowances) for similar Deputy Cabinet Member roles in three other councils;
 - A Panel interview with Councillor Phil Townshend, the Deputy Leader and Cabinet Member for Community Safety and Equalities; and
 - A statement from the Leader of the Opposition.
- 2.3 The Panel also took account of other changes made at the Annual Meeting, including budget savings of £21,907 per annum from 2013/14 resulting from a reduction in the number of Member appointments that are subject to allowances.
- 2.4 Having regard to these factors, the Panel's Report recommends as follows:
- i. That the Deputy Cabinet Member position be subject to a Special Responsibility Allowance of £5,140 per annum (50% of the Cabinet Member SRA), with effect from 16 May 2013, and that the Members' Allowances and Expenses Scheme be amended accordingly;
 - ii. That the Deputy Cabinet Member SRA be reviewed after 12 months, in the light of experience; and
 - iii. That the Special Responsibility Allowance for the Leader of the Opposition be reviewed at a future meeting of the Independent Remuneration Panel.
- 2.5 The decision to approve these recommendations is the City Council's. The Council must have regard to the recommendations made by the IRP before it amends any part of the current Member Allowances scheme. The City Council is requested to consider these recommendations individually and state whether each recommendation is approved or rejected. The Council is not bound by the recommendations of the Panel and may reject any of the proposals made, but the City Council must have regard to the implications of such decisions; the report indicates that if some of the recommendations are not accepted then alternative provisions should be considered. These can be put forward and agreed. Where a recommendation of the IRP is rejected and/or an alternative provision put forward, the City Council should give reasons to support its decision in order to show that it has given full consideration to these recommendations.
- 2.6 The recommendations are being proposed separately rather than as a whole set, this means that the City Council can accept, amend or reject individual recommendations. If some recommendations are rejected, then the remainder can be implemented.
- 2.7 In undertaking the work, the Panel Members sought to take a balanced view given the time commitments and responsibilities of the positions. They were aiming to provide adequate remuneration for these commitments, and to reduce financial barriers to becoming a Deputy Cabinet Member, whilst not forgetting the severe current economic situation and financial constraints placed on the City Council.
- 2.8 There is a requirement for both the IRP recommendations and the authority's response to be widely publicised. Recommendations that are approved will need to be incorporated in a revised scheme of allowances and expenses to be published within the Council's constitution.

3. Results of consultation undertaken

- 3.1 Views of the Leader of the City Council, the Deputy Leader and the Leader of the Opposition were sought in order to assist with the Panel's deliberations on the scheme of allowances.

4. Timetable for implementing this decision

- 4.1 For the recommendations approved relating to allowances, these payments would be backdated to 16 May 2013, and this would be implemented as soon as practicable after the decision by Council on the recommendations. The Members' Allowances and Expenses Scheme would be updated immediately to reflect the decision made.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

- 5.1.1 On the basis of all the principal recommendations approved by Council, the Panel has calculated that this will result in a net budget reduction of £6,487 as follows:

Reductions in Allowances	Reduction £	Increase £	Net change £
Reduction in SRAs for Deputy Chairs of Scrutiny Boards (6 @ £2,578)	15,468		
Reduction in SRAs for Scrutiny Board Chairs (1 Chair @ £6,439)	6,439		
Increases in Allowances			
£ Deputy Cabinet Members @ £5,140		15,420	
Total	21,907	15,240	- 6,487

5.2 Legal implications

- 5.2.1 There is a legislative requirement that the Council must have regard to the recommendations made by the IRP and determine whether and how these are implemented. The City Council must have regard to the recommendations made by the IRP before it amends any part of the current Members' Allowances and Expenses Scheme.

6. Other implications

- 6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The recommendations from the Panel must be considered by the Council to ensure it meets its statutory obligations around Member allowances and expenses. Having an effective and up to date Members' Allowances and Expenses Scheme in place ensures that elected representatives are supported fairly and appropriately for the roles they carry out. It should also help to attract quality candidates to stand as local councillors and to retain them.

- 6.2 How is risk being managed?**

The key risks are as to whether the Members' Allowances and Expenses Scheme remains up to date and meeting all legal requirements to support and remunerate elected Members. The Council must demonstrate that all recommendations have been considered as part of the Panel's final report. This report ensures that this is the case.

6.3 What is the impact on the organisation?

The Deputy Cabinet Members will assist the Cabinet Members in their roles, making the Council's Executive more effective and efficient.

6.4 Equalities / EIA

None.

6.5 Implications for (or impact on) the environment

None.

6.6 Implications for partner organisations?

None.

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