

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Executive

Council : 16 May 2007

Subject: Scheme of Members' Allowances

1. Purpose

- 1.1** The purpose of this report is to recommend a Scheme of Members' Allowances and Expenses (the "Scheme").

2. Background

- 2.1** The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 and (Allowances and Expenses) Regulations 2007 came into force as at 2 May 2007. The regulations make provision for the payment of allowances and expenses by local authorities to their Members from 3 May 2007.

3. Main Issues

- 3.1** In April 2007, the Scottish Executive issued guidance in respect of Councillors' remuneration. The purpose of the guidance was to inform councils of the impact of the new regulations and to move toward a standardised procedure across all Scottish local authorities for the payment of Councillors' allowances and expenses. This guidance has been incorporated into the Council's proposed scheme. The new scheme will govern three main areas of remuneration, namely:-

Payment of Allowances
Reimbursement of Expenses
Access to a Pension Scheme

Payment of Allowances

- 3.2** Each local authority will have one Leader of the Council. For West Dunbartonshire Council, this post will attract a fixed allowance of £30,905 per annum. This figure is set by the regulations and the Council is not able to vary this remuneration level.
- 3.3** Each Council may also have one Civic Head. This post will attract an allowance up to a maximum of 75% of the Leader's allowance, i.e. a maximum of £23,179 per annum. West Dunbartonshire Council has always recognised the post of Provost as being the Civic Head.

- 3.4** In addition to the Leader and Civic Head, the Council will be entitled to appoint a maximum of ten Senior Councillors. The Council has a budget of £193,600 for Senior Councillors and the maximum allowance payable to any Senior Councillor is 75% of the Leader's allowance, i.e. £23,179. The Scottish Executive determines the number of senior posts and associated budgetary provision. The Council does not have the authority to exceed these limits.
- 3.5** The current Standing Orders of the Council make provision for the appointment of a Deputy Leader and Deputy Provost. If the Council makes these appointments, classifies the posts as Senior Councillors and allocates a Senior Councillor allowance to them, these posts will count toward the ten senior posts and the costs will come from the overall budget for Senior Councillors.
- 3.6** It is for the Council to determine which positions are deemed to be a Senior Councillor. The Council will also decide the level of remuneration to be paid to each Senior Councillor as long as no Councillor receives more than £23,179 per annum and the total sum paid out to Senior Councillors does not exceed £193,600.
- 3.7** All Councillors who do not hold the position of Leader, Civic Head or Senior Councillor will receive a basic remuneration of £15,452 per annum. This figure is set by the regulations and the Council is not able to vary this remuneration level.
- 3.8** The Scottish Executive advice is that allowances should be paid either monthly or 4 weekly in arrears. The proposed scheme makes provision for allowances to be paid on the 15th of each month in arrears.
- 3.9** Separate provisions will apply to the payments to Conveners and Deputy Conveners of Joint Boards.

Reimbursement of Expenses

- 3.10** Claims for travel and subsistence can only be submitted for undertaking approved duties of the Council. The current approved list of duties is attached as Appendix 1 to this report. The meeting of the Council on 20 December 2006 asked that the new Council give consideration to including attendance at a court, tribunal or public enquiry at which the Council is represented as an approved duty.
- 3.11** The only standard allowance that is available to Councillors under the new regulations is for mileage. The regulations prescribe the appropriate mileage rate as follows:-

49.3p per mile for travel by own car or van

24p per mile for travel by motorcycle

20p per mile for travel by bicycle

5p per passenger per mile where both the passenger and the Councillor are carrying out approved duties

These rates are mandatory.

- 3.12** Claims for subsistence (meal expenditure) will be on the basis of receipted expenditure. Meal expenditure cannot be reimbursed where a Councillor is carrying out Council business in his or her own ward or on Council premises within West Dunbartonshire. All claims must be accompanied by receipts and the maximum sums payable are:-

Breakfast (if no overnight claimed)	£8.00
Lunch	£12.00
Dinner	£25.00

- 3.13** All claims for reimbursement of travel and subsistence expenditure must be submitted on the standard claim form.
- 3.14** The Council will also be allowed to reimburse actual and receipted expenditure incurred by the Civic Head in carrying out his or her civic duties. The Civic Head's expenses cannot exceed £3,000 per annum.
- 3.15** The existing arrangements for the reimbursement of telephone allowances and access to email and Internet will continue under the new regulations.
- 3.16** A summary of the expense scheme is attached as Appendix 2 to this report.

Pension Scheme

- 3.17** Councillors will be entitled to join the Local Government Pension Scheme (LGPS). The main features of the scheme are:-

A contribution rate of 6% of pay
Defined benefit payout based upon career average earnings
A pension of 1/80th of career average pay and a lump sum of 3/80th of career average pay for each year of membership.

- 3.18** Councillors will be eligible to make additional contributions to the LGPS and to buy previous periods of Councillor service from 1 January 1995 to 2 May 2007.

Review of Remuneration Levels

- 3.19** The Scottish Executive will review the levels of remuneration and issue guidance in due course regarding the uprating of allowances. It is the current policy of the Council for the Section 95 Officer to implement the Scottish Executive recommendations as and when they are issued.

4. Personnel Issues

- 4.1** There are no personnel issues.

5. Financial Implications

- 5.1** The costs associated with the new remuneration scheme are provided for within the Revenue Estimates for 2007/2008.

6. Risk Analysis

- 6.1** The Council cannot exceed the limits set out in the regulations in respect of the number of posts, the allowances payable and the level of expenses reimbursed.

7. Conclusions

- 7.1** The Council must appoint a Leader of the Council and may also appoint a Civic Head of the Council. The post of Provost has been recognised as the Civic Head of the Council.
- 7.2** The Council can appoint up to ten Senior Councillors. The number of Senior Councillor posts and allowances payable is determined by the new regulations. These allowances will apply as from 3 May 2007 and it will be for the new Council to determine the posts deemed as being a Senior Councillor and the level of remuneration applicable.
- 7.3** The Section 95 Officer will implement any changes to the allowances in accordance with Scottish Executive guidance.

8. Recommendations

8.1 Council is asked to :-

- (a) approve the Scheme of Members' Allowances and Expenses;**
- (b) agree the current list of approved duties and to consider the addition of attendance at court, tribunal or public enquiry at which the Council is represented as an approved duty;**
- (c) agree that the Provost be recognised as the Civic Head of the Council;**
- (d) note the access to a pension scheme for Councillors; and**
- (e) delegate authority to the Section 95 Officer to uprate allowances in accordance with Scottish Executive guidance.**

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Date: 3 May 2007

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Appendix 1:

List of Approved Duties

Appendix 2:

Summary of Expenses Scheme

Background Papers:

The Local Governance (Scotland) Act 2004 (Remuneration)
Regulations 2007

Wards Affected:

All Wards