

## **Council – 15th January 2007**

### **Members Allowances 2007 -2011**

**Service Area:** Legal and Constitutional Services

**Wards:** None

#### **Summary of report**

The current scheme of members allowances was adopted in December 2003 and made provision for it to be adjusted each year in line with a specified index. Shortly after adoption the index ceased to be published and as a result the allowances under the scheme have not been adjusted since the scheme was approved. Further, pursuant to the regulations that govern such schemes, before the scheme could be amended, it is a requirement that the scheme was reviewed by an independent remuneration panel (IRP). An IRP was established and it has produced a report making recommendations to the Council for a new scheme. The report which is attached as Appendix 1.

Members are requested to consider the recommendations of the IRP and to have regard to them when proposing a new a scheme of allowances to be paid to members from 1 April 2007.

#### **Recommendations**

- (1) That the Council note the recommendations of the Independent Review Panel and thanks them for their work in producing a report.
- (2) That the Council approves a scheme of allowances to be implemented from 1 April 2007.
- (3) That the Council agrees the specified annual inflator (paragraph 11.2 of the IRP report ) to be applied to the scheme and that authority be delegated to the Chief Finance Officer to undertake all necessary steps to implement the same.
- (4) That the Council delegates authority to the Monitoring Officer to advertise, in a form that he is content with, the new scheme of allowances and payments made thereunder, as required under statute this year and each year thereafter.

#### **Resource and legal considerations**

Legal implications are contained within the body of the report.

Members interest. 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 when they have sought advice. In relation to this report, as with other matters, each

member has to decide whether they have personal interest and if so, then to consider if that personal interest is also a prejudicial interest.

Paragraph 8 of the Code of Conduct (the code) 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 tax payers, ratepayers or inhabitants of the authorities area, the financial well being or financial position of himself/ herself..

In applying the test it is the authors view that every member would have personal interest in this report and pursuant to paragraph 9 of the code this would need to be declared at the meeting.

The test for prejudicial interest is set out in paragraph 10 of the code...

(1) A member ...also has a prejudicial interest if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the members judgement of the public interest.

(2) A member may regard himself /herself as not having a prejudicial interest in matter if that matter relates to

(g) the functions of the authority in respect of an allowance or payment made under sections 173 to 176 of the Local Government Act 1972 or section 18 of the Local Government and Housing Act 1989.

The allowances being considered under this report fall 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.

The cost of the scheme as recommended by the IRP is set out in paragraph 15.1 of their report. Following further investigation it has been noted that the council has two taxi licensing sub committees and thus two chairs allowances would be payable as opposed to the one cited in the table. In accommodating the difference the overall cost of the scheme would amount to £787,500. This is within the amount allocated within the provisional budget for next year.

## **Citizen impact**

The level of allowances that councillors decide to award themselves will be scrutinised by the public, not only in real terms but also in comparison to neighbouring authorities and the amounts recommended by the IRP. The levels at which the allowances are set needs to balance many differing factors. These are addressed in more detail in the IRP report but they include the need to reimburse members, for some, if not all of their time spent on conducting the business of their office. An appropriately balanced scheme will also help to inform and provide greater understanding to citizens of the roles and responsibilities of being a councillor. Additionally, a modern and revised scheme can act

as a source of encouragement to those citizens who have considered standing for public office but were unable to do so due to financial pressures.

### **Environmental impact**

The scheme recommended by the IRP encourages councillors to use public transport in carrying their duties whenever possible. Where this is not possible expenses incurred can be reclaimed or where they use their own vehicle a car mileage allowance 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.

Further, the new scheme encourages members to become connected to the broadband. In time this could help to reduce the volume of paper circulated and reduce the number of queries members have to make for information, as more and more is available on the councils intranet.

### **Performance and risk management issues**

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

### **Equality implications**

None arising from this report.

### **Consultation**

Council approved the establishment of an Independent Remuneration Panel and requested that the group leaders nominate representative(s) to be on a working group. The remit of the working group was to make recommendations to officers on the size of the IRP, its membership and to provide a steer for the IRP when reviewing the current scheme. The working group were consulted upon the aforesaid and they recommended an IRP consisting of three members, they subsequently approved its membership and its broad terms of reference.

The IRP were provided with current comparator schemes from local authorities in the Black Country, West Midlands and from a cluster of authorities that fall into our CIPFA, (Chartered Institute of Public Finance Accountants) family of local authorities.

Following the production of the report two briefing sessions were held by IRP members on 30 November to inform members of the IRP recommendations and provide members with an opportunity to raise questions with the panel members.

A copy of the IRP final report was also circulated to all members.

## **Background papers**

1. Report of the Independent Remuneration Panel 30 November 2006.

### **Signed:**

**Assistant Director  
Legal and Constitutional Services :**  
**Date:** 5 January 2007

### **Contact officer Bhupinder Gill**

1. The current scheme of members allowances was agreed by Council in November 2003 and implemented from December 2003. Under the regulations that govern members allowances if a scheme is adjusted in line with an index, the council cannot rely upon that index for more than 4 years, after which it must be reviewed by an independent panel (IRP).
2. Shortly prior to the application of the agreed index for the first time, it ceased to be published and as a result the allowances have been frozen since approval by the Council in November 2003. The Council can only review the scheme following a review and recommendations by an Independent Remuneration Panel (IRP). Further in the event that the Council fails to agree a new scheme prior to the existing one lapsing, the Council will be unable to pay any allowances until a new one is approved.
3. Under the regulations governing such schemes it is a requirement that in preparing a scheme of allowances a Council must have regard to the recommendations of an independent panel in setting the level of allowances i.e. basic allowance, special responsibility allowance, travelling and subsistence allowance, co-optees allowances and also which members should be eligible for pensions.
4. In the context of pensions, unlike other panel recommendations those relating to pensions are binding. The Council can only make membership of the Local Government Pension Scheme available to those members recommended by the panel, but the Council can decide not to offer membership to some or all of the recommended members.
5. In September 2004, the Council agreed to the establishment of an IRP and a cross party working group was established to assist in the appointments to the panel. The working group agreed that the IRP should consist of three members (the minimum) and that they should undertake a fundamental review of the existing scheme rather than simply index the existing scheme.
6. A number of routes for appointing to the panel were explored by the working group including nominations by members, public advertising, retention of consultants and nominations by officers. Having explored the options, (nominations by members could not be agreed upon, the public advertisement produced a poor response and

the consultants would have proved to be costly), in August 2006, with the unanimous approval of the working group the officer recommendations were accepted.

7. The panel were provided with considerable data on comparator schemes and the results a of survey of councillors (para. 4.2 of the IRP report refers). The IRP has now published its report and recommendations. These were presented to members in two briefing sessions on 30 November 2006 and copies of the report were also circulated to all members. For ease of reference the IRP report is appended.
8. In summary the recommendations of the IRP are as follows:-

(a) Basic Allowance

That the basic allowance, paid to all councillors, of £9,744 per year be increased to £10,000. This allowances includes the costs of telephones, and travel and subsistence in the borough of Walsall..

(b) 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:-

	£
Leader of the Council	20,000
Deputy Leader and Cabinet Members	8,000
Other Group leaders	8,000
Carers Allowance	1,100
Regulatory Committee Chairs	
Audit Committee	5,000
Development Control Committee Chair	7,500
Employment Appeals	5,000
LEA Governor Appointments	5,000
Licensing and Safety	5,000
Taxi Licensing (sub)	7,500
Scrutiny Committee Chair	8,000

(c) Multiple Allowances

As with the existing scheme, were a Member holds more than one office qualifying for a special responsibility allowance, that Member should be paid the higher allowance only.

(d) Inflation Increases

The index cited in the existing scheme ceased to be published shortly after the scheme came into being. To avoid that happening it is proposed the basic and special responsibility allowance should 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.

(e) Travel and Subsistence outside the administrative boundary of Walsall

- (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.

(f) Pensions for Councillors

No changes proposed, that membership of the LGPS be made available to all elected members and both basic and special responsibility allowances should be pensionable.

(g) 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 annual maximum amount of £1100.

(h) Co-opted and Appointed Members

No changes are proposed, that, no allowances be paid to co-opted and appointed members.

(i) Absence/Suspension

No change to existing provisions.

9. The regulations require that following receipt of a report from an independent remuneration panel, a public notice must be given in a local newspaper of the panel's recommendations, including the specified amount of allowances. This notice has been given. A further notice must be given once the Council has adopted a new allowances scheme.
10. The report from the IRP recommends that the allowances be paid from 1 May each year. The regulations require the Council to provide for a scheme for the payment of allowances each year and that a year is defined as a period ending on 31 March. Whilst the council could adopt scheme which changed during the course of a year it would be more prudent to adopt one which applied for the whole of the year and thus was applicable from 1 April each year.

## **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 differently constituted IRP and was adopted in November 2002. Whilst the scheme provided for an annual adjustment in line with a public index, that index ceased to be published and as a result the allowances under the current scheme have not been revised/ adjusted for 4 years.
- 1.3 This report follows a detailed review of Member responsibilities, duties and the amount of time Members spend on Council business. We have also had to have regard to guidance concerning Members' Allowances.
- 1.5 Our recommendations are unanimous.

##### **2.0 MEMBERSHIP OF THE PANEL**

- 2.1 The Panel was appointed by the Monitoring Officer, using authority delegated to him by Council, following consultation with and agreement of all three political group leaders, and comprises:-

Ms N Copper : Director of Finance  
: Walsall tPCT

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

Mr P Jay : Managing Director  
Vehicle Collection

- 2.2 The Panel was greatly assisted by the work of the 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 Bhupinder Gill, John Garner and Joanne 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 accept those

recommendations. A working group consisting of representatives from each of the political groups represented on the Council has provided us with a useful steer in our work.

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 Council's overall resource position;
- (g) The working groups steer that the new scheme should be a fundamental review and not simply an adjusted version of the existing scheme

3.3 In formulating our recommendations, we have also been mindful of the Members' time and officer and systems cost involved in administering such a scheme and thus 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;

- a) the previous recommendations of the IRP took into account the new political structures, introduced by the Local Government Act 2000
- b) 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 responses and an analysis of responses to a questionnaire sent to all Members of the Council ( appendix 1) ;
- (d) 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 ;
- (e) provided with a tabulated analysis of (d) above( appendix 2)
- (f) provided with tabulated analysis of number of meetings per forum, number of pages considered, length of meetings, number of pre meetings ( appendix 3);
- (g) provided with the statutory provisions regulating the schemes of allowances for members and government guidance
- (h) a copy of the report from the last IRP and the subsequent report to Council
- (i) a model for establishing the financial implications of our options.

## 5.0 BACKGROUND RESEARCH AND INFORMATION

### 5.1 MEMBERS' QUESTIONNAIRE

5.2 A questionnaire was sent to all Members of the Council seeking information and views and we are very grateful to those who responded. Essentially the same questionnaire that was used 4 years previously was used to allow for direct comparison of results. By the time of our meeting 20 responses had been received, a response rate of 33 %, with a reasonable spread across political groups, the Cabinet, Overview and Scrutiny, Regulatory committees and Back benchers. We did not survey co-opted or appointed Members. Whilst the results of the survey were helpful to our deliberations due to small number of responses and the significant divergence in the results it was difficult to draw any consensus information upon which to base our recommendation upon. However, they did provide a useful steer as to those areas where members expressed views upon the current scheme. An anonymised summary of the returns is set out in appendix 1.

5.3 The following paragraphs summarise the factual information provided:-

- (a) In the last survey backbench Members (i.e. those with no additional responsibilities) reported that, on average, they were spending between about 75 and 80 hours per month on Council business. In this year's survey, we had 5 returns and the figures fluctuated significantly between 22 hours per month and 236 per month. Due to the small number of responses (only 5) and the significant variance between the figures, whilst an average figure could be calculated it would in our opinion be of very little assistance in making determinations.
- (b) Lead Members previously stated they spent an average about 120 hours per month (or about 50% more than Backbenchers). This year excluding the one out of the 7 responses ( which appears to completed in error) the average time is 135 hours per month.
- (c) The Chairs of Scrutiny panels previously stated a time commitment of about 100 hours per month. This year we had three responses with an average of 74 hours per month. Chairs of Regulatory committees Development Control, Taxis and Licensing were, in the main spending more time than other Chairs.
- (d) Fourteen out of twenty respondents said they thought that the time spent on Council and related business was about right, five thought it too much and two not enough (some respondents answered more than more than option). Work commitments were most often quoted as the constraint to spending more time on Council business and some Members referred to the impact on family life as a constraint.
- (e) The majority of Members (16) said they thought that the time commitment was likely to increase in the future but again there was no pattern that emerged save that the responses showed respondents expected between a 10% to 40 % increase but could not specify why they foresaw an increase.

5.4 A number of other themes or issues emerged from our analysis of the questionnaires discussions, including;

- (a) That their role as a Councillor impacts on work, career prospects and earnings potential;
- (b) That Councillors who were retired or did not work were more likely to spend more time on Council and related business than those who did work;
- (c) That as well as the time spent on official Council business, Councillors were also expected to contribute to political, voluntary

and other community activity;

- (d) That the constituents often expected Councillors to be permanently “on call”;
- (e) That the level of constituents’ business varied greatly.

5.5 The Regulatory Committees, Development Control, Taxis and Licensing tend to meet more frequently and for longer periods than some other committees and this was reflected in their workload. These committees often dealt with difficult and contentious issues and decisions sometimes had to be justified and defended at appeals. The burden of providing the councils position (i.e. a statement or other position document explaining how and why the decision was reached) at these appeals fell upon the chairman.

5.6 We were also informed that the number of occasions that a vice chair (deputy) of a committee may have had to chair a committee in the absence of the chair was very infrequent. Indeed, it was common for a chair to seek to vary the date of a committee meeting to ensure they were present if the date fixed in the calendar of meetings was subsequently inconvenient for them.

5.7 In the event that the council intended to issue a press release, that would normally be provided by the committee chair or the relevant cabinet member and we consider that the provision of such a statement to be part and parcel of the leadership responsibility of those roles. We thus concluded that the spokespersons other than those referred to above would primarily be presenting a political as opposed to the council perspective to the issue and thus should not have a SRA attached to them.

## 6.0 TRAVEL AND SUBSISTENCE AND OTHER EXPENSES

6.1 We noted that the current basic allowance includes expenses for telephone calls. We do not propose to alter that stance. However, since that scheme was adopted, home broad band connection has become much more accessible to households. The cost of broadband is falling and with many service providers including it as a “free” option. So that those councillors who do not qualify for a “free” option can take advantage of the many efficiencies that such a system can bring we propose that the expense of broadband connection be recoverable as an expense. (For the avoidance of doubt it should only be recoverable if it is a standalone expense and not a collateral contract forming a “free” additional package).

6.2 Where Members are required to travel on official Council business, they should be encouraged to travel by public transport. 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 costs of travel should be reimbursed. Where it is

not possible to use public transport, the mileage rates applicable for officers' travel should be used.

- 6.3 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 costs of purchasing a meal and or beverage or appropriate refreshment should be reimbursed in line with the officers 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 in this area.

## 8.0 PUBLIC SERVICE

- 8.1 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 lowered to ensure that there is greater equality of opportunity to enhance local democracy. However it in our view, also fundamentally wrong to create a situation where Council office is sought for the sake of financial reward alone.

## 9.0 PROPOSALS

- 9.1 In reaching our proposals we sought to devise a scheme that was easy to understand, transparent, based upon some basic principals and fundamental assumptions.

## 9.2 THE BASIC ALLOWANCE

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;
- (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 remained unchanged for 4 years but notwithstanding its depreciation in real terms it still remains above the average paid in the schemes we compared and is at the median level.
- 9.3 Having taken these factors into account, we believe that we are making a balanced judgement in recommending a modest increase in the basic allowance to £10,000 per annum for all Councillors, to be payable with effect from 1 May 2007.
- 10.0 SPECIAL RESPONSIBILITY ALLOWANCES (SRAS)
- 10.1 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 of a backbencher. Within this a category we would place the roles of the Leader and Cabinet members.
- 10.2 The Scrutiny role is still being developed. We are of the opinion that the effective and proper discharge of the scrutiny function is an important part of local democracy and should not be seen as playing “second fiddle” to the cabinet. As well as scrutinising and holding the executive to account they have important part to play in policy development.
- 10.3 The responsibilities and workloads of the Regulatory Committees and the effect this has on Chairs workloads needs to be recognised in appropriate level of SRA taking into account the varying workloads of different committees.
- 10.4 The guidance suggests that a SRA should be paid where 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. Under the current scheme 41 of the 60 councillors were entitled to a SRA. We did not consider that the evidence presented to us showed that a SRA was warranted or justifiable in all cases. Therefore we have reviewed the entitlement to SRAs and only awarded them if we considered the role fulfilled the guidance, i.e. there was additional significant responsibility associated with the role which warranted the making of a payment.
- 10.5 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 for the municipal year 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.

10.5 In considering the monetary value for each SRA, we sought to determine multipliers which, when combined with the basic allowance, would properly reflect the additional responsibilities when compared to that of a backbencher and also between the other SRAs. We recognise that there is no scientific methodology that we could apply to this exercise and that calibration of appropriate multipliers is a subjective matter. In considering the appropriate multiplier, we consider the not only the individual time commitment and responsibility of each role but also the comparative level between the roles. We have also attempted to recognise that some regulatory committees have a heavier workload than others.

10.6 As general rules we concluded that ;

Save for the deputy leader of the council, deputies or Vice-Chairs should not be paid an SRA for the reasons set out above,

Where a Member holds more than one office that qualifies for a SRA, that the Member should be paid only one SRA, the higher of the allowances that they are entitled to.

10.7 We recommend the following SRAs (in addition to the basic allowance) at the levels stated to be payable with effect from 1 May 2007:-

	Multiplier	Value of SRA £	No. eligible
Leader of the Council	2	20,000	1
Other Group Leaders	0.8	8,000	2
Deputy leader of the Council/ Cabinet Member	0.8	8,000	8
Carers' Allowance		1,100	max

Regulatory Committees:

Audit - Chair	0.5	5,000.00	1
Development Control - Chair	0.75	7,500.00	1
Employment Appeals - Chair	0.5	5,000.00	2
LEA Governor Appt - Chair	0.5	5,000.00	1
Licensing & Safety - Chair	0.5	5,000.00	1
Taxi Licensing (Sub) - Chair	0.75	7,500.00	1

Scrutiny & Performance Panels:

Chair	0.8	8,000.00	5
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11.0 INFLATION INCREASES

11.1 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.

11.2 We note that the previous index, the Average Non-Manual Male Wage for "All Industries and Services" for the West Midlands Metropolitan County Area as published in the New Earnings Survey, ceased to be published shortly after the last scheme was adopted. To avoid such a situation occurring in the future we propose that Basic and Special Responsibility Allowances should be varied in line with the award for Council officers on the JNC scheme of terms and conditions with effect from 1 April 2008 in each year until 1 April 2010, in line with that Index.

12.0 PENSIONS FOR COUNCILLORS

12.1 We recommend the continuation of the existing arrangements that allow elected member to joining if they wish to do so. Consequently, that both Basic and SRA should be pensionable.

13.0 CARERS ALLOWANCE

13.1 We believe as did our predecessor IRP that no-one is 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 £1100.

14.0 CO-OPTED AND APPOINTED MEMBERS

14.1 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.

15.0 THE COST OF OUR RECOMMENDATIONS

15.1 We set out in the following table our estimates of the additional full year costs of our recommendations, including also the total cost per head of population and as a percentage of the total Council net Revenue Budget.



Proposed Scheme

Members' Position	£	Number eligible :	Total (£)	Individual Allowance Proposed
Basic Allowance	10,000	60	600,000	10,000
Leader of the Council	20,000	1	20,000	30,000
Other Group Leaders	8,000.	2	16,000	18,000
Deputy leader/ Cabinet Member	8,000	8	64,000	18,000
Carers' Allowance	1,100	max	1,100	
Audit - Chair	5,000	1	5,000	15,000
Development Control - Chair	7,500	1	7,500	17,500
Employment Appeals - Chair	5,000	2	10,000	15,000
LEA Governor Appt - Chair	5,000	1	5,000	15,000
Licensing & Safety - Chair	5,000	1	5,000	15,000.
Taxi Licensing (Sub) - Chair	7,500	1	7,500	17,500
Scrutiny and Performance Panel Chairs	8,000	5	40,000	18,000
Total cost per annum			<u>£ 780,000</u>	

NB Excludes the costs of any Members claiming career allowances, opting to join the Local Government Pension Scheme employer costs (for the purposes of PAYE and NI allowances are treated as income) and expenses incurred on travel and subsistence.

- 15.2 We understand that this amount falls within the provisional 2007/8 budget for members allowances.
- 15.2 Whilst we recognise that our proposals will involve a modest increased cost, we believe we have taken a reasonable and balanced view of the level of maximum allowances that should be paid and the costs therefore represent good value for money.



**Results of Survey for Independent Remuneration Panel (Members' Allowances):**

Member:	How much time on average do you spend each month on Council Business:						Is the amount of time spent on Council business:			Over the next 2 years, do you think the amount of time you spend on Council Business:				Specific issues to discuss:	
	Formal Meetings:	Outside Bodies:	Meetings:	Reading/ Prep:	Constituency Issues:	Constituents Issues:	About Right:	Too Much:	Not Enough:	Will Increase:	How Much:	Will Decrease:	How Much:		Stay the Same:
<b>Councillor A</b>	10	12	4	10	6	5	x			x					<b>Member of Cabinet.</b> Time will change due to government agenda for local government. Also neighbourhood agenda and regional agenda is changing. There is more work in showing how the council is delivering services to its people. Consider the xxxxx day to day work over and above that mentioned which will be taken up with meeting officers and members daily problems within departments as well as keeping up to date with the organisation. To be a xxxxx is a full time position and cannot be done part time, the level of allowances should reflect this.
<b>Councillor B</b>	48	6	60	20	10	12	x			x	Depends on position				<b>Member of Cabinet.</b> Time will change with greater responsibility with regard to neighbourhood matters and increased legislation and training. Consider greater requirement for political groups to be kept fully informed so that a greater degree of time is required. Consideration needs to be made with inconsistencies of responsibility allowances between committees with varying workloads as well as overstated value of Vice Chair positions.
<b>Councillor C</b>	40	12	32	40	20	20	x			x					<b>Member of Cabinet.</b> Time will change due to pressure on Local Authorities to deliver value for money services. In Walsall the step from 3* to excellence is the difficult stage of the journey and requires more time in Council to be working on the issues. The amount of time is a lot because responsibility dictates how much time is required in attending to Council work. The responsibility of a Cabinet member needs to be considered which is demanding and time consuming and leaves little time to earn a livelihood. The Cabinet allowance must reflect this. In order to attract quality Councillors and professional Cabinet members, a proper allowance should be paid which reflects the time given. If this is not addressed then many young and able Cabinet members will leave their positions which has been the case with 2 already this year.
<b>Councillor D</b>	20	3	30	25	20	20	x	x		x	Not sure				<b>Member of Cabinet.</b> Time will change due to projects which are coming up in both the Council and Ward.
<b>Councillor E</b>	18	10	26	10	5	15	x			x	10 to 20%				<b>Member of Cabinet.</b> Time will change due to increased involvement of executive members with scrutiny and "back-bench" members. Consider the imbalance of remuneration between posts with differing responsibilities (ie: Cabinet vs Appointments Committee) and address the imbalance of pay with respect to neighbouring/similar authorities.
<b>Councillor F</b>	30	45	20	15	10	30		x		x					<b>Member of Cabinet and Chair of Committee.</b> Time will increase due to matters regarding the Council becoming more complex and more outside bodies requiring attendance. The role of Councillor and Cabinet Member combined with other duties needs to be considered as it is not compensated for (travel, telephone, use of home, etc). In the area which the member represents his life revolves around the Council with constituents constantly "badgering" him when he is out in public.
<b>Councillor G</b>	12	8	79	15	16	10			x					x	<b>Member of Cabinet.</b> Time spent is a difficult question to answer as this depends on the responsibilities. Most time allocated is "informal" which the member would like to see increased - her capacity to spend allocated time on council duties (eg: currently work is done at the same time as her job - responding to phone calls and e-mails). Constraints also entail competing priorities - part time work and children. Points to consider and not just the amount of time spent but the levels of responsibility and accountability and the "anti social" nature of the hours worked. Costs incurred also need to be taken into account as members often outweigh the remuneration received (eg: travel, phone costs, stationery, child care, etc).
<b>Councillor H</b>	15	0	0	20	10	30	x			x	10%				<b>Chair of Committee.</b> Time will increase due to increased involvement in new properties being built and the extension of wards in the last boundary change. Consideration needs to be made to the remuneration which should be geared to attract more professionally qualified people to submit for election. Out of pocket expenditure is incurred for campaigning and informing constituents (about £400 pa for leaflets) which is all paid for personally.
<b>Councillor I</b>	18	2	12	36	4	32	x			x					<b>Chair of Committee.</b> Time will change due to changes in Licensing. Consider travel allowance/parking charges which have not increased for over 4 years. It is felt that their pay is worse than the poorest paid council employee!
<b>Councillor J</b>							x			x					<b>Chair of Committee.</b> Time will change due to workload.
<b>Councillor K</b>	26	3	5	16	8	46	x			x	10%				<b>Vice Chair of Committee.</b> Time will change due to increased legislation.
<b>Councillor L</b>	25	6	6	6	15	15	x			x	10%/7.3 hrs				<b>Vice Chair of Committee.</b> Time will change due to LAA LNP Focus. Consider time spent keeping up to date with mailings that are received also a number of members produce community leaflets which take time to produce (esp editorial).
<b>Councillor M</b>	20	4	6	7	8	28	x			x	3/4 hrs plus				<b>Vice Chair of Committee</b> - 8 hours per week which will increase in May. Consider the issue of member development and training - the commitment to meetings during the day can put pressure on work commitments elsewhere.
<b>Councillor N</b>	5	47	5	55	100	80		x		x	2/3 hrs per wk				<b>Vice Chair of Committee.</b> Consider community involvement and time spent on paperwork
<b>Councillor O</b>			40	50	50	60	x			x	40%				<b>Vice Chair of Committee.</b> Consider phone calls, petrol and parking. Paperwork to keep members informed. Outside bodies take up a lot of time.
<b>Councillor P</b>	Full time	Full time	Full Time	Full time	Full time	Full time									<b>Spokesperson.</b> On call 24 hours a day.
<b>Councillor Q</b>	10	6	6	18	10	10				x	25 - 30%				<b>Member with no additional responsibilities.</b> Member of 2 Scrutiny Groups. Time will change due to increased responsibilities on DCC, a Scrutiny Panel and an outside body, also time needed for campaigning. Consider expectation of the Community with increased home visits and phone calls at unexpected times of the day. Member has also assisted in funeral arrangements.
<b>Councillor R</b>	72	10	4	10	4	4	x			x					<b>Member with no additional responsibilities.</b> Time will change due to increased Licensing Committees.
<b>Councillor S</b>	10	86	20	20	40	60	x			?	Not sure	?	Not sure		<b>Member with no additional responsibilities</b> and Shadow Cabinet. Time may vary in line with changes in members involvement with Scrutiny. Consider Job Descriptions - all members should have one which sets out their duties and responsibilities. Also at present Spokespersons receive a 25% premium on their allowance. What do they do to earn this payment?
<b>Councillor T</b>	3 to 4			4 to 6	6	6			x					x	<b>Member with no additional responsibilities.</b> Consider how committed members are to the role. Attendance at local meetings will vary dramatically. Trying to balance full time work, councillors role and a social life is difficult.
<b>Councillor U</b>	10 to 12	31 to 34	2	6 to 8	10	40 to 50			x			x	50%		<b>Member with no additional responsibilities</b> and Chair of A Charity. Time will change when another Labour member is elected in the ward to share the workload. Consider members which are on call 24 hours a day 7 days a week with constituents expecting them to be there anytime anywhere.

Walsall Council Member Allowance Scheme compared to other Councils:

Members' Position	Council:				West Midlands:			CIPFA Family of Councils:						
	Walsall	Dudley	Sandwell	Wolverhampton	Birmingham	Solihull	Coventry	Bradford	Bolton	Bury	Gateshead	Oldham	Tameside	Rochdale
Basic Allowance	£ 9,744.12	£ 7,419.00	£ 9,986.00	£ 8,529.00	£ 15,148.00	£ 6,612.93	£ 12,104.00	£ 11,948.00	£ 8,567.00	£ 7,474.17	£ 8,963.00	£ 8,097.00	£ 10,293.00	£ 7,242.00
Inflator:	1*	2*	3*	4*	4*	5*	2*	5*	1*	2*	5*	0	2*	2*
Leader of the Council	£ 14,616.18	£ 19,080.00	£ 24,708.00	£ 25,588.00	£ 52,080.00	£ 13,225.86	£ 21,786.00	£ 32,886.00	£ 21,927.00	£ 23,670.26	£ 26,895.00	£ 23,754.00	£ 30,000.00	£ 21,708.00
Deputy Leader of the Council	£ 7,308.09	£ 9,009.00	£ 19,767.00	£ 21,323.00	£ 39,060.00	£ 7,935.52	£ 15,732.00	£ 16,443.00	£ 12,007.00	£ 14,207.10	£ 17,926.00	£ 14,247.00	£ 19,560.00	£ 10,854.00
Other Group Leaders	£ 7,308.09	£ 3,180.00	£ 8,229.00	£ 17,058.00	£ 13,124.00	£ 6,612.93	£ 3,630.00	£ 23,020.00	£ 9,449.00	£ 7,813.90	£ 13,447.00	£ 11,877.00	£ 10,293.00	£ 9,774.00
Minimum size of Group:	6 Seats or 10%	0	0	0	12 Councillors	5 Councillors	0	0	0	0	0	6 Councillors	0	0
Deputy Leaders of other Groups	£ 4,872.06	£ 1,062.00	£ -	£ 5,629.00	£ 5,468.00	£ -	£ -	£ 14,792.00	£ 5,669.00	£ 3,122.47	£ 5,536.00	£ 4,752.00	£ -	£ -
Cabinet Member	£ 4,872.06	£ 5,301.00	£ 14,826.00	£ 17,058.00	£ 29,165.00	£ 6,612.93	£ 9,684.00	£ 23,020.00	£ 10,964.00	£ 9,469.34	£ 13,447.00	£ 9,495.00	£ 16,731.00	£ 9,774.00
Spokesperson	£ 2,436.03	£ -	£ -	£ 4,264.00	£ -	£ 1,322.59	£ -	£ -	£ -	£ -	£ -	£ 951.00	£ -	£ 954.00
Mayor	£ -	£ -	£ 20,235.00	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 12,640.00	£ -	£ -
Deputy Mayor	£ -	£ -	£ 6,738.00	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 2,420.00	£ -	£ -
Carers' Allowance	£ 974.12	Reasonable Cost	£ 970.00	£ 852.90	£ 6.06	£ 5.05	£ 5.05	Reasonable Cost	£ -	£ 6.00	£ 5.50	£ 5.00	£ 5.29	£ 4.80

Regulatory Committees:

Audit - Chair	£ 4,872.06	£ 3,180.00	£ 6,117.00	£ 12,794.00	£ -	£ 2,645.17	£ -	£ -	£ -	£ 5,920.65	£ 8,963.00	£ 5,937.00	£ 8,751.00	£ 2,418.00
Audit - Vice Chair	£ 2,436.03	£ 1,062.00	£ -	£ 4,264.00	£ -	£ -	£ -	£ -	£ -	£ -	£ 4,479.00	£ -	£ 2,106.00	£ -
Development Control - Chair	£ 4,872.06	£ 5,301.00	£ 8,229.00	£ 17,058.00	£ 15,312.00	£ 5,290.34	£ 6,050.40	£ 11,510.00	£ 7,319.00	£ 5,920.65	£ 11,203.00	£ 5,937.00	£ 8,751.00	£ 2,418.00
Development Control - Vice Chair	£ 2,436.03	£ 1,857.00	£ 2,064.00	£ 5,629.00	£ -	£ 2,645.17	£ 2,419.20	£ -	£ 2,519.00	£ -	£ 5,604.00	£ -	£ 2,917.00	£ -
Employment Appeals - Chair	£ 4,872.06	£ 3,180.00	£ 4,944.00	£ 4,264.00	£ 10,937.00	£ -	£ -	£ 11,510.00	£ -	£ 5,920.65	£ 8,963.00	£ 5,937.00	£ -	£ 7,242.00
Employment Appeals - Vice Chair	£ 2,436.03	£ 1,062.00	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 4,479.00	£ -	£ -	£ -
LEA Governor Appt - Chair	£ 4,872.06	£ -	See Audit	See Audit	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Licensing & Safety - Chair	£ 4,872.06	£ 3,180.00	£ 8,229.00	£ 12,794.00	£ 13,124.00	£ 2,645.17	£ 6,050.40	£ 13,154.00	£ 6,928.00	£ 5,920.65	£ 11,203.00	£ 5,937.00	£ 5,661.00	£ 2,418.00
Licensing & Safety - Vice Chair	£ 2,436.03	£ 1,062.00	£ 4,944.00	£ 4,264.00	£ -	£ -	£ 2,419.20	£ 6,577.00	£ -	£ -	£ 5,604.00	£ -	£ 2,106.00	£ -

Scrutiny & Performance Panels:

Chair	£ 4,872.06	£ 3,180.00	£ 8,229.00	£ 12,794.00	£ 13,124.00	£ 5,290.34	£ 6,050.40	£ 14,798.00	£ 5,460.00	£ 5,920.65	£ 13,447.00	£ 5,937.00	£ 8,751.00	£ 7,242.00
Vice Chair	£ 2,436.03	£ 1,062.00	£ 2,064.00	£ 5,629.00	£ -	£ -	£ 2,419.20	£ -	£ -	£ -	£ 4,479.00	£ -	£ 2,106.00	£ 2,418.00

Average:

Basic Allowance	£ 9,617.77
Leader of the Council	£ 26,322.33
Deputy Leader of the Council	£ 16,328.46
Other Group Leaders	£ 9,925.57
Deputy Leaders of other Groups	£ 5,655.84
Cabinet Member	£ 12,917.85
Spokesperson	£ 1,985.52
Mayor	£ 15,376.91
Deputy Mayor	£ 4,820.69
Audit - Chair	£ 6,044.09
Audit - Vice Chair	£ 2,594.11
Development Control - Chair	£ 8,293.92
Development Control - Vice Chair	£ 3,095.65
Employment Appeals - Chair	£ 6,854.63
Employment Appeals - Vice Chair	£ 2,672.19
LEA Governor Appt - Chair	£ 4,872.06
Licensing & Safety - Chair	£ 7,271.72
Licensing & Safety - Vice Chair	£ 3,490.25
Scrutiny & Performance Panels:	
Chair	£ 8,289.17
Vice Chair	£ 2,951.47

Median:

Basic Allowance	£ 9,744.12
Leader of the Council	£ 24,708.00
Deputy Leader of the Council	£ 16,076.69
Other Group Leaders	£ 9,449.00
Deputy Leaders of other Groups	£ 5,468.00
Cabinet Member	£ 11,416.25
Spokesperson	£ 1,322.59
Mayor	£ 13,255.74
Deputy Mayor	£ 5,304.48
Audit - Chair	£ 5,937.00
Audit - Vice Chair	£ 2,436.03
Development Control - Chair	£ 7,631.25
Development Control - Vice Chair	£ 2,645.17
Employment Appeals - Chair	£ 5,937.00
Employment Appeals - Vice Chair	£ 2,711.73
LEA Governor Appt - Chair	£ 4,872.06
Licensing & Safety - Chair	£ 6,600.00
Licensing & Safety - Vice Chair	£ 2,436.03
Scrutiny & Performance Panels:	
Chair	£ 7,631.25
Vice Chair	£ 2,419.20

Notes:

£ - = No Allowance paid

Inflator:

- 1\* - The Basic and Special Responsibility Allowances are adjusted in line with the Index for the Average Non-Manual Male Wage for "All Industry & Services" for the West Midlands metropolitan county area as published in the new earnings survey until 1 April 2006.
- 2\* - The Allowances shall vary with effect from 1 April each year in line with Local Government Pay Awards (JNC).
- 3\* - The Scheme is reviewed annually.
- 4\* - Basic and Special Responsibility Allowances will vary with effect from 1 April each year in line with changes in the Annual Survey of Hours Earnings (ASHE).
- 5\* - The Scheme is reviewed annually in line with the Retail Price Index (RPI).

Colour Key:

Highest Paid Allowance



Lowest Paid Allowance



Wakefield		Wigan	
£	10,772.14	£	10,985.00
	5*		2*
£	30,732.94	£	38,500.00
£	16,076.69	£	19,800.00
£	4,067.60	£	-
	0		0
£	-	£	-
£	11,416.25	£	14,850.00
£	-	£	-
£	13,255.74	£	-
£	5,304.08	£	-
£	-	£	5.05

£	7,631.25	£	3,300.00
£	2,711.73	£	1,100.00
£	7,631.25	£	9,900.00
£	2,711.73	£	3,250.00
£	7,631.25	£	-
£	2,711.73	£	-
£	-	£	-
£	7,631.25	£	6,600.00
£	-	£	2,000.00

£	7,631.25	£	9,900.00
£	-	£	3,950.00



£	153,884.36
£	421,157.24
£	261,255.40
£	148,883.52
£	50,902.53
£	206,685.58
£	9,927.62
£	46,130.74
£	14,462.08
£	2,844.82
£	72,529.13
£	18,158.76
£	132,702.70
£	34,052.13
£	75,400.96
£	10,688.76
£	4,872.06
£	116,347.53
£	31,412.23
£	132,626.70
£	26,563.23

**Breakdown of Committees - 2002-2006**

Committee:	2002/03				2003/04				2004/05				2005/06		2006/07 so far				
	No of Meetings:	No of Briefings:	Average Duration:	Average Pages:	No of Meetings:	No of Briefings:	Average Duration:	Average Pages:	No of Meetings:	No of Briefings:	Average Duration:	Average Pages:	No of Meetings:	No of Briefings:	Average Duration:	Average Pages:	No of Meetings:	No of Briefings:	Average Duration:
<b>Council</b>	15	0	2 hrs	105	9	0	1 hr 40	90	7	0	1 hr 45	85	7	0	1 hr 40	75	3	0	1 hr 35
<b>Cabinet</b>	17	0	1hr 5	180	14	10	50 mins	170	13	13	1 hr	190	14	14	55 mins	190	4	4	35 mins
<b>Cabinet &amp; EMT</b>	-	-	-	-	9	0	2 hrs	0	8	0	2 hrs	0	11	0	2hrs	0	3	0	2 hrs
<b>Shadow Cabinet</b>	-	-	-	-	9	0	1hr 30	0	9	0	1 hr 30	0	-	-	-	-	-	-	-
<b>Audit Committee</b>	7	7	1hr 20	80	7	7	1hr 15	90	7	7	1 hr 20	80	9	9	1hr 30	100	4	4	1 hr 15
<b>Appointment Board</b>	-	-	-	-	6	0	6 hrs	150	5	0	6 hrs	150	9	9	6 hr 30	120	4	4	6 hrs 30
<b>Employment Appeals</b>	4	0	5 hrs	180	7	0	5 hrs	180	7	0	5 hrs	180	28	0	4 hrs	150	2	0	4 hrs
<b>Empoyment Cttee</b>	5	0	45 mins	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Development Control</b>	-	-	-	-	-	-	-	-	15	15	2hrs 30	200	17	17	2hrs 30	200	7	7	2 hrs 30
<b>Planning Committee</b>	16	16	2 hrs 5	180	16	16	2 hrs 5	180	-	-	-	-	-	-	-	-	-	-	-
<b>District Committees x 7</b>	60	48	1hr 50	75	58	42	1 hr 55	75	-	-	-	-	-	-	-	-	-	-	-
<b>LEA Appointment Panel</b>	-	-	-	-	-	-	-	-	7	0	25 mins	25	6	0	15 mins	30	2	0	20 mins
<b>Licensing &amp; Safety</b>	11	0	2 hrs	170	12	0	2 hrs 10	155	13	0	2 hrs	160	21	0	1hr 40	155	3	0	2 hrs
<b>Licensing Sub</b>	-	-	-	-	-	-	-	-	-	-	-	-	20	0	2 hrs 5	155	7	0	2 hrs 5
<b>Taxi Licensing A &amp; B</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	0	2 hrs
<b>Standards Committee</b>	5	5	1 hr	60	4	4	50 mins	55	4	4	45 mins	40	4	4	30 mins	30	2	2	1 hr
<b>LNPs x 9</b>	-	-	-	-	-	-	-	-	36	26	1hr 50 mins	48	36	28	1 hr 45	45	17	12	2 hrs 20
<b>Education/Children Scrut</b>	10	10	2hrs 15	95	11	11	2hr 15	95	8	8	1hr 30	75	7	7	50 mins	87	2	2	1 hr 30
<b>Community Neigh Scrut</b>	9	9	1 hr	90	9	9	1 hr 10	90	11	11	1 hr 40	88	9	9	2hrs	75	3	3	2 hrs
<b>Resources/Corporate Scrut</b>	9	9	2hr 5	95	7	7	2 hrs 5	85	7	7	2 hrs	90	7	7	1 hr 15	85	2	2	2 hrs
<b>Health /Supported Living Scrut</b>	12	12	1 hr 10	90	10	10	1 hr 40	90	6	6	1 hr 45	82	7	7	1 hr 15	93	3	3	1 hr 35
<b>Regeneration Scrutiny</b>	12	12	1 hr 45	85	12	12	1 hr 45	90	10	10	2 hrs	85	9	9	2 hrs	80	2	2	1 hr 45
<b>Taxi Liaison Group</b>	3	0	2 hrs	40	4	0	2 hrs 15	45	4	0	2 hrs 10	38	4	0	2 hrs 10	40	2	0	1 hr 25
<b>Walsall Education Board</b>	8	8	1 hr 40	38	8	8	1 hr 50	35	7	7	2 hrs		6	6	1 hr 45	42	1	1	1hr 50
<b>School Org Committee</b>	4	0	1 hr 30	43	4	0	2 hrs	42					4	0	2 hrs 5	40	1	0	2 hrs
<b>SACRE</b>	3	3	1hr 35	28	3	3	1 hr 40	32					3	3	1 hr 50	35	0	0	0

Average Pages:
35
210
0
-
105
120
150
-
200
-
-
35
150
155
140
35
40
77
79
83
67
75
42
40
40
0



Appendix 4

CIPFA family of Metropolitan Local Authorities

1. Bolton
2. Oldham
3. Rochdale
4. Tameside
5. Coventry
6. Wolverhampton
7. Dudley
8. Sandwell
9. Wigan
10. Wakefield
11. Bury
12. Gateshead
13. Bradford