

Council – 9th January 2012

Members Allowances 2012/13

Service Area: Legal and Democratic Services

Wards: None

1. Summary of report

The current scheme of members allowances was adopted in May 2007, making provision for the scheme to be adjusted in line with the national JNC award to officers up until April 2010.

In July 2010 a new Independent Remuneration Panel, consisting of three members entirely independent of the Council was established to review the allowances paid to elected members of the council. It was determined that this panel would meet on an annual basis to carry out an independent review of member allowances.

The Independent Review Panel made recommendations in terms of allowances for elected members to Council on 8 November 2010. The report was submitted and the recommendations were noted, however action regarding changes to the level of allowances was deferred for a period of 12 months to November 2011. The Council thanked the Independent Review Panel for their work in producing the report. The decision to defer a limited increase in elected members allowances was a decision that reflected the prevailing economic difficulties and the fact that there had been a two year pay freeze imposed by the government in respect of public sector pay. This meant that there had been no increase in the elected members allowance scheme since April 2010. From April 2007 to April 2009 it was agreed in accordance with the Council decision of 15th January 2007 that the basic and special responsibility allowance should be varied with effect from the 1st April each year from April 2008 up to and including 1st April 2010, in line with JNC awards for officers.

The Independent Remuneration Panel's terms of reference are that they have unfettered discretion to make recommendations upon the scheme of allowances to elected members, and that Council has discretion as to whether or not to accept those recommendations.

In undertaking their review the Independent Review Panel, were given full details of the political arrangements of the Council; provided with copies of the Member Job Descriptions: provided with tabulated analysis of members allowance schemes for authorities in the Black Country, the West Midlands, and those of the relevant CIPFA family of authorities. In addition the group leaders were asked for their comments in relation to the existing scheme for consideration by the Independent Review Panel.

In reaching their recommendations one of the main aims of the Independent Remuneration Panel, in comparing the level of allowances paid by other similar authorities, was to address significant differences in the level of allowances, based upon a comparison of Walsall's scheme with the other relevant schemes listed above. It has been recognised over the past two years by the Independent Remuneration Panel that the levels of allowance in certain key areas fall well below the median level of allowances paid to elected members by the family group of comparators used by the Independent Remuneration Panel. To achieve their aim of reducing perceived differences in payable expenses in specific areas the Independent Remuneration Panel have used the median level of the different allowances as their starting point for deliberation, and sought to bring the allowances paid by Walsall close to, but not above this point. This would also minimise any upward inflationary pressure within the sector.

Members Allowances have not increased for the past two years, and only increased as a result of the agreed inflation indexing in respect of the link with JNC increases in officer pay for 2008-2009. As stated previously public sector pay was frozen in 2010 and 2011, and as a consequence, without any additional increase the gap between the median point and the allowances paid has increased over this time. The Independent Remuneration Panel have acknowledged the difficulty in increasing elected members allowances again at a time of public pay restraint, however this needs to be balanced against ensuring that the level of allowances does not become a disincentive to becoming a councillor, nor from undertaking more senior complex functions within the political structure of the council, which would have a negative impact upon the democratic process.

The current Members Allowances Scheme is contained at Part 6 of the council's constitution.

2. Recommendations

- 2.1 That the Council note the recommendations of the Independent Remuneration Panel and thanks the Panel for their work in producing their report.
- 2.2 That the Council approves the recommendations of the Independent Review Panel for a scheme of allowances to be implemented from 1 April 2012, with an ongoing inflator linked to JNC rises in officer pay.
- 2.3 That the Council delegates authority to the Monitoring Officer to amend the Council's Constitution by the insertion of the new scheme in Part 6 of the constitution. (Appendix 2)
- 2.4 That the Council delegate authority to the Monitoring Officer to advertise the new scheme of allowances and payments made hereunder as required by statute.

3. Summary of the Independent Remuneration Panel's Recommendations

General Recommendations

- (a) That the Council adopt the principal of moving allowances towards the median point at the appropriate time.
- (b) That the Council adopt the proposals contained in the 2010 report which were noted at the Council meeting 8 November 2010, with the exception of the allowance for the Deputy Leader being increased to £15,000 from 1 April 2012, and discretion for the Council to approve the increase of allowance to the Leader of the Council, Deputy Leader of the Council and Members of the Executive to the median level as in the table in paragraph 3 of this report.
- (c) No other increases in any allowances other than those specifically mentioned in Independent Remuneration report of 2011 namely that of Leader of the Council, Deputy Leader and Members of the Executive, except in line with the pay inflator at paragraph 10 of the IRP report.

Basic Allowance

That the Basic Allowance paid to all Councillors of £10,378 per year be retained at the existing level, subject to the implementation of the index linking provisions. This allowance includes the costs of telephones, subsistence and travel in the borough of Walsall.

Special Responsibility Allowances

That the following positions be deemed as attracting significant additional responsibilities and in addition to the Basic Allowance, office holders receive the following payments:

	Proposed as per 2010 report	Current	Median
Leader of the Council	£22,356.00	£20,756.00	£26,850.00
Deputy Leader of the Council	£15,000.00	£8,302.44	£17,534.12
Cabinet Members	£9,302.44	£8,302.44	£13,425.00
Other Group Leaders	No change	£8,302.44	No Change
Carer's Allowance (max p.a.)	No change	£1,037.80	No Change

Regulatory Committee Chairs:			
Audit Committee	No change	£5,189.04	No Change
Planning Committee	No change	£7,783.56	No Change
Employment Appeals	No change	£5,189.04	No Change
Licensing and Safety	No change	£5,189.04	No Change
Taxi Licensing (Sub Committee)	No change	£7,783.56	No Change
Scrutiny Committee Chair	No change	£8302.44	No Change

Multiple allowances

As with the existing scheme, where a member holds more than one office qualifying for a Special Responsibility Allowance, that member should be paid the higher allowance only.

Inflation increases

The Council can revise the scheme of allowances for members by reference to an index but reliance upon that index can be for no longer than a period of four years before seeking further recommendations from an independent panel. We note that the current index applied is the award for Council officers on the JNC scheme of terms and conditions. The public sector is in a period of rapid change regarding not only its role and responsibilities but also in terms of funding levels. Therefore we do not consider it would be prudent to fix reviews of allowances by reference to an index. We propose that member's allowances be considered by an IRP each year for the short term.

Travel and subsistence outside the administrative boundary of Walsall

Members should be encouraged to travel by public transport save were that is not practical, the costs of which should be reimbursed or paid directly. Where public transport is not available or practicable, the mileage rates applicable for travel by officers should be used.

Where members are unable to take main meals at their normal place, the subsistence rates applicable for officers should be used.

Pensions

No changes proposed.

Membership of the Local Government Pension Scheme should be made available to all elected members and both Basic and Special Responsibility Allowances should be pensionable.

Carers Allowance

That where any elected member is required to pay a carer in order to attend official Council business, the reasonable actual costs of that care should be reimbursed up to a total maximum of £1,037.80.

Co-opted and Appointed Members

No changes are proposed - no allowances are to be paid to Co-opted and Appointed Members.

Absence/Suspension

No change to existing provisions. Where a member has been unable to attend a council meeting for 6 months that their allowance be suspended unless the council agrees otherwise. Where a member has been suspended from performing the duties of their office for period of time that their allowances be suspended for the same period.

4. Resource and legal considerations

The power to have a Members Allowances Scheme is conferred by the Local Authorities (Members Allowances) (England) Regulations 2003 made under the Local Government and Housing Act 1989 and the Local Government Act 2000.

Under Part 4 of the above regulations Council has to have regard to the recommendations made in relation to its members allowance scheme by an Independent Remuneration Panel.

The Independent Remuneration Panel must produce a report making recommendations as to the responsibilities or duties in respect of the items contained between s21 (1) (a) to (g) of the regulations.

There is a requirement for the local authority to publicise the recommendations made by their independent remuneration panel as soon as reasonably practicable after receiving a report from the panel which sets out the panel's recommendations.

The overall cost of implementing the recommended changes can be contained within existing council budgets.

5. Member interests

The decision as to whether a member has to declare an interest in a report under consideration is ultimately a matter for the member to decide upon even where they have sought advice.

In relation to this report, as with other matters, each member has to decide whether they have a personal interest and if so, then go on to consider whether or not that personal interest is also a prejudicial interest.

Paragraph 8 of the code of conduct sets out the test for personal interest which includes the following:

"A member must regard himself/herself as having a personal interest in any matter... If a decision upon it might reasonably be regarded as affecting to a greater extent than other Council taxpayers, ratepayers or inhabitants of the authority's area, the financial well-being or financial position of himself/herself"

In applying the test every member would have a personal interest in this report and pursuant to paragraph 9 of the code of conduct, this would need to be declared at the meeting.

Under paragraph 10 (2) of the code of conduct, it provides;

"A member may regard himself/herself as not having a prejudicial interest in the matter if that matter relates to: (g) the functions of the authority respect of an allowance or payment made under sections 173 to 176 of the Local Governance Act 1972 or section 18 of the Local Government and Housing Act 1989".

The allowances being considered under this report falls within paragraph 10 (2) (g) and thus members may regard themselves as not having a prejudicial interest in the matter, and having declared a personal interest may continue to participate in the debate and vote on the matter.

6. Financial implications

The total proposed increase in budget for this proposal is £16,197.56 if the council accept the 2010 proposal without moving the allowances in question to the median, or £55,491.65 if they moved to the median level of allowances in respect of the specified allowances This represents an increase of between 1.8% to 6.5% in total budget for elected member allowances for 2012/13.

Both of these reflect a modest increase in the overall budget for elected members' allowances. The current median allowance for council leaders across our family group is currently - £26,850.00; for deputy leaders across the family group - £17,534.12, for Members of the Executive £13,425.00. The family group median for basic allowance is £10,620.00 which equates to the Council's current basic allowance.

7. Citizen Impact

- 7.1 The whole process of determining elected members allowances is based upon openness and transparency. The public have a right to know the level of allowances that elected members are entitled to in carrying out their duties effectively under the democratic process. The legislation requires that the Council publishes the scheme for member allowances to ensure the same can be scrutinised by the public, not only in terms of the scheme itself but also in comparison to neighbouring authorities, and the amount recommended by the Independent Remuneration Panel.
- 7.2 Remuneration should not be an incentive for service as a Councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local Councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so. Councillors should be compensated for their work and that compensation should have regard to the full range of commitments and complexity of their roles.

- 7.3 The changes proposed to the scheme by the Independent Remuneration Panel acknowledge the different levels and complexity, and commitment of the roles undertaken by elected members.

8. Environmental impact

- 8.1 The scheme recommended by the panel encourages elected members to use public transport in carrying out their duties wherever possible. Where this is not possible expenses incurred can be reclaimed or where they use their own vehicle a car mileage allowance rates can be claimed. This is recommended to be paid at the same rates applicable to officers and the scheme encourages the use of more environmentally friendly vehicles.
- 8.2 Further, the new scheme encourages elected members to become connected to broadband. In time this could help reduce the volume of paper circulated and reduce number of queries members have to make for information, as more and more is available on the council intranet.

9. Performance and risk management issues

Council is obliged to adopt a new members allowance scheme every year. However, where an index is applied to the scheme, the council can rely upon that index for up to 4 years without the need to review the scheme. If the council fails to adopt a new scheme (even if it is to re-adopts the existing scheme) before the existing one expires, then the Council will be unable to pay its members allowances thereafter until a new scheme is adopted.

10. Equality implications:

None arising from this report

11. Consultation

- 11.1 In accordance with statute the Council consults with and receives recommendations from the Independent Remuneration Panel, who have substantial information concerning councillors allowances, on which they base their recommendations. All the political group leaders of the Council were invited to provide comments to the independent remuneration panel for them to consider as part of their deliberations in reviewing the current scheme of allowances.
- 11.2 The final report was circulated to all elected members. In addition the proposed scheme of allowances was published as soon as practicable after it was received.

Background papers

Report of the Independent Remuneration Panel – December 2011

Author

Tony Cox

Head of Legal and Democratic Services

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A handwritten signature in black ink, appearing to read 'Anthony Cox', is centered on the page. The signature is written in a cursive style with a large initial 'A' and a long, sweeping tail.

Signed

Tony Cox

Head of Legal and Democratic Services

Date: 29th December 2011

Walsall Council

INDEPENDENT REMUNERATION PANEL (IRP)

FINAL REPORT

1.0 INTRODUCTION

- 1.1 The Monitoring Officer on behalf of the Council requested us to undertake a review of the Scheme of allowances for Members.
- 1.2 The last scheme adopted by the Council was following a report from a differently constituted IRP and was adopted on 1 May 2007. The scheme provided for an annual adjustment in line with national JNC pay awards made to officers up to and including 2011.
- 1.3 This report follows a detailed review of current allowances made to members in comparison to other Black Country and CIPFA family of authorities.
- 1.4 Our recommendations are unanimous.

2.0 MEMBERSHIP OF THE PANEL

- 2.1 The members of the IRP were appointed by the Monitoring Officer, using authority delegated to him by Council and comprise:

Mr B Reid, OBE : Chief Executive Officer
(Chair of the IRP) : Midcounties Co-Op

Mr R Hood : Former Head of Member Services
: Stratford -on Avon District Council

Mr P Jay : Managing Director
Absolute Deliveries

- 2.2 The Panel was assisted in their work by officers in providing comprehensive background and benchmarking information, and assisting the work of the Panel generally at the Panel's meetings. This helped to make our job much easier and our working's methods efficient. Therefore, we would like to acknowledge our thanks to Tony Cox, John Garner and Jo Whitehouse.

3.0 TERMS OF REFERENCE

- 3.1 We understand that we have an unfettered discretion to make recommendations upon the scheme of allowances for members and that the Council also has an unfettered discretion as to whether to accept those recommendations. We were informed of the views of the group leaders at the first meeting of the Panel.
- 3.2 As the basis for undertaking our work, we adopted the following terms of reference:-

To consider and make recommendations for the level of allowances Members should receive for carrying out their duties, having regard to:-

- (a) The roles and responsibilities, which Councillors are required to undertake in a Leader and Cabinet model of administration;
- (b) Member Job Descriptions and differing levels of responsibility, accountability, and time commitment of Councillors;
- (c) The principle that accepting the office of Councillor is the acceptance of a public office and therefore it contains an element of voluntary public service;
- (d) The legislation (primary and secondary), guidance issued by the Government and Local Government Association;
- (e) Schemes of allowances for Councillors' in operation in other similar authorities in the Black Country, West Midlands and from a CIPFA family of authorities;
- (f) The additional cost of any recommendations, in the context of the pending national spending review, the Council's overall resource position, the national debate on public sector salaries and allowances for holders of public offices.

3.3 In formulating our recommendations, we have also been mindful of the Members and officer time, and systems cost involved in administering such a scheme. As far as possible and practical we have sought to keep the system simple.

4.0 **REVIEW METHODOLOGY**

4.1 In determining our approach to this review, we recognised that whilst every authority is unique, the roles carried out by elected members in similar tiered and sized authorities have many similarities and thus are broadly comparable

4.2 In undertaking the review we were

- (a) advised of the political arrangements at the Council
- (b) provided with copies of the Member Job Descriptions;
- (c) provided with copies of members allowances schemes for authorities in the Black Country, the West Midlands and those falling with the CIPFA family of authorities;
- (d) provided with a tabulated analysis of (c) above;
- (e) provided with the statutory provisions regulating the schemes of allowances for members and government guidance
- (f) a copy of the report from the last IRP and the subsequent report to Council

(g) a financial model for establishing the financial implications of our options.

- 4.3 We compared the level of the allowances paid by other similar authorities and sought to iron out any significant differences in the level of allowances. We have used the median of the different allowances as our starting point for deliberations and sought to bring the allowances paid by this authority close to, but not above the median. This will minimise any upward inflationary pressure within the sector.
- 4.4 In reaching our proposals we also sought to devise a scheme that was easy to understand, transparent, based upon some basic principals and fundamental assumptions.
- 4.5 We carried out a full review of the papers presented to us which included the report that we produced last year and which was presented to the Members on 8 November 2010.
- 4.6 We recognised the fact that the Members in fact only noted our report and no increases were awarded.
- 4.7 It was clear last year, and is reinforced by this year's data that the allowances currently paid to Walsall Members are generally less than their counterparts in neighbouring authorities. It was this factor that let us to recommend, last year, that the authority should adopt a policy of moving allowances towards the median point. We are still firmly of that view and would therefore wish to restate our proposal that Members consider a phased introduction of increases to bring allowances into line over the next few years.
- 4.8 Our proposal last year was that:
- The Leader's allowance should increase by £1,500 pa.
 - The Deputy Leader's allowance by £2,300 pa
 - Cabinet Members by £1,000 pa
- 4.9 It was proposed that these increases would continue until the median point was reached. If members were minded to adopt this approach we would be fully supportive.
- 4.10 However, we are conscious of the difficult economic conditions and the constraints that are being placed on Local Authorities. In addition, the recently announced continuation of restricted pay increases for Public Sector employees will no doubt be factored into the equation.
- 4.11 If therefore Members are unable to implement last years report at this time we would strongly recommend that the aspiration of median pay allowances is adopted as a principle, with a view to action being taken as soon as it is deemed acceptable.

- 4.12 In addition it would be appropriate for us to highlight one particular area that merits special consideration. From the information we have been provided it is clear that the role of the Deputy Leader has changed considerably since the original job description was produced in 2006.
- 4.13 We would strongly recommend that the present job description is reviewed and compared with that of similar post holders in neighbouring authorities. Currently the Deputy Leader is paid 50% of the median. If the roles are comparable this would appear to be an unreasonable position for the authority to maintain.
- 4.14 If, as we believe to be the case, the roles are broadly comparable we would recommend increasing this allowance to £15,000. This would benchmark it at around 75% of the Leaders allowance. This figure would still be approximately £2,500 below the median point but this differential would be addressed in the fullness of time, when the remaining allowances are advanced towards the median point. We have been assured that the Deputy Leaders role equates to similar roles in neighbouring authorities and the CIPFA group.

5.0 **PUBLIC SERVICE**

- 5.1 We recognise that the most councillors enter local government to make a contribution to their communities and accordingly that their primary motivation was not financial reward. Whilst the tradition of voluntary service should continue and is an important factor it can also act as barrier to entry for prospective Councillors and particularly to those roles that have a heavy time commitment. We are of the opinion that the barriers to entry need to be as low as possible to ensure that there is greater equality of opportunity to enhance local democracy. However, we also consider that it is also fundamentally wrong to create a situation where holding Council office is seen as a career or sought for financial reward.

6.0 **TRAVEL AND SUBSISTENCE AND OTHER EXPENSES**

- 6.1 **Telephone and broadband.** We noted that the current basic allowance includes expenses for telephone calls. We do not propose to alter that stance. The use of electronic communication systems have grown significantly and the cost of access has also fallen sharply. Broadband connection is provided as a free option with many television or telephone packages. Therefore in line with previous recommendations we propose that the expense of broadband connection should only be recoverable as an expense if it is a standalone expense and not part of a collateral contract forming a “free” additional package.
- 6.2 **Travel.** Where councillors are required to travel on official business within the Borough, then the cost of that is covered within the basic allowance. Where travel is outside the administrative area, the cost of travel should be reimbursed. Where it is not practicable or possible to use public transport, the casual user mileage rates applicable for officers’ travel should be used.

6.3 **Subsistence.** Where Members are unable to take main meals (i.e. breakfast, lunch and dinner) in their normal place, as a result of travelling on official business, the cost of purchasing a meal and or beverage or appropriate refreshment should be reimbursed in line with the officer's scheme of subsistence.

7.0 PENSIONS FOR COUNCILLORS

7.1 The existing scheme allows for councillors to opt into the local government pension scheme and we make no proposals for change consequently both Basic and SRA should be pensionable

8.0 THE BASIC ALLOWANCE

8.1 In coming to a conclusion about the appropriate level of basic allowance to recommend, we considered:-

- (a) That the role of a backbench Councillor is universal across England despite local administrative variances and has not changed significantly since the last review of allowances;
- (b) That on making the above assumption, the allowance ought to be comparable to that of neighbouring and comparable schemes;
- (c) That the process for claiming it should be simple. The current scheme covers the cost of telephones and travel for official business. We see no strongly persuasive argument for changing the existing scheme in this respect.
- (d) That the current level has increased in line with annual awards to officers for the last 3 years.

8.2 The basic allowance currently payable at this authority compares favourably to the median allowance payable by the CIPFA family of authorities. In applying the annual inflator the allowance has risen to £10,378 (the award for 2010/11 is still outstanding). Having taken these factors into account, we believe that we are making a balanced judgement in recommending that there is no change in the basic allowance of £10,378* per annum for all Councillors, to be payable with effect from 1 April 2012 (subject to applying the 2010/11 inflator).

9.0 SPECIAL RESPONSIBILITY ALLOWANCES (SRAS)

9.1 The principle of paying SRAs is well established. It is clear that some members have onerous personal responsibilities that require a time commitment that is significantly greater than that of a backbencher.

- 9.2 The Scrutiny role has now been established and is embedded within local authorities. As well as scrutinising and holding the executive to account they have an important part to play in policy development. There are however clear differences. It is not as contentious, high profile or time hungry as the role of a cabinet member.
- 9.3 The responsibilities and workloads of the Regulatory Committees and the affect this has on the Chairs workload needs to be recognised in an appropriate level of SRA.
- 9.4 The guidance suggests that a SRA should be paid were there is a significant increase in responsibility and where the majority of councillors would receive a SRA the electorate would be right to question this. We have reviewed the number of SRA's and roles to which they attach. We are satisfied that the roles we have determined as eligible for a SRA do carry additional significant responsibility warranting the making of a payment of an additional allowance.
- 9.5 A well organised, effective and robust opposition is essential to a healthy democratic process. Therefore, we recommend that the Leader of the largest opposition group should be paid an SRA. The current scheme also provides for a minority opposition group leader to receive an allowance where their group comprises 10% or more of the Council. We see no reason to change this. We would propose that the entitlement to the SRA is for the municipal year and should be determined by the size of the group at the Annual Council and not subject to in year changes as any such changes are normally few and small in number to ease the administration of the allowance.
- 9.6 In considering the monetary value for each SRA, we considered multipliers applied by the previous IRP and also sought to establish if there was correlation in the CIPFA family. The results showed that the multipliers fell within a range and that there was no consistent level. We then considered the current level of allowance with the median payable.
- 9.7 In summary we would therefore recommend the following:
- (a) Adoption of the proposals that were contained in the 2010 report and noted at the Council meeting held on 8 November 2010, with the exception of the allowance for the Deputy Leader being increased to £15,000 from April 2012, with discretion for the council if they decide to approve the increase in allowance to the Leader of the Council, Deputy Leader of the Council, and Members of the Executive to the median level as in table 9.8 below.
 - (b) No increases in any allowances not specifically mentioned in this report except in line with the pay inflator set out in paragraph 10.
 - (c) Adoption of the principal of moving allowances towards the median point with implementation at the appropriate time.
- 9.8 We recommend the following SRAs (in addition to the basic allowance) at the levels stated to be payable with effect from 1 April 2012:

	Value of SRA (£) on 2010 proposals	Value of SRA (£) if moved to median
Leader of the Council	£22,356.00	£26,850.00
Deputy Leader	£15,000.00	£17,534.12
Other Group Leaders	£8,302.44	No Change
Cabinet Member	£9,302.44	£13,425.00
Carers' Allowance	£1,037.80	No Change
Audit - Chair	£5,189.04	No Change
Planning - Chair	£7,783.56	No Change
Employment Appeals – Chair (2)	£5,189.04	No Change
Licensing & Safety – Chair	£5,189.04	No Change
Taxi Licensing (Sub) - Chair (2)	£7,783.56	No Change
Scrutiny Chair	£8,302.44	No Change

10.0 INFLATION INCREASES

- 10.1 The Council can revise the scheme of allowances for members by reference to an index but reliance upon that index can be for no longer than a period of four years before seeking further recommendations from an independent panel.
- 10.2 We note that the current index applied is the award for Council officers on the JNC scheme of terms and conditions. The public sector is in a period of rapid change regarding not only its role and responsibilities but also in terms of funding levels. Therefore we do not consider it would be prudent to fix reviews of allowances by reference to an index. We propose that member's allowances be considered by an IRP each year for the short term.

11.0 CARERS ALLOWANCE

- 11.1 We believe that no-one should be reasonably precluded from standing for election or accepting office on financial grounds and or that no Councillor with caring responsibilities should be prevented unwillingly from attending meetings or be financially disadvantaged because of the cost of providing alternative care arrangements. Therefore, we recommend that any Elected Member who is required to pay a carer in order to attend official Council business, should be able to reclaim reasonable actual costs incurred, up to an annual spend of £1028.

12.0 CO-OPTED AND APPOINTED MEMBERS

- 12.1 The Council is required to co-opt Church and Parent Governor representatives onto committees dealing with Education matters and to have Independent Members on Standard Committees. The Council has been successful in

appointing citizens to these roles and at this time we do not propose recommending that allowances attach to these positions.

13.0 **THE COST OF OUR RECOMMENDATIONS**

- 13.1 We set out in the following table our estimates of the additional full year costs of our recommendations.
- 13.2 We believe we have taken a reasonable and balanced view of the level of maximum allowances that should be paid and the costs therefore the cost (which amounts to a total budget increase of around 1.8% - 4.8% (dependant on phasing of increase to median represent good value for money).

Signed:

A handwritten signature in black ink, appearing to read 'Ben Reid', with a long horizontal stroke extending to the right.

Ben Reid
Chair – Independent Remuneration Panel and
Chief Executive Officer, Midcounties Co-Operative

Date: December 2011

Proposed Members' Allowances Scheme

The Walsall Metropolitan Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 made under the Local Government and Housing Act 1989 and the Local Government Act 2000 hereby make this Scheme:

- 1.1 This scheme may be cited as "The Walsall Metropolitan Borough Council Members' Allowances Scheme" and shall have effect from 1st April 2007.
- 1.2 The existing Members' Allowances Scheme is revoked upon the coming into effect of this scheme.
- 1.3 This scheme may be amended at any time but may only be revoked with effect from the beginning of a year.

2. In this Scheme:

"Councillor" means a Member of the Walsall Metropolitan Borough Council;

"Year" means the 12 months ending 31st March;

"Yearly Allowance" is the allowance due for the year within which the term of office of the Councillor falls.

3. Basic Allowance

Subject to the provisions of this scheme, for each year a basic allowance as detailed in Schedule 1 shall be paid to each Councillor, this allowance includes the cost of telephones and travel and subsistence in the borough of Walsall.

4. Special Responsibility Allowances

- 4.1 For each year a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 to this Scheme.
- 4.2 Subject to the provisions of this scheme, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
- 4.3 When a Councillor takes on special responsibilities which would entitle that Councillor to the payment of more than one special responsibility allowance from the Council, the Councillor will be entitled to receive only one special responsibility allowance per year. The Councillor will be entitled to receive the higher allowance for which he/she qualifies.

5. Carers' Allowance

- 5.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, allowances shall be paid in respect of such expenses of arranging for the care of members' children or dependants as are necessarily incurred in the attendance at any meeting of a type specified in the Regulations and set out in Schedule 2 to this Scheme or the Performance of any duty specified in the Regulations and set out in Schedule 2 to this Scheme.
- 5.2 That where any elected Member is required to pay a carer in order to attend official Council business, the reasonable actual costs of that care should be reimbursed up to a total annual maximum amount of £1100.
- 5.3 Payments can be made for the care of dependants including children, elderly persons or those with some form of disability.
- 5.4 Councillors may claim for care provided by relatives and others provided they do not live in the family home.

6. Travelling and Subsistence Allowance

6.1 Travelling and subsistence within the West Midlands County Area.

The cost of travel and subsistence within the West Midlands County area on official Council business shall be deemed to be included within the Basic Allowance and no further allowance shall be payable.

6.2 Travel and subsistence outside West Midlands County Area

- (i) That for all travel members should be encouraged to travel by public transport, the costs of which should be reimbursed or paid directly.
- (ii) That where public transport is not available or possible, the mileage rates applicable for travel by officers should be used.
- (iii) That where members are unable to take main meals in their normal place, the subsistence rates applicable for officers should be used.

7. Telephone Allowance

The cost of any charges related to the provision of a telephone by a Councillor, including call charges, incurred on Council related business shall be deemed to be included in the basic allowance. The cost of broadband connection can only be recoverable as an expense if it is a standalone expense and not a collateral contract forming a "free" additional package.

8. Co-optees' Allowances

No allowances shall be paid to co-optees on any of the Council's committees other than reimbursement of travel and subsistence expenses.

9. Pensions

Membership of the Local Government Pension Scheme shall be available to all Councillors in accordance with the provisions of the Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003. Both the Basic Allowance and Special Responsibility Allowance will be pensionable.

10. Renunciation

A Councillor may by giving notice in writing to the Chief Executive elect to forego any part of his/her entitlement to an allowance under this Scheme.

11. Part-year entitlement

11.1 The provisions of this paragraph shall have effect to regulate the entitlements of a Councillor to the basic or special responsibility allowance where, in the course of a year, this Scheme is amended or that Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

11.2 Amendment of amount of allowances

If any amendment to this scheme changes the amount to which a Councillor is entitled, during the year, by way of basic an/or special responsibility allowance then the amount of the amended allowance each Councillor shall be entitled to, shall be in direct proportion to the number of days remaining in the year and the amended yearly allowance. Such entitlement commencing upon the date of the amendment coming into effect. Entitlement to allowances due prior to the amendment is in direct proportion to the number of days from the beginning of the year, in which the scheme was amended, up to the date immediately prior to the amendment coming into effect and the amount payable for that year to amendment.

11.3 Amendment to special responsibilities eligible for allowance

If an amendment to this scheme changes the duties specified as eligible for special allowance which are approved from time to time for payment of an allowance; then the entitlement to allowance shall commence when the duty is carried out. The amount to which each Councillor is entitled is in direct proportion to the number of days remaining in the year, commencing upon the date when the duty is first carried out and the amended yearly allowance.

11.4 Amendment to term of office – basic allowance

Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of the year, the entitlement of that Councillor to a basic allowance shall be in direct proportion either to the number of days from the beginning of the year, to the date when the Councillor's term of office ends, or from the date when the term of office began to the end of the year; and the yearly allowance.

11.5 Changes in period of special responsibility

Where a Councillor has special responsibilities during part of but, not throughout a year that entitles him/her to a special responsibility allowance, then that Councillor's entitlement shall be limited to payment of such part of that allowance in direct proportion as to the number of days during which the Councillor has such responsibility bears to the number of days in that year. Where a Councillor's special responsibility straddles two different rates of allowance the Councillor's entitlement shall be in direct proportion to the number of days the special responsibility was/is performed and the allowance to that period of the year.

12. Payments

Payment of allowances shall be made in instalments of one-twelfth of the amount specified in the Scheme on the 28th day of each month or the nearest preceding working day. Payment will be by the Bacs system to the Councillor's nominated account. Where a payment of one-twelfth of the amount specified in this scheme would result in a Councillor receiving more than the amount to which he or she is entitled by virtue of paragraphs 3 and 4, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

13. Record of allowances

13.1 A record of all payments made in accordance with this scheme will be maintained by the Head of Payroll and Pension.

13.2 The record will:-

- (a) specify the name of the recipient of the payment and the amount and nature of each payment;
- (b) be available at all reasonable times for inspection free of charge by any local government elector for the area of the Borough Council;
- (c) be supplied in copy to any person who requests such a copy and who pays to the Council such reasonable fee as it may determine.

14. Inflation increases

The basic and special responsibility allowance will be varied with effect from 1st April in each year from April 2008 up to and including 1st April, 2010, in line with the JNC award for officers.

15. Suspension of Councillors

15.1 Where a Councillor is suspended or partially suspended from his/her responsibilities or duties as a member of the Council in accordance with Part III of the Local Government Act 2000 or regulations made under that Part, the part of basic allowance and special responsibility allowance payable to him/her in respect of the period for which the Councillor is suspended or partially suspended may be withheld.

15.2 A decision to withhold an allowance shall be taken by the Council's Standards Committee.

15.3 Where payment of any allowance has already been made in respect of any period during which the Councillor concerned is:

- (a) suspended or partially suspended from his/her responsibilities or duties as a member of the authority in accordance with Part III of the Local Government Act 2000 or regulations made under that Part;
- (b) ceases to be a Councillor;
- (c) is in any other way not entitled to receive the allowance in respect of the period,

the authority may require that such part of the allowance as relates to any such period must be repaid to the authority.

16. Membership of more than one authority

16.1 Where a Councillor is also a member of another authority, that Councillor may not receive allowances from more than one authority in respect of the same duties.

SCHEDULE 1

(a)	BASIC ALLOWANCE	£10,378
(b)	SPECIAL RESPONSIBILITY ALLOWANCES	
	Leader of the Council	£22,356
	Deputy Leader	£15,000
	*Other Group leaders	£8,302.44
	Cabinet members	£9,302.44
	Carers Allowance	£1,037.80
	Regulatory Committee Chairs	
	Audit Committee	£5,189.04
	Employment Appeals	£5,189.04
	Licensing and Safety	£5,189.04
	Planning Committee	£7,783.56
	Taxi Licensing (sub)	£7,783.56
	Scrutiny Committee Chair	£8,302.44

* The Group must hold a minimum of 6 seats or 10% whichever is greater of the Council membership.

SCHEDULE 2

CARERS' ALLOWANCE

- (a) The attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of a committee or sub-committee of such a body;
- (b) The attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and at least one other local authority within the meaning of Section 270(1) of the Local Government Act 1972 or a sub-committee of such a joint committee, provided that members of at least two political groups have been invited;
- (c) The attendance at a meeting of any association of authorities of which the authority is a member;
- (d) The attendance at a meeting of the Cabinet or of any of its committees;
- (e) The performance of any duty in pursuance of any standing order made under Section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
- (f) The performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
- (g) The performance of any duty in connection with arrangements made by the authority for the attendance of pupils at any school approved for the purpose of Section 342 of the Education Act 1996 (approval of non-maintained Special Schools) and
- (h) 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 or any of its committees or sub-committees.