



DERBY CITY COUNCIL

COUNCIL
25 JANUARY 2006

Report of the Corporate Director, Corporate and Adult Social Services

Members' Allowances – Recommendations of the Independent Remuneration Panel

RECOMMENDATIONS

- 1.1 To accept the report and recommendations of the Independent Remuneration Panel at Appendix 2 .
- 1.2 To decide whether to have four or two vice chairs of the General Licensing Committee for the remainder of the current municipal year.
- 1.3 Subject to 1.2 above, to approve revised Special Responsibility Allowances for the General Licensing Committee as follows:

Position	Pro-rata Percentage	Number	Yearly Allowance (2005/06) £
Vice Chair	6%	4	1640.10
OR			
Vice Chair	12½%	2	3416.87
Member	4%	10	1093.40

- 1.4 To amend the current Members' Allowances Scheme with immediate effect.
- 1.5 To refer the Panel's suggestion for combining the General Licensing Committee and the Taxi Licensing and Appeals Committee into a single Licensing Committee, to the political groups for further consideration.

SUPPORTING INFORMATION

- 2.1 The Independent Remuneration Panel for Members' Allowances has met to review Special Responsibility Allowances paid to members of the General Licensing Committee and the Taxi Licensing and Appeals Committee. New allowances were paid from February 2005 to recognise the increased responsibilities of Council introduced by the Licensing Act 2003.
- 2.2 The Panel had previously agreed that it would review these allowances after several months' experience of operating the new arrangements.

- 2.3 The Panel is recommending revised Special Responsibility Allowances for the General Licensing Committee. There are two options for the vice chairs' allowances depending upon whether there are two or four vice chairs. The current Special Responsibility Allowances list is given at Appendix 3.
- 2.4 The Panel has also suggested that, given the reduced workload, the Council could consider combining the General Licensing Committee and the Taxi Licensing and Appeals Committee into a single Licensing Committee with appropriate sub committees comprising, as now, rotating three member panels.

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Background papers:

List of appendices:

Appendix 1 – Implications

Appendix 2 – Report and recommendations of the Independent
Remuneration Panel

Appendix 3 – Current Special Responsibility Allowance list

IMPLICATIONS

Financial

- 1.1 The effect of the recommendations of the Independent Remuneration Panel, if approved, is that an annual saving of £35,535 will be made, if there are two vice chairs of the General Licensing Committee, or £28,702 if there are four vice chairs. These figures are for a full year based on 2005/06 allowance levels.
- 1.2 The additional expenditure on Special Responsibility Allowances, arising from the Licensing Act 2003, has been met from a corporate budget provision allocated for this purpose.

Legal

- 2.1 Members' Allowances are governed by the Local Government Acts and associated regulations.
- 2.2 Before making its Members' Allowances Scheme, the Council must have regard to the recommendations of its Independent Remuneration Panel although, with the exception of pensions, it is not bound to accept them.

Personnel

- 3. None directly arising.

Equalities Impact

- 4. None directly arising

Corporate Themes and Priorities

- 5. None directly arising



MEMBERS' ALLOWANCES

EIGHTH REPORT OF THE INDEPENDENT REMUNERATION PANEL

Background

1. Under the Local Authorities (Members' Allowances)(England) Regulations 2003, (the '2003 Regulations') local authorities must establish and maintain an Independent Remuneration Panel. The purpose of this panel is to make recommendations to the authority:
 - a) as to the amount of Basic Allowance that should be payable to its elected members
 - b) about the roles and responsibilities for which a Special Responsibility Allowance should be payable and as to the amount of each such allowance
 - c) as to whether the authority's allowances scheme should include an allowance in respect of expenses of arranging for the care of children and dependants, and if it does make such a recommendation, the amount of this allowance and the means by which it is determined
 - d) about the duties for which a Travelling and Subsistence Allowance can be paid and as to the amount of this allowance
 - e) as to the amount of a Co-optees Allowance
 - f) on whether any allowance should be backdated to the beginning of a financial year
 - g) as to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run
 - h) as to which members of an authority are to be entitled to pensions and as to treating basic allowance and special responsibility allowance as amounts in respect of which such pensions are payable.

The Council and the Panel must have regard to statutory guidance in considering the provisions of the Members' Allowances Scheme. The Council must consider recommendations from the Panel before making or amending a Members' Allowances Scheme.

2. Derby City Council's Independent Remuneration Panel comprises:
- Professor Mary Carswell, Director, Derbyshire Business School, University of Derby (Vice Chair)
 - Sue Holmes, Chief Executive, Derby Law Centre
 - Shameem Malooq, Derby City Partnership
 - Ian Samways, Individual Member (Chair)
 - Nigel Sutherland, Director, Brigdens Ltd
3. In its seventh report, submitted to the Council in December 2004, the Panel considered the implications of the transfer of liquor licensing to the Council and made recommendations in respect of Special Responsibility Allowances for membership of the Council's new licensing committees. These recommendations were to provide for the following new Special Responsibility Allowances to apply from February 2005 to March 2006 or until the Members' Allowances Scheme is amended further:

Committee	Position	Pro-rata Percentage	Number
General Licensing Committee – 15 members	Vice Chair	17½%	4
	Member	12½%	10
Taxi Licensing & Appeals Committee – 14 members	Vice Chair	10%	3
	Member	2½%	10
OR			
Licensing & Appeals Committee – 10 members	Vice Chair	12½%	2
	Member	4%	7

Note – the chairs of the two committees were to continue to receive a 25% special responsibility allowance as the chair of a regulatory committee.

The Panel also recommended that, except for the chairs and vice chairs, members of the General Licensing Committee and Taxi Licensing and Appeals Committee should receive their special responsibility allowances in addition to any other special responsibility allowances to which they may be entitled.

4. The Council approved the Panel's recommendations, at its meeting on 26 January 2005, opting for a Taxi Licensing and Appeals Committee of ten members.
5. In its report, the Panel said that revised special responsibility allowances arising from the introduction of liquor licensing should apply from February 2005 until March 2006, with the Panel reviewing the allowances in February 2006 in the light of several months' experience of operating the new arrangements. The Panel would recommend reducing the allowances if there was evidence of the workload

not being as onerous as predicted or if, as expected, the workload lessened significantly after the transitional period.

6. The Panel decided to bring forward this review and met on 30 November 2005 to consider whether to make further recommendations to the Council on this matter.
7. The Panel was pleased to hear of the Council's success in introducing the new liquor licensing regime. It noted that many issues had been resolved without the need for a formal hearing by the General Licensing Sub Committee, although, in several cases, hearings had been cancelled at very short notice. This meant the members called for these cancelled hearings, had already made arrangements to make themselves available for the day. The Panel also noted that there had been no appeals to the Magistrates Court against the Council's decisions. Again, this is to the great credit of the Council's members and officers but it should be remembered that, in fixing the vice chairs allowance of 17½%, the Panel took into account a forecast that vice chairs could be required to attend the Magistrates Court to represent the Council in up to 50% of cases.
8. The Panel were advised that the volume of work of the General Licensing Sub Committee, which hears individual cases, has fallen considerably after the transitional period to a level comparable with that of the former Licensing and Appeals Committee.
9. The Panel noted that the work of the Taxi Licensing and Appeals Sub Committees was steady and that, following a change in policy, Education Awards and Transport Appeals had virtually ceased.
10. The system of three member panels (the chair or a vice chair plus two other members) organised on a rota basis to hear individual cases, appeared to be working well for both the General Licensing Committee and the Taxi Licensing and Appeals Committee.
11. The Panel came to the conclusion that the Special Responsibility Allowances paid to members of the General Licensing Committee should be reduced at the earliest opportunity to reflect the reduced workload of its vice chairs and members. The allowance of the chair should remain at its present level as the committee is one of the Council's main regulatory committees and the chair has responsibility for leading the committee in all of its areas of work.
12. The Panel believes that there may now be a case for combining the General Licensing Committee and the Taxi Licensing and Appeals Committee into a single Licensing Committee with appropriate sub committees comprising, as now, rotating three member panels. The Panel invites the Council to consider this suggestion.
13. The Panel will consider its general recommendations for 2006/07 at its next meeting.

Recommendation

14. Having considered all of the evidence before it and the statutory guidance, the Independent Remuneration Panel formally recommends the Council to amend its Members' Allowances Scheme to provide for the following revised Special Responsibility Allowances for the General Licensing Committee:

Position	Pro-rata Percentage	Number	Yearly Allowance (2005/06) £
Vice Chair	6%	4	1640.10
OR			
Vice Chair	12½%	2	3416.87
Member	4%	10	1093.40

Ian Samways

Chair of the Independent
Remuneration Panel

Michael Foote

Secretary to the Independent
Remuneration Panel

November 2005

Current Special Responsibility Allowances

	Position	Pro-rata Percentage	Number	Yearly Allowance £
1	Leader of the Council	100%	1	27,334.95
2	Deputy Leader of the Council	75%	1	20,501.22
3	Other Council Cabinet Members	50%	6	13,667.48
4	Leader of Minority Group	25%	1	6,833.74
5	Deputy Leader of Minority Group	12.5%	1	3,416.87
6	The Mayor	25%	1	6,833.74
7	Chairs of Overview and Scrutiny Commissions	25%	6	6,833.74
8	Vice Chairs of Overview and Scrutiny Commissions	12.5%	7	3,416.87
9	Chairs of Regulatory Committees	25%	3	6,833.74
10	Members of the Social Services Adoption Panel	6.25%	2	1,708.43
11	Vice Chairs of General Licensing Committee	17.5%	4	4,783.61
12	Members of the General Licensing Committee	12.5%	10	3,416.87
13	Vice Chair of the Taxi Licensing & Appeals Committee	12.5%	2	3,416.87
14	Member of the Taxi Licensing & Appeals Committee	4%	7	1,093.40
15	Chair of the Audit and Accounts Committee	17.5%	1	4,783.61