

SOLIHULL METROPOLITAN BOROUGH COUNCIL

Report to:	Governance Committee
Meeting date:	22 November 2016
Subject/Report Title:	INDEPENDENT REMUNERATION PANEL REVIEW OF MEMBERS' ALLOWANCES
Report from:	Head of Legal & Democratic Services
Report Author/Lead Contact Officer:	Deborah Merry
Wards affected:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"><input checked="" type="checkbox"/> All Wards</div> <div style="width: 50%;"><input type="checkbox"/> Bickenhill</div> <div style="width: 50%;"><input type="checkbox"/> Blythe</div> <div style="width: 50%;"><input type="checkbox"/> Castle Bromwich</div> <div style="width: 50%;"><input type="checkbox"/> Chelmsley Wood</div> <div style="width: 50%;"><input type="checkbox"/> Dorridge/Hockley Heath</div> <div style="width: 50%;"><input type="checkbox"/> Elmdon</div> <div style="width: 50%;"><input type="checkbox"/> Kingshurst/Fordbridge</div> <div style="width: 50%;"><input type="checkbox"/> Knowle</div> <div style="width: 50%;"><input type="checkbox"/> Lyndon</div> <div style="width: 50%;"><input type="checkbox"/> Meriden</div> <div style="width: 50%;"><input type="checkbox"/> Olton</div> <div style="width: 50%;"><input type="checkbox"/> Shirley East</div> <div style="width: 50%;"><input type="checkbox"/> Shirley South</div> <div style="width: 50%;"><input type="checkbox"/> Shirley West</div> <div style="width: 50%;"><input type="checkbox"/> Silhill</div> <div style="width: 50%;"><input type="checkbox"/> Smith's Wood</div> <div style="width: 50%;"><input type="checkbox"/> St Alphege</div> </div>
Public/Private report:	Public
Exempt by virtue of Paragraph:	N/A
1. Purpose of Report	
1.1	To consider the report of the Independent Remuneration Panel (IRP) and make recommendations to Council in respect of the Members' Allowances Scheme for 2016-17.
2. Decision(s) Recommended	
The Committee is requested to make recommendations to Council in respect of the Members' Allowances Scheme for 2016-17, including a recommendation as to the date of implementation of a revised Scheme.	
3. Background	
3.1	In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003

- the Council is required to make a scheme for the payment of Allowances to Members.
- 3.2 In doing so the Council must have regard to the report of its Independent Remuneration Panel (IRP), a copy of which is attached as Appendix A.
- 3.3 A draft allowances scheme based on the recommendations set out in the IRP's report is attached as Appendix B.

4. The Independent Remuneration Panel Report

- 4.1 The Independent Remuneration Panel (IRP) met three times to consider the Members Allowances Scheme and received evidence in the form of responses to a questionnaire sent to all Councillors and face to face interviews with the Political Group Leaders and the Chief Executive. Background information on the Council's political management arrangements, the various members' role definitions, data on the number of meetings held and benchmarking with other authorities was also taken into account.
- 4.2 The IRP makes the point that levels of allowances paid in Solihull are low compared with similar authorities in the West Midlands and nationally. The current allowance rates were set by the Council for 2010 - 11 and have been frozen at those rates since then.
- Basic Allowance**
- 4.3 Since April 2014, elected Members are no longer entitled to join the Local Government Pension Scheme and the IRP acknowledge that this loss of access to the pension scheme represents a significant reduction in the benefit available to Members.
- 4.4 This context has informed the recommendation of the Panel relating to the Basic Allowance and the IRP is keen to ensure that Solihull MBC allowances do not fall further behind those of peers.
- 4.5 The Panel has recommended that the Basic Allowance should be increased from £7,688 to £8,795 per year, and the Panel's full reasoning behind this recommendation is set out in the formal IRP report.
- 4.6 In recommending this allowance, the IRP also recommends that the £9 monthly broadband allowance which members may claim under the current scheme be discontinued.
- Special Responsibility Allowances (SRA)**
- 4.7 The Panel has also made recommendations relating to Special Responsibility Allowances as set out below:

Special Responsibility Allowances		
Duty/Responsibility	Current	Proposed
	£	£
Leader of the Council	£19,200	£21,988
Deputy Leader of the Council	£9,216	£10,554
Cabinet Members	£7,688	£8,795
Chairmen, Overview & Scrutiny Boards	£6,144	£7,036
Chairman of Planning Committee	£6,144	£7,036
Vice Chairman of Planning Committee	£3,072	0
Chairman of Licensing Committee	£2,304	*0
Chairman of Licensing Sub-Committee	£3,072	*£3,518
Chairman of Governance Committee	£2,304	£3,518
Co-opted Chairman of Audit Committee	n/a	£750
Member of Adoption Panel and Fostering Panel	£1,536	£2,639
Group Leader (10 or more Councillors)	£7,688	£8,795

Group Leader (5-9 Councillors)	£3,840	£4,398
Group Leader (less than 5 Councillors)	n/a	£2,199
Spokesperson of a political group (Subject to the Political Group having at least the same number of Members as there are current places in the Cabinet)	£1,536	£1,759
Spokesperson of a political group (Where the Group has less Members than the number of current places in the Cabinet)	£768	£880
<p>* The Panel was advised that historically the Chairman of the Licensing Committee has also chaired the Licensing Sub-Committee. The Panel recommends that if the roles of Chairman of the Licensing Committee and Chairman of the Licensing Sub-Committee are separate then there should be no Special Responsibility Allowance for the Chairman of the Licensing Committee, but that the Chairman of the Licensing Sub-Committee should receive an allowance of £3,518.</p> <p>4.8 The Panel recommends that the Special Responsibility Allowances continue to be calculated as multiples of the Basic Allowance. The key differences between the existing and proposed scheme of allowances are:</p> <ul style="list-style-type: none"> • Change to the allowances for Licensing Committee/Sub-Committee Chairmen as described above; • The Vice-Chairman of Planning Committee's Allowance should be discontinued; • A new Allowance is recommended for the Co-opted Chairman of Audit Committee; • A new Allowance is recommended for Group Leader (less than 5 Councillors) <p>4.9 The Independent Remuneration Panel has recommended that the Council should continue to pay a Dependants' Carers' Allowance, and recommends that the current maximum claim of 3 hours in respect of any period of 24 hours should be removed to enable a Councillor to claim the cost of care from the point they leave home to the time they arrive back at home.</p>		
5. Implications		
<p>5.1 Financial Implications</p> <p>5.2 If the recommendations of the Independent Remuneration Panel are adopted in full there will be an increased cost of £77,574 per year. Provision for this has been made in the current year's budget.</p> <p>5.3 Legal implications</p> <p>5.4 The Council has a legal obligation to have regard to the recommendations of an Independent Remuneration Panel before setting a Scheme of Members' Allowances.</p>		
6. Background Papers Used to Compile this Report		
6.1 None		
7. List of Other Relevant Documents		
7.1 None		