

Title: Review of Warwick District Council Members' Allowances Scheme
 Lead Officer: Graham Leach – Head of Governance and Monitoring
 Officer & Lola Burrell – Committee Services Officer
 Portfolio Holder: Councillor Davison
 Wards of the District directly affected: None

| Approvals required | Date | Name |
|---------------------------------------|-------------|-----------------|
| Portfolio Holder | 29/9/2025 | Ian Davison |
| Finance | 29/9/2025 | Andrew Rollins |
| Legal Services | | |
| Chief Executive | 29/9/2025 | Chris Elliott |
| Deputy Chief Executive | 29/9/2025 | Darren Knight |
| Strategic Director | 29/9/2025 | David Elkington |
| Head of Service(s) | 29/9/2025 | Graham Leach |
| Section 151 Officer | 29/9/2025 | Andrew Rollins |
| Monitoring Officer | 29/9/2025 | Graham Leach |
| Leadership Co-ordination Group | 29/9/2025 | |

| | |
|---|--|
| Final decision by this Committee or rec to another Cttee / Council? | No - Recommendation to: Council on 22 October 2025 |
| Contrary to Policy / Budget framework? | No |
| Does this report contain exempt info/Confidential? If so, which paragraph(s)? | No |
| Does this report relate to a key decision (referred to in the Cabinet Forward Plan)? | Yes, Forward Plan item 1614 |
| Accessibility Checked? | Yes |

Summary

The report brings forward the recommendations of the Independent Remuneration Panel following a review of Warwick District Members' Allowances Scheme undertaken in 2025.

Recommendations

- (1) That Cabinet notes the recommendations of the Independent Remuneration Panel (IRP) following a review of Warwick District Members' Allowances Scheme undertaken in 2025, as set out at Appendix 1;
- (2) That Cabinet recommends to Council that the recommendations from the IRP are accepted but do not come into effect until Annual Council in May 2026;
- (3) That subject to Cabinet agreeing (2), Cabinet asks officers to produce a draft Members Allowances Scheme for Council to consider at its meeting on 22 October 2025; and
- (4) That Cabinet recommends to Council the Allowances for the Chairman of the Council and Vice-Chairman of the Council as proposed by the Independent Remuneration Panel, noting the revised approach of these being the Gross amount subject to Tax not the amount paid after Tax.
- (5) That Cabinet recommends to Council that the IRP be formally thanked for their work and detailed report.

1 Reasons for the Recommendation

- 1.1 The Panel was convened because under the regulations for allowances, the indexation of allowances is required to be reviewed every four years, which was now due.
- 1.2 The Panel was convened under The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021) ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory IRP to review and provide advice on Members' allowances on a periodic basis.
- 1.3 All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their Members' Allowances Scheme. They must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme. On this particular occasion, the Panel has been reconvened under the 2003 Regulations as it has not reviewed the allowances scheme since 2021.

1.4 The review was undertaken in August 2025 by the Council's IRP. The IRP comprised of:

Dr Declan Hall An independent consultant specialising in Members' allowances and support and a former academic at the Institute of Local Government, The University of Birmingham.

Christopher Purser Former Chairman of Warwick District Council Standards Committee and former Governor of Warwickshire College. Previously the Group Treasurer of a multinational corporation. A Chartered Accountant and Chartered Secretary.

Alan Wilkinson Former Warwick District Councillor (for Leamington Brunswick Ward) and Leamington Town Councillor; and Town Mayor. Previously a Sales Manager in a local electronic business.

1.5 The IRP met on 4, 5 and 11 August 2025. The IRP meetings were in closed session to enable the IRP to meet with Members and Officers and conduct its deliberations in confidence.

1.6 All Members were provided with a questionnaire addressing the issues that the IRP were required to consider. The questionnaire also had the methodological advantage of ensuring all Members were being asked a common set of questions, the main point being that all Members had at least one opportunity to exercise their voice during the review. 27 Councillors responded to the questionnaire and six Councillors partially responded. A number of Members from across the Council were also invited to meet with the Panel.

1.7 The IRP met with the Chief Executive and the Head of Governance and Monitoring Officer for factual briefings on political structures and constitutional changes since the last review, to obtain an overview of the challenges facing the Council.

1.8 The IRP took account of the range and levels of allowances paid by comparable local authorities, namely the four other district/borough councils in Warwickshire and Warwick District Council's eight nearest neighbours as defined by the Chartered Institute of Public Finance and Accountancy or CIPFA, which are used by councils for benchmarking purposes.

1.9 After considering this information, the IRP produced the report and recommendations, as set out at Appendix 1 to the report. For ease Appendix 2 to the report sets out the changes in a table form.

1.10 It should be noted that the Allowances Paid to the Chairman and Vice-Chairman of the Council are paid outside of the Members Allowances Scheme under separate legislation. For this reason although these two allowances are referred to within the report by the Panel, there is a separate specific recommendation to recommend them to Council.

1.11 It should also be noted that as part of the review informal advice was provided by the Panel to the Council that it felt members would benefit from a briefing on the Members Allowances scheme available to them. Officers are working on this and will confirm a date in due course.

2 Alternative Options

2.1 In terms of alternative options, the Cabinet could choose what recommendations to make to Council about the Independent report, including departing from it. This is because within law, Members are only required to 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme. For this reason, Cabinet could recommend to Council, as an example, increasing the allowances to the value as proposed, but phasing these in over the next four years (the life of the scheme), or recommending that no changes are made and the current scheme be readopted.

3 Legal Implications

3.1 In terms of relevant legislation, The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021) ("the 2003 Regulations") is the legal basis for which the panel convened. These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory IRP to review and provide advice on Members' allowances on a periodic basis.

3.2 It is a legal obligation for Councils to periodically convene an IRP under the 2003 Regulations. Therefore, the report ensures that WDC are meeting this legal obligation as Cabinet are asked to 'pay regard' to the Panel's recommendations.

3.3 This change is deemed to have no effect to community safety.

4 Financial Implications

4.1.1 The report in itself does not impact on the budgetary framework of the Council. However, should the recommendations of the Panel be agreed (or a variance thereto), there will be budgetary requirements which will need to be financed.

4.1.2 A comparison of the current and the proposed is set out at Appendix B to the report and the budgetary impact is summarised below:

| | Budget 2024/25 | Cost of new proposal | Budget effect |
|---|---------------------------|-------------------------------------|----------------------|
| Basic allowance* | £294,800 | £295,932 | £1,132 |
| Special Responsibility Allowances* | £134,200 | £142,188 | £7,988 |
| Co-Optees Allowance* | £1,800 | £1,793 | (£7) |
| Chairman & Vice-Chairman of the Council Allowance | £14,600 | £8,192 | (£6,408) |
| Total | £445,400 | £448,105 | £2,705 |

*these are subject to increase of any pay award to officers on scp

- 4.1.3 If the Cabinet recommended to Council, and Council agreed the proposal as laid out, there would be an adverse effect on the budget of circa £2,705 per year from the increase in special responsibility allowances. However, because the proposal to only permit one Special responsibility Allowance per Councillor, this would currently reduce the figure currently required by £6,924.14 as one Group Leader is also Chair of Planning Committee, another is Chair of CAF and a Champion, another is a Portfolio Holder and Champion and finally one Councillor has two Champion Roles.
- 4.1.4 In addition to this an allowance of 3% should be made within the budget provision for potential up rating following the next pay settlement, which would also come into force from 13 May 2026. Provision has already been allowed for this within the budget with £13,300 being allowed for this which will need to increase slightly by a further £100.
- 4.1.5 Having considered the potential liabilities for the Council in respect of National Insurance Contributions for these allowances it is considered these would fall within the current emerging budget proposals for 2026/27 and therefore do not require further additional funding.
- 4.1.6 The Cabinet will need to consider how any increases will be funded from within the General Fund as at present there is no allocation for this. Therefore, it needs to be considered as part of the budget setting process 2025/26, so increasing the budget pressures and savings required to be found.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation.
- 5.2 ***Delivering valued, sustainable services*** – This matter is unlikely to have a direct impact on delivering valued and sustainable services, however, it will ensure fair remuneration of Councillors which in turn may attract a high calibre of Councillors. Councillors may also benefit from greater financial remuneration which may aid with better supporting residents.
- 5.3 ***Low cost, low carbon energy across the district*** - This matter will not have an impact on energy use or emissions in the district.
- 5.4 ***Creating vibrant, safe and healthy communities of the future*** - This matter will not have an impact people's community, economic and housing needs in the district.

6 Environmental/Climate Change Implications

- 6.1 There are no environmental implications of the proposal in relation to the Council's policies and Climate Emergency Action Plan.

7 Analysis of the effects on Equality

- 7.1.1 This has not been undertaken as the effect is on Councillors and impacts should be experienced equally. The report is considered not to impact on any of the protected characteristics, of: Race; Gender; Disability; Age; Sexual Orientation; Religion/Belief; or Gender re-assignment.

8 Data Protection

- 8.1.1 The details of Allowances to Councillors are required by law to be in the public domain and therefore there are no data protection considerations for this report.

9 Health and Wellbeing

- 9.1.1 The proposals within the Panel's report are intended to provide a fair allowance for Councillors, therefore aiding their personal wellbeing. In addition, the proposals include recommendations regarding maternity/paternity pay and this will further support individual's wellbeing.

10 Risk Assessment

- 10.1 There are two primary risks associated with consideration of this report. These are the public perception and reaction to the proposed revisions but also recognising the impact of retaining allowances at their current level. The first risk is difficult to mitigate against, but Members need to be mindful of and have confidence in the review being undertaken by an Independent Panel, that said the final decision rests with all Councillors. The second risk relates more to ensuring Members are recognised for their work and that this proposal does not differ significantly with neighbouring local authorities.

Background papers:

None.

Supporting documents:

None.