



COUNCILLORS' ALLOWANCES
Annual Report of the
Birmingham
Independent Remuneration Panel
2024 - 2025

ANNUAL REPORT OF THE INDEPENDENT REMUNERATION PANEL

2024-2025 BIRMINGHAM CITY COUNCIL

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FOREWORD

This report is prepared by the Birmingham Independent Remuneration Panel for Birmingham City Council. The Panel's principal role is to make recommendations on the level of Basic Allowances and Special Responsibilities paid to Councillors, its full role and remit is prescribed in legislation.

We recognise that the Council is operating in challenging financial times and is working hard to "Reset, Reshape and Restart" whilst being guided by Commissioners appointed by the Ministry of Housing, Communities and Local Government. These parameters framed the City Council's decision in February 2024, to freeze the Basic Allowance (BA) and Special Responsibility Allowances (SRA) at 2022 levels.

During our evidence gathering for this Report, we received written and oral submissions from Councillors, Group Leaders and Commissioners and also factual briefings from senior officers. A significant majority of whom reported that the role and responsibility of Councillors continues to be demanding – both financially and emotionally, a number said too demanding, with some considering their futures. It was also noted that these financial and emotional pressures could impact negatively on the ability of the City Council to recruit the much needed younger, highly motivated and effective Councillors of the future.

Whilst the Panel fully respects the need for the Council to take a firm line on finances, we also want to ensure that the Basic Allowance does not discourage people seeking (re)election. For this reason the Panel has discussed with Councillors, Party Leaders and Commissioners the need to increase the Basic Allowance and is recommending a cost of living increase. The Panel has also made a number of other recommendations in respect to the Members' Allowances Scheme.

Our thanks to all who provided evidence to the Panel. Special thanks to Ingrid Whyte, Head of Members Support and Catalina Tulea, Members Support Officer for their expertise and hard work in supporting the Panel.

Rose Poulter, Chair Birmingham Independent Remuneration Panel

RECOMMENDATIONS

1. The Basic Allowance (BA) increases from £18,876 pa by 5.7% to £19,952.00, which is a 2.8% increase year on year increase over the past 2 years (as set out in section 2.3 of the report and summarised in appendix 1).
2. The Special Responsibility Allowances (SRAs) remain unchanged, until April 2026.
3. The Co-optee allowances remain unchanged, until April 2026.
4. The Independent Carers' Allowance (Child Care) continues to be raised in line with the Real Living Wage currently £12.00 per hour and this remains linked to the Living Wage in future years (as set out in section 2.6 of the report). This includes nursery, childminder fees.
5. The Professional Care Allowance (Dependent Carers) is changed to £21.95 per hour and now represents the Home Support Care fees, agreed by Birmingham City Council.
6. Travel expenses and the on account taxi are to be removed, except in exceptional circumstances relating to Councillor health, safety or emergency situation. The partly subsidised travel pass will remain.
7. Travel expenses remain in place for Councillors attending approved duties outwith the City.
8. Subsistence allowances remain unchanged and continue to reflect the Council's Scheme for officers (as set out in section 2.7 of the report and Appendix 1).
9. The Parental Leave policy, to remain unchanged.
10. Members who are eligible for shared parental leave will be receiving the statutory amount or at 90% of the SRA, if this figure is lower than the Government's set weekly rate, for the 39 weeks statutory maternity leave available. The remaining 13 weeks of shared parental leave are unpaid.
11. Full Council supports the 2025 – 2026 Work Programme of the Independent Remuneration Panel.

Legislation

The Birmingham Independent Remuneration Panel (IRP) was established under the Local Government Act 2000 and the subsequent Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021) ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained within, require all local authorities to establish and maintain an advisory Independent Remuneration Panel to review and provide advice on Members' allowances on a periodic basis. All Councils are required to convene their IRP and seek its advice before they make any changes or amendments to their members' allowances scheme. They must 'pay regard' to their IRPs recommendations before setting a new or amended Members' Allowances Scheme.

The above legislation requires Panels to have the following functions:

- to make recommendations to the authority as to the amount of basic allowance that should be payable to its elected members
- to make recommendations to the authority about the responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance
- to make recommendations to the authority about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
- to make recommendations as to the amount of co-optees' allowance
- to make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined
- to make recommendations on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended
- to make recommendations as to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run.

In the 2006 Statutory Government Guidance it is stated that Independent Remuneration Panels should ensure that:

- some element of the work of Councillors is voluntary - that some hours are not remunerated – this is known as a public service discount
- financial loss is not suffered by Councillors

Birmingham City Council's Independent Remuneration Panel

The Birmingham Independent Remuneration Panel is well-established, having been formed by the City Council at its meeting on 3rd July 2001. The Panel has chosen to convene annually to review Birmingham Members' Allowances Scheme.

In 2018 following the Kerslake Report and Boundary Commission's report changes to ward boundaries were introduced plus the introduction of all out elections every four years and the reduction in the number of wards with each ward being represented by either one or two councillors, pre 2018 there were 3 Councillors per ward. As a consequence, the Panel conducted an in-depth review of how these changes impacted on the Members' Allowances Scheme. As reported to Full Council in February 2024, the Panel recommended a revision to the method for calculating the BA and SRAs to take account of the implications of these new arrangements as noted below.

1.1 Recap of Decision Taken By Full Council – February 2024

At its meeting of 6th February 2024, City Council agreed to not implement the recommendations outlined in the Panel's report as follows:

Rejected recommendations 1 – 5 set out in the Panel's report for the years 2023/24, 2024/25 and 2025/26 as follows:

1. The Basic Allowance increases to £19,744.00
2. The day rate increases from 3 days to 3.5 days
3. The additional expenses element is removed from the calculation
4. The Special Responsibility Allowances increase by 4.69%
5. The co-optee allowances increase by 4.60% in line with the basic allowance

Recommendations 6 -10 were however, agreed as follows

1. The Independent Carers' Allowance (hourly rate) continues to be raised in line with the Real Living Wage, at the time £10.90 per hour, and that this allowance remains linked to the Real Living Wage in future years.
2. The Professional Care Allowance (hourly rate) continues to be raised in line with the Councils rate for Care Assistants (Grade 2), taking in the mid-range point, currently £11.34.
3. Travel expenses and Subsistence Allowances continue to reflect the Council's Scheme for officers.
4. The Parental Leave policy, to remain unchanged.
5. Members who are eligible for shared parental leave will be receiving the statutory amount or 90% of the SRA, if this figure is lower than the Government's weekly rates, for the 39 weeks statutory maternity leave available. The remaining 13 weeks of shared parental leave are unpaid.

1.2 BASIC ALLOWANCE

The method for calculating the BA and SRAs from 2023-24 was as follows: -

- The hours worked calculation increased by ½ day to 3.5 days or 26.25 hours per week.
- The Public Service Discount calculation remains unchanged at 25%.
- The additional expenses element is removed from the calculation.
- The ASHE table 7.1a is used to calculate the Basic Allowance.

The application of this method of calculation represented an 18.39% increase on the 2022 Basic Allowance. The Panel recognised that an award of 18.39% was unacceptable to the Council as it faced severe financial difficulties in February 2024 and when compared to other pay awards in the public sector. Therefore, it recommended that the increase should be spread over the next four-years. (Such an approach was previously agreed and adopted in 2019).

Full Council did not agree the revised method of calculation to the BA and SRAs and resolved not to back date or update the BA or SRAs in 2023-24, 2024-25 nor 2025-2026 thereby keeping the BA at £18,876 for those years but did resolve to accept the Panel's recommendations for 2026-2027 with affect from 1 April 2026. The BA for 2026-27 was calculated to be £22,596.27.

Year 1 @ 4.6 %	Year 2 @ 4.6%	Year 3 @ 4.6%	Year 4 @ 4.6%
3.5 days	3.5 days	3.5 days	3.5 days
*4.60	4.60	4.60	4.60
**868.30	908.24	950.02	993.72
£19,744.30	£20,652.53	£21,602.55	£22,596.27

*Percentage Increase

**Increase

1.3 SPECIAL RESPONSIBILITY ALLOWANCES

In February 2024 Full Council also did not agree the Panel's recommendation to revise and update the formula used to calculate the Leader's SRA. As with the Basic Allowance, Full Council resolved not to implement this uplift until 2026-27. This equates to an SRA of £67,788.80 to the Leader for 2026-27 with all other SRAs calculated as a % of the Leaders SRA.

Year 1	Year 2	Year 3	Year 4
£59,232.89	£61,957.60	£64,807.65	£67,788.80

1.4 Other

The Panel's recommendations in respect to the following were agreed by Full Council:- the Independent Carers' Allowance was raised in line with the Real Living Wage; the Professional Care Allowance (hourly rate) was raised in line with the Council's rate for a Care Assistant (Grade 2 post) taking in the mid-range spinal point; Travel expenses and Subsistence Allowances will continue to reflect the Council's Scheme for officers and the Parental Leave policy, to remain unchanged.

Section 2.6 and 2.7 of this report sets out the Panel's recommendations in respect to these matters for 2024-25.

Section 4 includes an update on the Panel's suggestions to Full Council in February 2024 for working with the Local Government Association (LGA) on matters including concerns regarding the lack of a pension scheme or redundancy payments for Councillors and the need to work across local government to encourage more people to consider becoming elected representatives, especially those from under-represented groups in local communities.

REVIEW OF THE MEMBERS' ALLOWANCES SCHEME

2.1 EVIDENCE GATHERING 2024 - 2025

As in previous years the Panel's evidence gathering has been critical in providing context to the Recommendations in this report. The Panel received written information which allowed it to compare Member Allowances Schemes, across the West Midlands Metropolitan Authorities, Core Cities and representative London Boroughs – including basic allowances, special responsibility allowances, travel expenses, Dependant Carers Allowances, Co-optee allowances and demographic data. This is a useful exercise in that it enabled the Panel to look at how other Councils compare to Birmingham City Council in the method of calculation and amount allocated to various SRAs. Interestingly although Birmingham City Council is by far the largest local authority by population, some of its SRA posts attract a lower level of remuneration than other Councils.

Oral evidence was gathered from Councillors at a confidential drop in session with the Panel on 17 September 2024. The stand out messages from this session are noted below and are in the main the same as those gathered in previous years:-

- The level of Basic Allowance will not retain younger Councillors, nor will it enable younger and working age people to seek an elected position.
- The decision by the then Government to take Councillors out of the Local Government Pension Scheme in 2014 is also seen as a significant deterrent to becoming an elected member, as is the lack of any redundancy payments.
- Social media, whilst seen as a good way for Councillors to engage with citizens, brings significant work load pressures.
- Low morale and emotional stress amongst Councillors.
- Financial insecurity is a constant pressure.
- Trying to stay positive whilst working with and for citizens.
- The ability to have a comfortable balance between Council work, paid work and family time is almost impossible for many.
- A concern for personal safety was raised which has been particularly fuelled by social media.
- The commitment to public service remains high.
- The level of support from officers has diminished over the last few years.
- Councillors workloads have increased, especially where voluntary organisations are no longer funded to provide support within communities.

2.2 Statutory Recommendations 2024-25

This section sets out the Recommendations to Full Council together with the rational and reasoning behind them.

Recommendations

2.3 Basic Allowance

The Panel is cognisant of the financial pressures facing the City Council, but also recognises that there has not been a cost of living uplift to the BA since 2022. The Panel is suggesting Full Council consider a cost of living uplift to the BA, i.e. a cost of living indexation applied to the Basic Allowance as permitted by the 2003 Regulations.

Therefore, the Panel suggests Full Council consider modifying its previous decision to freeze an uplift to the BA (or SRA) until 2026. The Panel believes that an uplift which takes account of cost of living increases will avoid the BA falling further in relative value prior to the adjustment proposed in April 2026. The Panel is therefore suggesting that the BAs be raised in line with the annual percentage change set out in the Annual Survey of Hours and Earnings (ASHE), previously used by the Panel to calculate recommended changes to the BA as set out in appendix 4.

Rationale - The Panel, together with those providing written and oral evidence recognise that effective and efficient local democracy requires talented and enthusiastic elected members who represent the diverse communities that make up our City. The Panel and those providing evidence are mindful of the current pressures experienced by Councillors together with the upcoming elections in 2026 and the ambition/need to retain and attract a high calibre cohort of Councillors. Whilst a number of factors will influence this ambition, there is no doubt that the level of Basic Allowance is and will continue to be a significant issue in attracting and retaining Councillors, especially younger people.

The Panel notes that the ASHE annual percentage change for 2024 is 5.7% which is the equivalent of a 2.8% increase since 2022 and is recommending that this figure is used to prevent the BA falling behind in relative value

PROPOSED Basic Allowance April 2025

Time Commitment	156 days per annum x 164.42	£25,649
Less Public Service Discount @25%	6,412.	£19,237
Additional Expenses Element		£715.00
Basic Allowance		£19,952.00

Recommendation to increase the BA from £18,876pa by 5.7% to £19,952, which is a 2.8% year on year increase over the past 2 years.

2.4 Special Responsibility Allowances

The Panel is suggesting that the Special Responsibility Allowances (SRAs) remains at levels agreed for 2021-22. This recommendation is in line with Full Council's resolution of 6 February 2024, which states there will be no uplift until April 2026 – see section 1.3. The Panel has been asked to look at a number of specific posts in respect to changing the level of allowances. Each of these is considered in more depth below, with any recommended adjustment to be implemented from April 2026.

Rationale – The Panel's review of written and oral evidence suggests that a case can be made for uplifting the Leaders SRA in 2025-26 and rolling that into all other SRA, as each is a % of the Leaders SRA. However, the Panel agree with the decision taken by Full Council in February 2024, that it would be inappropriate in view of the current financial circumstances, to implement any uplift until April 2026. The Panel has reviewed a small number of SRAs which are itemised below, but any changes are recommended for implementation in April 2026.

Recommendation – to retain all SRAs at current levels until April 2026.

2.5 Co-optees

The Council uses co-optees to provide independent expertise into Committees including Standards Committee and Overview and Scrutiny Committees. With the exception of the Standards Committee, the Panel took no new evidence regarding co-optees allowances.

The Chair of Standards Committee submitted evidence to the Panel supporting an up lift to the remuneration of the Chair's and co-optee members allowances. The principal argument being that the work of the Standards Committee has increased both in nature and scope. The Deputy Monitoring Officer following the review of comparator information received from the Panel, for allowance rates for the Standards Committee Chair, concluded that rates could remain as is, with any applicable increases to be agreed and recommend by the Panel.

Rationale – The Panel notes the advice received from the Deputy Monitoring Officer in respect to Standards Committee. The Panel also notes that Full Council in February 2024 did not support an uplift to the co-optees allowance. Therefore, the recommendation is to keep the co-optees allowance as is.

Recommendation - The co-optee allowances remain at current levels.

2.6 Carers Allowance

The Carers Allowance is available to all Councillors who have care responsibilities (see Members Allowance Scheme for the detail), to ensure that those with such responsibilities can fully engage in Council business. In accordance with the legislation the Panel reviews the level of payments to Councillors to cover these costs. The Panel also wish to ensure that those providing the care are remunerated at a fair rate. The Panel is recommending minor adjustments to the carer allowance.

Rationale – Currently carers allowances are reimbursed by the hour, however this does not reflect how carers charge these days, with the many charging by the session (morning, afternoon or evening). The Panel reviewed current charges in Birmingham to ensure the scheme reflects market rates. The Panel supports the continuation of the Independent Carers Allowance adjusted in line with the Real Living Wage.

The Panel recommends that Professional Care Allowance is adjusted to reflect the rates charged by carers for home support, such as that provided for older people and people with disabilities.

Recommendation - The Independent Carers' Allowance (Child Care Rate) the maximum rate which can be claimed will be the Real Living Wage. This includes nursery fees, childminder at home fees etc.

Recommendation - Professional Care Allowance (Dependent carers) – the maximum rate that can be claimed will be the home support care fees agreed by Birmingham City Council.

2.7 Travel and Subsistence Expenses

The payment of travel and subsistence allowances currently reflects the Council's scheme for officers. The Panel is recommending that the Subsistence Scheme remain in place but maybe reviewed in the future; however, it is recommending that the Travel Scheme is modified to reflect the Council's aspiration to reduce car use.

Rationale - The Panel has noted that the majority of WM Metropolitan Authorities do not pay travel allowances. The Panel also notes that the Birmingham Transport Plan is encouraging active travel and use of public transport. Councillors are expected to lead by example; therefore, the Panel recommends the retention of the subsidised travel pass but the removal of travel/vehicle allowances. The issue of Councillor health and safety has been noted previously, therefore the retention of the taxi on account facility should be retained but used only in exceptional circumstances, relating to health, safety and emergencies.

Recommendation – Removal of the travel allowances, with the exception of the travel pass. With the taxi on account scheme only to be used in exceptional circumstances, relating to Councillor health, safety and emergencies.

Recommendation – The Travel Allowance Scheme to remain in place for Councillors attending an approved duty outwith the City.

Recommendation – The Subsistence Scheme to remain in place.

2.8 Parental Leave Policy

The Panel reviewed the Parental Leave Policy and found it fit for purpose. Members who are eligible for shared parental leave receive the statutory amount that applies to employees, (which as of April 2024 is £184.03 per week for statutory maternity and paternity pay), or at 90% of the SRA, if this figure is lower than the Government’s set weekly rate, for the 39 weeks statutory maternity leave available. The remaining 13 weeks of shared parental leave are unpaid.

Rationale – Birmingham City Council was one of the first to adopt a Parental Leave Policy for Councillors. It is seen as an essential component of the Members Allowance Scheme.

Recommendation - The Parental Leave policy, to remain unchanged.

3.1 Work Programme Recommendations 2024-25

An initial Work Programme for the Panel for 2024-25 was set out in the report to Full Council in February 2024, in addition several other issues were raised with the Panel during evidence gathering in 2024, which were incorporated into the Work Programme. Each issue was discussed in depth by the Panel and noted as “Draft Proposals” to be taken forward as work in progress into the Work Programme for 2025-26. The “Draft Proposals” have no statutory status but are included in this year’s Report to indicate a broad direction of travel.

3.2 Leader of the Largest Qualifying Opposition Group

The Panel has received a request to review the SRA for the Leader of the Largest Qualifying Opposition Group and the SRA for the Leaders of Other Qualifying Opposition Groups. *(A qualifying Political Group must have a minimum of 6 Councillors.)* The Panel will also review the Deputy Leaders SRA. The Panel held meetings with all Party Leaders and reviewed written submissions. The Panel also compared the SRAs for Birmingham City Council against the WM Metropolitan Authorities and Core Cities.

The Panel also took into account the governance and operating arrangements in place as the City Council addresses its financial problems with guidance from the Commissioners.

The evidence suggests there is a case for adjusting the remuneration of these posts.

In addition, a significant number of the larger authorities the Panel reviewed remunerated their Opposition Party Leaders at a relatively higher rate. *The Panel therefore recommends an initial adjustment to the SRAs of these posts.*

Rationale – All those consulted agreed that the workload, complexity and responsibilities of the Opposition Party Leaders had increased over the last few years. This is attributed to the implementation of recommendations set out in the Kerlake Report and latterly the expectations of the Commissioners. Opposition Leaders are required to take a significant role in the governance of the Council - whilst still being effective in challenge as opposition parties.

The Panel is proposing to adjust the method of calculation for the remuneration of the Leaders of (qualifying) Opposition Parties. Currently the SRAs for these posts are calculated as a % of the Leader's SRA, they do not take account of the size of each qualifying party, the Panel believes they should, as this would represent a fairer method of calculation. Whereby the SRA awarded to opposition group leaders and deputies would be related to a size banding. The Panel is exploring similar methodologies adopted by other Councils. The Panel, at its next session in 2025-26 would also like to take further evidence regarding the role of Deputy Party Leaders.

Therefore, the Panel's recommendations below signal a direction of travel for the adjustment of SRAs for Leaders of Other Qualifying Opposition Group, with further work to be undertaken and evidence gathered for the 2025-26 report. The Panel will also assess whether such an approach is relevant to the calculation of SRAs for the Group Secretaries and Whips as noted below.

Draft Proposal - The SRA for Leader of the Main Opposition Group to be at 40% of the Leader's SRA.

Draft Proposal - The SRA for the Leader of other qualifying opposition groups to be at 17.5% of the Leader's SRA.

Draft Proposal - All of the above to be implemented starting with April 2026.

3.3 Group Secretaries and Whips

Over a number of years, the Panel has been asked to review the remuneration of Group Secretaries and Whips. The Panel is not unsympathetic to these requests but has sought to clarify the nature and scope of these posts before adjusting the remuneration each attracts. The Group Secretaries of each of the qualifying parties receive an SRA of 7% of the Leader's SRA, currently £3,960.00 and since 2022 the Chief Whips have received 5% of the Leader's SRA, currently £2,829.00. This is a flat rate across all parties regardless of size. In lieu of linking remuneration to size of party for these posts as noted above, the Panel recommends equalising the payments to these posts as the different parties use them in different ways. The Panel strongly suggests that all parties embeds a responsibility for pastoral care in one of the posts.

Rationale - As part of the evidence gathering this year the Panel invited the Secretaries and Whips from all qualifying parties to a virtual discussion about the role of each post within each party. This was very useful and backed up similar discussions held with Leaders and the Deputy Monitoring Officer, namely: -

- *that all parties have appointments to these posts,*
- *the roles and responsibilities of the posts across the parties differ significantly,*
- *the size of the party has a bearing on the workload of both posts,*
- *the Whip role has an element of political management attributed to it, which should not be funded via the Members Allowance Scheme and*
- *the personalities of the post holder to some extent dictate how the role is fulfilled.*

The Panel is no longer seeking to secure a consistent approach across all parties as to how each post operates, instead it recognises the above factors all have a bearing on how each postholder fulfils their responsibilities. As discussed above the Panel will explore whether remunerating by size of qualifying political party is a fairer way of setting the SRA for 2025-26.

Therefore, the Panel's recommendation below signals a direction of travel for the adjustment of SRAs for Chief Whip and Group Secretary of the qualifying parties with further work to be undertaken and evidence gathered for the 2025-26 report.

Draft Proposal - The SRA for Chief Whip and Group Secretary of the qualifying parties will be set at 8% of their respective Group Leader's SRA, starting from April 2026.

3.4 Audit Committee Chair

The Work Programme for 2023-24 included an item to review the SRA of the Chair of Audit Committee. The Panel has been advised that for the time being this post will be taken by an independent, and therefore no longer part of the Members' Allowances Scheme.

3.5 Licencing Committee

During the open session with Councillors the Panel received a request to consider an allowance for members of the Licencing Committee and it's three Sub-Committees. Currently the chair of the main Committee and the two deputy chairs receive an SRA. The Panel heard that the Licencing Sub Committees meet frequently and require Councillors to undertake mandatory training. It was noted that all serving Councillors need to do a significant amount of background reading before each meeting and that securing a quorum was sometimes challenging. The Panel did not feel that these issues represented a strong enough case to warrant payment.

Rationale – The Panel felt that membership of regulatory committees should be expected as part of Councillors contribution to the governance of the City Council and not additionally remunerated. Councillors on other regulatory Committees or Scrutiny Committees do not receive allowances. There is no evidence to suggest that payment to Councillors on Licencing Committees is common place across local government.

3.6 Trusts And Charities Committee

During the open session with councillors the Panel was asked to review the level of SRA to the Chair of Trusts and Charities Committee. This post is currently remunerated at 10% of the Leaders SRA. The Panel noted the evidence provided but did not feel it warranted an adjustment.

Rationale – The Panel noted the chair's comments that the workload of the Committee had increased over the last year or so, but felt this in itself was not significant that it warranted an uplift.

Draft Proposal – The SRA for the Chair of the Trust and Charities Committee to remain at 10% of the Leaders SRA.

4.0 PANEL SUGGESTIONS

Following its extensive review of the Members' Allowances Scheme in 2024 the Panel decided to highlight several issues as suggestions for further action. Full Council agreed to support the Panel's suggestions. Below we provide information on progress made: -

1. Write to the LGA seeking support to open up a discussion with the Secretary of State for Levelling Up, Housing and Communities (LUHC) regarding: -

a) the removal in 2014 of Councillors from the Local Government Pension Scheme (LGPS),

b) no redundancy payments if Councillors lose their seat and

c) Council's struggle to reflect the demographics of their adult communities.

A copy of the letter sent to the LGA together with the reply received is attached as appendix 6. The LGA response was helpful and provides the basis for some shared work on the issues the Panel raised. It also helpfully flags up useful information regarding member training and development, which will feed into the Member Development and Training Programme being established by the City Council. The LGA will be working with Government on the above and other issues to promote a healthy and efficient local government sector.

2. Birmingham Members' Allowances Scheme is revised to include wording to clarify that Councillors are expected to abide by the Code of Conduct, as overseen by the Standards Committee.

The Panel was advised that the Code of Conduct already forms part of the Constitution, therefore, no need to also feature in the Members Allowances Scheme.

3. The Panel to be advised on an annual basis of the training provided for Councillors and take up rates.

The Panel will seek this information as part of its annual evidence gathering process.

Work Programme 2025-26

Subject to Full Council's support the Panel is suggesting a work programme for 2025-26 which seeks to ensure the Members Allowance Scheme is updated ahead of the local elections in May 2026. The intention will be to work within the context of the Panel's recommendations from February 2024, which were deferred by Full Council until April 2026. This will include: -

Building on the work outlined above in section 3.2 and 3.3 the Panel will explore how the SRA calculations and payments for Opposition (Qualifying) Group Leaders, Deputy Leaders, Group Secretaries and Group Whips, can better reflect the size of the Group.

Request evidence in respect to the role of Lead Opposition Spokespeople (Shadow Cabinet Member).

Recommendation – That Full Council support the Work Programme for 2025-26 as set out in section 3.

Appendix 1: Proposed Members' Allowances Rates (from April 2025)

BASIC ALLOWANCE (per annum unless otherwise stated) £

Baseline per Day Rate	164.42
Basic Allowance	19,952.00
Time Element	19,237.00
Additional Expenses Element	715.00

SPECIAL RESPONSIBILTIIY ALLOWANCE (per annum unless otherwise stated)

Baseline per week (£1,280.08 discounted by 15%)	1,088.06
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STRATEGIC LEADERSHIP

Leader of the Council (rounded up)	56,579.00
Deputy Leader of the Council	45,263.00

STRATEGIC SHARED RESPONSIBILITY

Cabinet Member	28,289.00
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RESPONSIBILITY FOR CHAIRING KEY REGULATORY, OVERVIEW & SCRUTINY COMMITTEES

Chair of the Planning Committee	16,973.00
Chair of the Licensing & Public Protection Committee	16,973.00
Leader of the Main Opposition Group	16,973.00
Chair of an Overview & Scrutiny Committee	14,145.00

OTHER ROLES WITH SPECIAL RESPONSIBILITY

Deputy Leader of the Main Opposition Group	9,618.00
Chair of the Audit Committee	5,658.00
Chair of the Trust and Charities Committee	5,658.00
Chair of the Licensing Sub Committees	5,658.00
Leader of Qualifying Oppositions Groups	7,921.00
Deputy Leader of Qualifying Oppositions Groups	3,960.00
Lead Opposition Spokesperson (Shadow Cabinet)	5,658.00
Political Group Secretaries	3,960.00
Chief Whip	2,829.00

(A Qualifying Opposition Group is one with a minimum of 6 Members)

CO-OPTEE ALLOWANCES (per annum)	
Chair of the Standards Committee	1,093.00
Member of an Overview & Scrutiny Committee	909.00
Member of the Standards Committee	608.00

CARES' ALLOWANCES

Independent care (Childcare) hourly rate	12.00
Professional Care (Dependent Carers) hourly rate	21.95

Where applicable figures have been rounded

TRAVEL EXPENSES AND SUBSISTENCE ALLOWANCES

Travel (For Councillors attending approved duties outwith the city)

Car, Motorcycle and Bicycle allowance Rates are set in line with those paid to office of the authority.

Subsistence Allowances are in line with those paid to offices of the authority or the inflation factor in the budget.

Car Mileage Rates

First 10,000 business miles in tax year	45p per mile
Each business miles over 10,000 in tax year	25p per mile
Supplement for official passenger	5p per mile

If car mileage is claimed for travel outside the West Midlands area, the payment will be the lesser of the value of the actual mileage claimed or the peak time standard rail fare.

Motorcycle Mileage Rates	24p per mile
Bicycle Mileage Rates	20p per mile

Other Travel Expenses

Rail Travel (supporting receipt required)	Standard Class Fare
Taxi, Tube and Bus Fares, Car Parking, Toll Charges (<i>supporting receipts if possible</i>)	Actual Cost

Travel Pass

If a travel pass is provided by the Council the recipient must make a contribution of 40% towards the total cost met by the Council. The recipient also forgoes the right to claim for travel expenses for duties undertaken in the area covered by the pass or make use of the transport service provided directly by the Council, unless the relevant travel service is not available, or there are health, safety or emergency issues.

Subsistence (excluding VAT)

Only payable after 24 hours

Breakfast	4.48
Lunch	6.17
Tea	2.43
Evening Meal	7.64

Appendix 2: Summary list of all information/comparisons

- Open day session meeting with Councillors
- Written evidence from various Councillors
- Meetings and written communication with:
 - Group Leaders
 - Chief Whips
 - Group Secretaries
- Meeting with Officer and Commissioners
- Birmingham City Council's Member/Officer Protocol
- Core Cities and WM Met Area Allowances Schemes:
 - Leader and Deputy Leaders of the Opposition
 - Chair of Audit
 - Chair of Standards and Co-optees
 - Chair of Trust and Charities
 - Chair of Licensing and Licensing Sub Committees
 - Members of Licensing Sub Committees
 - Chief Whips
 - Group Secretaries
- Other Local Authorities approved duties
- Other Local Authorities Travel and Subsistence
- Other Local Authorities Carers' Allowances
- Licensing & Licensing Sub committee meetings
- Licensing Committee Terms of Reference
- Trust and Charities Committee Terms of Reference
- ASHE 2024 – as detailed in Appendix 4.

Appendix 3: SRAs Bands and Responsibility

Bands: Level of Responsibility Title/Description

1	75% - 100%	Strategic Leadership	With overall responsibility for decision making and running of Council Services
2	50% - 74%	Strategic Responsibility	With Cabinet and individual responsibility as delegated by the Constitution
3	18% - 49%	Responsibility for chairing key regulatory and overview and scrutiny committees	In order to meet regulatory requirements and where required to hold the Executive to account
4	5% - 17%	Other Roles with Special Responsibilities	

Special Responsibilities Allowances - Roles

Bands	Level of Responsibility as a % of the Leader	Role
Strategic Leadership	100%	Leader of the Council
	80%	Deputy Leader of the Council
Strategic Shared Responsibility	50%	Cabinet Member
Responsibility for Chairing Key Regulatory, Overview & Scrutiny Committees	30%	Chairman of the Planning Committee
	30%	Chairman of the Licensing & Public Protection Committee
	30%	Leader of the Main Opposition Group
	25%	Chairman of Overview & Scrutiny Committees
Other Roles with Special Responsibility	17%	Deputy Leader of the Main Opposition Group
	10%	Chairman of Licensing Sub-Committee
	10%	Chairman of the Audit Committee
	10%	Chairman of the Trust & Charities Committee
	14%	Leader of Other Qualifying Opposition Groups
	7%	Deputy Leader of Other Qualifying Opposition Groups
	10%	Lead Opposition Spokesperson (Shadow Cabinet Member
	7%	Political Group Secretaries
5%	Chief Whip	

Appendix 4: Annual Survey of Hours and Earnings (ASHE) Place of Work by local authority Male Full Time Table 7.1a 2024

Extract from Table 7.1a (Full Time Male)

Table 7.1a Weekly pay - Gross (£) - For male full-time employee jobs: United Kingdom, 2024						
		Number		Annual		Annual
		Of job		percentage		percentage
Description	Code	(thousands)	Mean	change	Median	change
Birmingham	E0800025	191	906.10	5.7	803.20	6.0

Source: Earning and hours worked, place of work by local authority: ASHE Table 7 – Office for National Statistics (ons.gov.uk)

Appendix 5: Core Cities and WM Met area comparison

Core City/WM Met Comparison 2024

Core City/ WM Met	Population Estimate 2023*	Nov 2024 Electorate **	No of Cllrs ***	Electorate/ Councillor	Population/ Cllr	Basic Allowance 2024****	BA/ Electorate/ Councillor
Birmingham	1,166,049	775,936	101	7,682.53	11,545.04	£18,876.00	2.46
Bristol	482,998	336,505	70	4,807.21	6,899.97	£16,681.00	3.47
Leeds	829,413	607,202	99	6,133.35	8,377.91	£17,902.65	2.92
Liverpool	503,740	337,805	85	3,974.18	5,926.35	£10,590.00	2.66
Manchester	579,917	404,050	96	4,208.85	6,040.80	£18,841.00	4.48
Newcastle	311,976	194,988	78	2,499.85	3,999.69	£9,660.00	3.86
Nottingham	329,276	205,408	55	3,734.69	5,986.84	£14,888.08	3.99
Sheffield	573,252	398,028	84	4,738.43	6,824.43	£16,464.33	3.47
Dudley	326,680	239,679	72	3,328.88	4,537.22	£12,143.00	3.65
Solihull	218,793	164,680	51	3,229.02	4,290.06	£12,500.00	3.87
Coventry	360,702	245,334	54	4,543.22	6,679.67	£15,935.00	3.51
Walsall	288,736	201,077	60	3,351.28	4,812.27	£13,128.00	3.92
Sandwell	347,551	237,330	72	3,296.25	4,827.10	£11,552.00	3.50
Wolverhampton	272,425	189,404	60	3,156.73	4,540.42	£12,196.00	3.86

*source	Nomis – Office for National Statics	
**source	Elections office for each local authority	Bristol – from July 2024
***source	Local authority website	
****source	Local authority website	

Appendix 6: Letter to the LGA and Response

Letter to the LGA

12 August 2024

Dear Joanna

Birmingham City Council - Independent Remuneration Panel – Report 2023 -24

The attached Report from the Birmingham Independent Remuneration Panel (IRP) was approved by Birmingham City Council at Full Council on 6 February. The Report is one of the most comprehensive compiled since 2001, as it reviewed the impact on Councillor's roles, responsibilities and workloads of the arrangements introduced by the Boundary Commission and implemented in May 2018. At that point the ward boundaries were redrawn resulting in 69 wards where previously there were 40, the number of Councillors was reduced from 120 to 101, with each ward being represented by 1 or 2 Councillors, whereas pre-May 2018 there were 3 Councillors representing each ward. Having reviewed a significant amount of evidence the Panel recommended changes to how the Basic Allowance and Special Responsibilities Allowances are calculated, the rationale for which is detailed in the Report.

However, the reason for bringing the Report to your attention is that during its evidence gathering, several important issues were raised which the Panel felt were likely to be shared by or experienced by other local authorities. Full Council supported the Panel's recommendation to raise these important matters with the Local Government Association, to establish whether they are common across local government and if so whether they should be brought to the attention of the (now) Ministry of Housing, Communities and Local Government.

Firstly, the removal in 2014 of Councillors from the Local Government Pension Scheme (LGPS) is increasingly recognised as a significant deterrent to people contemplating seeking election to become a Councillor and indeed retaining Councillors, especially younger ones. In 2024 all employers must offer a workplace pension, that local authorities can not do this for Councillors, goes against the grain and means that Councillors are financially more vulnerable at pensionable age.

Secondly, there are no redundancy payments if Councillors lose their seat. Again the financial implications of this puts (ex) Councillors on an unfair footing with the general workforce and indeed MPs.

And thirdly, related in part to the above two points, is that Birmingham City Council, in common with many other local authorities, struggle's to reflect the demographic and diversity of the adult population of the City amongst Councillors. The fact that Birmingham has a young demographic, but the majority of its Councillors are over 50, gives credence to this.

The Panel believes that addressing these issues will support a local government sector which is better able to provide democratic and accountable governance for their communities. The evidence from our work and other Independent Remuneration Panels suggests these three issues are inter-related and a more co-ordinated effort across central and local government, perhaps led by the LGA to address them, is needed.

The Panel's Report also goes into some detail about the rationale used to calculate the revised remuneration scheme. It also highlights a range of issues many of which come from the shared belief that if local democracy is to be effective more must be done to ensure that a more diverse spectrum of people is encouraged and enabled to seek election to serve their communities. It also notes Councillors very real concerns about their personal safety.

Please let me know if you need any further information. The Panel reconvenes in September, any thoughts on how we can work with you and colleagues to make progress on these issues would be welcome.

Best wishes

Rose Poulter – Chair, Birmingham City Council Independent Remuneration Panel

From the Chief Executive
Joanna Killian

Rose Poulter
Independent Remuneration Panel
Birmingham City Council
Council House
Victoria Square
Birmingham
B1 1BB

1 October 2024

Dear Rose,

RE: Birmingham City Council - Independent Remuneration Panel – Report 2022-23

Thank you for your correspondence dated 3 September and for sharing the Independent Remuneration Panel Report 2022-23.

At the LGA, we believe that good local decision-making needs people with a range of experiences and insights as broad and diverse as the communities they serve. However, it is no surprise to me that you have identified the importance of councils fully representing the demographics of their adult communities in your report. As you note, this is not unique to Birmingham. In fact, the LGA's last councillor census in 2022 showed that while councillor demographics have improved in terms of female representation, councillors as a group are still older and much less likely to be in employment than the adult population.

The LGA understands the importance of people from all backgrounds and experiences representing their communities and putting themselves forward for election. To help support this, the LGA has several programmes which aim to attract high-quality candidates to local government and develop in their elected role. Through our government funded [Be a Councillor campaign](#) we work with authorities on activities to increasing democratic engagement, promote the role of a councillor and encourage people to stand for election. The campaign aims to promote and demystify the councillor role through events, information, and resources as well as role modelling – using diverse councillor stories to bring to life what the role is like day to day.

Beyond efforts to promote the councillor role, we know that there are wider, systemic, and societal barriers to some people running for elected office. Your report raises several of these issues, including financial support for councillors in England. The LGA did not support the then government's decision to remove councillors access to the LG Pension Scheme in 2013 and until recently, there has been little prospect of reversing this policy. However, with a new government in place, there may be an opportunity now to renew calls on government for councillors to have access to pension provision again.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk Telephone 020 7664 3000 Email info@local.gov.uk

Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

Chair: Councillor Louise Gittins **Chief Executive:** Joanna Killian **President:** Baroness Grey-Thompson

We also have recently noted that the Welsh Government has taken significant steps to support people from a wide range of backgrounds to run for elected office, including providing redundancy support for incumbent councillors who lose their seat in an election through resettlement payments.

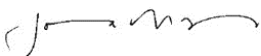
The LGA Executive Advisory Board has over the past year led on the development of a cross-party [Model Parental Leave for Councillors Policy](#) to support councils such as Birmingham who believe becoming a parent should not be a barrier to elected office. Further to this, the Board is due to receive a confidential report on barriers to elected office which require national policy or legislative change in October, so your letter is most timely.

I note your report also highlighted an increase in the levels of abuse faced by councillors. We strongly believe that the intimidation and abuse of councillors, in person or otherwise, undermines democracy and that harmful behaviours, whether towards, between or by elected members is unacceptable. The Executive Advisory Board recently reconfirmed its commitment to the [LGA Debate Not Hate campaign](#) which aims to increase awareness of the abuse and intimidation affecting councillors, improve the response from relevant agencies such as police and councils, and persuade the government to change legislation to protect councillors' home addresses from publication.

Further to this, LGA supports councils in upholding high standards in public life and address abuse and intimidation of elected members through our [Civility in Public Life Hub](#), which brings together resources on councillor standards and conduct and personal and online safety advice and training offers for councillors and officers who support them.

Once again Rose, thank you for sharing a copy of the report. If there are further issues or contributions you want to share, our dedicated regional team, led by our Principal Adviser for the West Midlands, Helen Murray (Helen.murray@local.gov.uk) would be keen to hear these. She is always there for you whenever your council may require any support from the LGA.

Yours sincerely



Joanna Killian Chief Executive

Appendix 7: Statutory Government Guidance 2006

Information can be found via links/sites detailed below

[EIM65960 - Local Government Councillors and civic dignitaries in England: ODPM guidance: Part One: members' allowances - HMRC internal manual - GOV.UK](#)

[The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003](#)

Appendix 8: Membership of the Independent Remuneration Panel

Citizen Representatives

Rose Poulter (Chair)
Veronica Docherty (Deputy Chair)
Catherine McManus
Muhammad Ali

Council Appointee

Declan Hall

Co-opted Members

Honorary Alderman Carl Rice
Former Councillor Peter Fowler