COUNCILLORS’ ALLOWANCES

Annual Report of the
Birmingham
Independent Remuneration Panel

2013-2014

MAY 2014
ANNUAL REPORT OF
THE INDEPENDENT REMUNERATION PANEL -
BIRMINGHAM CITY COUNCIL
2013 - 14
FOREWORD

At the forefront of the Panel’s deliberations were openness, transparency and accountability.

The Independent Remuneration Panel has met regularly from September 2012, with the aim to complete a full ‘Root and Branch’ review of the Members’ Allowances Scheme, as requested at a meeting of the Council, with a comprehensive report to City Council in October 2013. However, due to the volume of the work this did not materialise, resulting in the review being divided into two parts, with the review of the Basic Allowance only completed at that stage, with the recommendation that the Basic Allowance remain unchanged at the level of £16,267.00 per annum. The recommendation was ratified at City Council in October 2013.

The Panel then continued with the Root and Branch review of the remaining areas of the Members’ Allowances Scheme, inviting all Members as well as some Senior Officers to give their views, either in person or by a written submission. The Panel would like to thank all those Members and Officers for their valuable contributions and for the contribution and support to the Panel made by Officers.

The Panel also looked at other core cities schemes for benchmarking and comparators, together with the salaries of NHS and private sector managers and MPs, referring also to the Constitution to assist with their decision making.

The main focus for the Panel was the Special Responsibility Allowance. Having considered all the representations made and taking into account that the current economic climate has focussed the public’s attention on current levels of senior officer salaries and Members’ allowances and expenditure across the country, the Panel concluded that the previous system was overly complex and is recommending a more simplified structure. The simplification has resulted in an overall reduction of approximately 18% in the total of Special Responsibility Allowances.

Future work of the Independent Remuneration Panel will include the reviewing of pay comparators, the impact to changes to the Local Government Pension Scheme and Co-optee Allowances.

Sandra Cooper,
Chairman
MAY 2014
ADDENDUM

As a result of further representations received the Panel is putting forward an optional phased reduction over two years, as the Panel realise that the proposed reduction to the Special Responsibility Allowance for the role of Executive Member for Local Services and Chairman of the Employment and HR Committee is a significant reduction on the rates currently being paid.

A phased reduction would result in

**Year 1**

Executive Member for Local Services £8,250.00  
Chairman of the Employment and HR Committee £8,250.00

**Year 2**

Executive Member for Local Services £6,000.00  
Chairman of the Employment and HR Committee £6,000.00

Alternatively the Council could adopt the Special Responsibility Allowance as set out in Appendix 1 immediately

Executive Member for Local Services £6,000.00  
Chairman of the Employment and HR Committee £6,000.00

Due to matters beyond the control of the Panel, the Panel now recommend that the implementation date be changed to 01 November 2014

Items to be reviewed in the forthcoming work programme are detailed in the forward. The Panel note the changes to the constitution following the submission of their report and will take into account any changes in the constitution at the next Independent Panel Review.

*Sandra Cooper, Chairman  
AUGUST 2014*
RECOMMENDATIONS

1. The Basic Allowance remains unchanged at £16,267.00 (agreed at City Council in October 2013).

2. The introduction of a new banding structure for Special Responsibility Allowances.

3. The Special Responsibility Allowances should incorporate a 15% Public Service Discount.

4. The Special Responsibility Allowance rates to be as shown in Appendix 1.

5. The Special Responsibility Allowance rates to be applied with effect from 01 July 2014.

6. Co-optee Allowances to remain unchanged.

7. Carers’ Allowances to reflect the Council’s Scheme and remain unchanged.

8. Travel expenses and Subsistence Allowances to reflect the Council’s Scheme and remain unchanged.
MEMBERS’ ALLOWANCES

In determining its recommendations the Panel worked consistently within the requirements of the Local Government Act 2000 and the accompanying Guidance and Regulations on members’ allowances.

The key factors that the Panel took into account are

1. The promotion of a healthy democracy seeking to reduce financial disadvantage as a barrier to people from a wide range of backgrounds and a wide range of skills standing for election or serving as a Member.
2. The maintenance of an ethic of voluntary public service and the need to reflect this within the Basic Allowance and the Special Responsibility Allowances.
3. Councillors generally should not expect nor receive a full-time salary.
4. Some Councillors will be expected to take on significant responsibilities that will require a near full time commitment to the detriment or limitation of other career activities. Special Responsibility Allowances may therefore be paid to those Councillors of the Council who have significant additional responsibilities over and above generally accepted duties of a Councillor and involves the governance of the City.

BASIC ALLOWANCE

The Basic Allowance paid to Birmingham City Councillors remains the highest in the United Kingdom. The recommendation of £16,267 agreed at City Council in October 2013, is based on a weekly time commitment equivalent to 3 days. The Basic Allowance remunerates all Councillors for their formal governance responsibilities, and their community representational role as a Councillor.

SPECIAL RESPONSIBILITY ALLOWANCE

The Panel took into consideration that the Special Responsibility Allowance is awarded only to those Councillors who have significant additional responsibilities. Under the existing arrangements the number of Special Responsibility Allowances has increased over the years. The Panel noted the increase and determined that the Special Responsibility Allowances structure required simplifying.

The Panel considered evidence from a number of Members and Senior Officers on the Special Responsibility Allowances.

Consideration was also given to the roles undertaken by Members to determine whether they justified a recommendation for a Special Responsibility Allowance or adjustments to their current levels.

The outcome of the Panel’s deliberations are set out below:

1. A new approach for calculating Special Responsibility Allowances in the new simplified structure was agreed. The Panel recognise that the Leader’s role takes
the most responsibility assessed at 100% and all the other roles are then taken as a relative percentage of the Leader's role.

2. Hence the Panel created a new simplified structure, with the ability to move roles easily within bands depending on the level of responsibility and time. If there is a significant change in the role a review can be undertaken by the Panel to determine if the role should be moved to another band.

The following titles/descriptions are applied

<table>
<thead>
<tr>
<th>BANDS</th>
<th>LEVEL OF RESPONSIBILITY</th>
<th>TITLE/DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>75% to 100%</td>
<td>Strategic Leadership with overall responsibility for decision making for the direction and running of Council Services</td>
</tr>
<tr>
<td>2</td>
<td>50% to 74%</td>
<td>Strategic Shared responsibility within Cabinet and also individual responsibility with Chief Officers as delegated by the Constitution.</td>
</tr>
<tr>
<td>3</td>
<td>15% to 49%</td>
<td>Responsibility for Chaising key Regulatory and Overview and Scrutiny Committees in order to meet regulatory requirements and where required hold the Executive to account.</td>
</tr>
<tr>
<td>4</td>
<td>5% to 14%</td>
<td>Other roles with Special Responsibilities.</td>
</tr>
</tbody>
</table>

3. From the evidence received the Panel decided to recommend that the principle of public service discounts should be applied to the Special Responsibility Allowance as it does to the Basic Allowance. It was agreed that the Special Responsibility Allowance should thus be discounted by 15%.

4. After reviewing appropriate indices, the Panel concluded that the ASHE 2013 for all Industries and Services Male Full Time (top 10%), table 4.1a for the United Kingdom, would be the most appropriate comparator to be used for the Leader's role in order to reflect the transferrable skills of the role. Previously the Panel had recommended use of the West Midlands only comparator, but for the reasons stated had now changed its views.

The outcome of applying the ASHE 2013 All Industries and Services Males Full Time rate is as follows

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline per week rate (ASHE 2013)</td>
<td>1,125.30</td>
</tr>
<tr>
<td>Baseline annual rate</td>
<td>58,515.60</td>
</tr>
<tr>
<td>Rate for Leader of the Council</td>
<td>(8,777.34)</td>
</tr>
<tr>
<td>Proposed Special Responsibility Allowance for Leader of the Council (rounded)</td>
<td><strong>£50,000.00</strong></td>
</tr>
</tbody>
</table>
As part of the review of the Special Responsibility Allowances the Panel were asked to consider a number of roles to determine if they required adjustment. The outcome of the Panel’s deliberations and determination of the level of responsibilities is set out below

Table 2

<table>
<thead>
<tr>
<th>BANDS</th>
<th>ROLE</th>
<th>% LEVEL OF RESPONSIBILITY</th>
<th>SRA</th>
<th>Basic Allowance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Leader of the Council</td>
<td>100%</td>
<td>50,000.00</td>
<td>16,267.00</td>
<td>66,267.00</td>
</tr>
<tr>
<td>1</td>
<td>Deputy Leader of the Council</td>
<td>80%</td>
<td>40,000.00</td>
<td>16,267.00</td>
<td>56,267.00</td>
</tr>
<tr>
<td>2</td>
<td>Cabinet Member</td>
<td>50%</td>
<td>25,000.00</td>
<td>16,267.00</td>
<td>41,267.00</td>
</tr>
<tr>
<td>3</td>
<td>Chairman of the Planning Committee</td>
<td>25%</td>
<td>12,500.00</td>
<td>16,267.00</td>
<td>28,767.00</td>
</tr>
<tr>
<td>3</td>
<td>Chairman of the Licensing &amp; Public Protection Committee</td>
<td>25%</td>
<td>12,500.00</td>
<td>16,267.00</td>
<td>28,767.00</td>
</tr>
<tr>
<td>3</td>
<td>Leader of the Largest Qualifying Opposition Group</td>
<td>25%</td>
<td>12,500.00</td>
<td>16,267.00</td>
<td>28,767.00</td>
</tr>
<tr>
<td>3</td>
<td>Chairman of Governance, Resources &amp; Customer Services Overview &amp; Scrutiny Committee</td>
<td>22%</td>
<td>11,000.00</td>
<td>16,267.00</td>
<td>27,267.00</td>
</tr>
<tr>
<td>3</td>
<td>Chairman of Other Overview &amp; Scrutiny Committees</td>
<td>20%</td>
<td>10,000.00</td>
<td>16,267.00</td>
<td>26,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Executive Member for Local Services</td>
<td>12%</td>
<td>6,000.00</td>
<td>16,267.00</td>
<td>22,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Chairman of the Employment &amp; HR Committee</td>
<td>12%</td>
<td>6,000.00</td>
<td>16,267.00</td>
<td>22,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Chairman of the Audit Committee</td>
<td>10%</td>
<td>5,000.00</td>
<td>16,267.00</td>
<td>21,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Chairman of the Trust &amp; Charities Committee</td>
<td>10%</td>
<td>5,000.00</td>
<td>16,267.00</td>
<td>21,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Leader of Other Qualifying Opposition Groups</td>
<td>10%</td>
<td>5,000.00</td>
<td>16,267.00</td>
<td>21,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Deputy Leader of the Largest Qualifying Opposition Group</td>
<td>10%</td>
<td>5,000.00</td>
<td>16,267.00</td>
<td>21,267.00</td>
</tr>
<tr>
<td>4</td>
<td>Deputy Leader of Other Qualifying Opposition Groups</td>
<td>5%</td>
<td>2,500.00</td>
<td>16,267.00</td>
<td>18,767.00</td>
</tr>
<tr>
<td>4</td>
<td>Lead Opposition Spokesperson (Shadow Cabinet Member)</td>
<td>5%</td>
<td>2,500.00</td>
<td>16,267.00</td>
<td>18,767.00</td>
</tr>
<tr>
<td>4</td>
<td>Political Group Secretaries</td>
<td>5%</td>
<td>2,500.00</td>
<td>16,267.00</td>
<td>18,767.00</td>
</tr>
</tbody>
</table>

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

**BAND 1 - STRATEGIC LEADERSHIP**

With overall responsibility for decision making for the direction and running of Council Services.

**The Leader of the Council** - The Panel concluded that ASHE 2013 all Industries and Services Males F/T table 4.1a, UK would be the most appropriate comparator to be used for the Leader’s role and the starting point for the other roles with a 15% discount. The Panel also compared the rate against the Chief Executive of a Voluntary Sector role, the salary of the Chair of a NHS Foundation Trust and a MP’s salary as a benchmarking exercise and the overall remuneration appeared broadly comparable.

**The Deputy Leader of the Council** - The Panel concluded as a result of the evidence received that the Deputy Leader was providing greater support to the Leader, as a result in changes to the scheme of delegation, than previously and therefore recommends a
small increase in the Special Responsibility Allowance of 80% of the Leader’s Special Responsibility Allowance.

**BAND 2 - STRATEGIC SHARED RESPONSIBILITY**

Shared responsibility within Cabinet and also individual responsibility with Chief Officers as delegated by the Constitution.

**Cabinet Members** - From the evidence received it became apparent that Cabinet Members no longer have an overall individual responsibility for a portfolio, but a more collective responsibility with other Cabinet Members. It is therefore recommended that there be a small decrease in the Special Responsibility Allowance to 50% of the Leader’s Special Responsibility Allowance.

**BAND 3 - RESPONSIBLE FOR CHAIRING COMMITTEES**

Responsible for Chairing key Regulatory Committees, Overview & Scrutiny Committees and those roles responsible for holding the Executive to account

**Chairman of the Planning Committee, and Chair of Licensing & Public Protection Committee** - No new evidence was offered to the Panel for these roles and there is no significant evidence to suggest any change to the roles. The Panel therefore concluded from previous evidence that the role should be placed in the structure at 25% of the Leader’s Special Responsibility Allowance.

**The Leader of the Largest Qualifying Opposition Group** - The Panel concluded from the evidence that the role of the Leader of the Largest Qualifying Opposition Group is to hold the Executive to account. The Panel therefore recommends a Special Responsibility Allowance at 25% of the Leader’s Special Responsibility Allowance.

**Chairman of Governance, Resources and Customer Services Overview & Scrutiny Committee** - From the evidence the Panel received and from the wording of the Council's Constitution – to plan and coordinate the work of all the Overview and Scrutiny Committees - the Panel concluded that the role was significant including offering guidance to other Scrutiny Committees and Chairs as well as to settle and publish each year the programme of Scrutiny Reviews. The Panel therefore recommends a Special Responsibility Allowance at 22% of the Leader's Special Responsibility Allowance.

**The Chairman of Other Overview & Scrutiny Committees** - Based on the evidence presented to the Panel to include the changing responsibilities and business of the council and having regard to the role and responsibility of the Chair of Governance, Resources and Customer Services Overview & Scrutiny, the Panel determined the level in the structure at 20% of the Leader’s Special Responsibility Allowance.
BAND 4 - Other roles with Special Responsibilities
The roles set out below have significant and generic responsibilities.

The Executive Members for Local Services - The Panel recognises that the roles of the Executive Members for Local Services continue to evolve. The evidence presented shows that all decisions are made by the full District Committee and the responsibility and impact of decisions that the Executive Members for Local Services make is limited. The Panel recognise the aspiration for localisation and the discharge of power to the Executive Members for Local Services and await the evidence to support this. From the evidence received the Panel consider that the role warrants an allowance of 12% of the Leader's Special Responsibility Allowance.

Chairman of the Employment & HR Committee - The Panel concluded the responsibility did not match the previous expectation for the role but recognise the responsibility for the Performance Management of JNC posts from evidence presented. From the evidence received the Panel consider that the role warrants an allowance of 12% of the Leader's Special Responsibility Allowance.

Chairman of the Audit Committee - No new evidence was offered to the Panel for this role and no significant evidence to suggest any change to the role. The Panel therefore concluded from previous evidence that the role should be placed within the structure at 10% of the Leader's Special Responsibility Allowance.

Chairman of the Trust & Charities Committee - The Panel were specifically asked to look at this role and gave it careful consideration. The decision was based on the evidence received and comparisons with other roles. From the evidence received it appeared to the Panel that the increased workload and resulting responsibility was a short term issue. The Panel concluded the role warrants a Special Responsibility Allowance at 10% of the Leader’s Special Responsibility Allowance.

Leader of Other Qualifying Opposition Groups - No new evidence was presented to the Panel. The Panel recognise the value of this role and concluded that the role warrants a Special Responsibility Allowance at 10% of the Leader’s Special Responsibility Allowance.

Deputy Leader of the Largest Qualifying Opposition Group - The Panel concluded that this role is to support and deputise for the Leader of the Largest Qualifying Group. Therefore recommends a Special Responsibility Allowance at 10% of the Leader’s Special Responsibility Allowance.

Deputy Leader of Other Qualifying Opposition Groups - The Panel determined that the level of responsibility for this role warranted an SRA of 5%.

Lead Opposition Spokesperson (Shadow Cabinet Member) - No new evidence was presented to the Panel to suggest any significant change in the level of responsibility.
The Panel determined the level in the structure to remain at 5% of the Leader’s Special Responsibility Allowance.

**Political Group Secretaries** - From the evidence received the Panel recognise that the Political Group Secretaries do have a role to play in the management of City Council business and therefore recommend a Special Responsibility Allowance for this at 5%.

**CO-OPTEE AND CARERS’ ALLOWANCE**

No new evidence was presented for these allowances. The Panel considered the Council’s recognition of the Living Wage as a criterion for payment for the Professional Carer’s Allowance and concluded that this allowance will be reviewed at the next Panel review. Accordingly it is recommended that the allowance should remain unchanged.

**TRAVEL EXPENSES AND SUBSISTENCE ALLOWANCE**

The need to enhance clarity for this area of the scheme was the focus of the Panel. All travel expenses and subsistence allowances claimed by Members, either through the Scheme or via contract taxi or rail travel should be transparent. The Panel also noted that other core cities did not pay travel expenses or offer rail or taxi services unless for travel outside the city. The Panel formed a view that the aim and principles of this scheme were to ensure wherever possible that there were no barriers to enable Members to carry out their role.

The Panel recommend that the travel expenses and subsistence allowances reflect the Councils scheme and should remain unchanged.

**FURTHER CONSIDERATION**

As part of their deliberations the Panel also considered

**Local Government Pension Scheme** - The Panel have noted the consultation on Members having access to the Local Government Pension Scheme. Now the government have made a decision the panel will consider the implications in their future work plan.

**Fostering and Adoption Panel** - The Panel researched other Local Authorities to establish the practice on paying allowances for the role. Only one City paid a member an allowance to sit on the Fostering Panel and another member to sit on the Adoption Panel. The role was looked at in previous reviews, however, due to the wording ‘significant responsibility’, (relevant to the Governance of the City), the Members on this Committee had not been awarded a Special Responsibility Allowance. The evidence received related to workload and did not demonstrate significant responsibility. No further evidence was received from a Fostering and Adoption Panel Member on this occasion.

The Panel remains of the view that the Basic Allowance is set at an appropriate level to include the Members on all Council Committees. The Panel is therefore not recommending additional payments to cover this role at present.
**APPENDIX 1**

**BASIC ALLOWANCE** (per annum unless otherwise stated)  
£  
Baseline per Day Rate  
132.93  
Basic Allowance (with effect from 01 October 2013)  
16,267.00  
  
<table>
<thead>
<tr>
<th>Time Element</th>
<th>15,552.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Expenses Element</td>
<td>715.00</td>
</tr>
</tbody>
</table>

**PROPOSED ALLOWANCE RATES WITH EFFECT FROM 01 JULY 2014**

*Figures in brackets represent rates prior to July 2014*

**SPECIAL RESPONSIBILITY ALLOWANCE** (per annum unless otherwise stated)  
Baseline per week (£1,125.30 discounted by 15%)  
956.51 (968.32)

**STRATEGIC LEADERSHIP**  
Leader of the Council (rounded up)  
50,000.00 (50,352.00)  
Deputy Leader of the Council  
40,000.00 (37,764.00)

**STRATEGIC SHARED RESPONSIBILITY**  
Cabinet Member  
25,000.00 (28,197.00)

**RESPONSIBILITY FOR CHAIRING KEY REGULATORY, OVERVIEW & SCRUTINY COMMITTEES & HOLDING THE COUNCIL TO ACCOUNT**  
Chairman of the Planning Committee  
12,500.00 (14,803.00)  
Chairman of Licensing & Public Protection Committee  
12,500.00 (14,803.00)  
Leader of the Largest Qualifying Opposition Group  
12,500.00 (12,689.00)  
Chairman of Governance, Resources & Customer Services Overview & Scrutiny Committee  
11,000.00 (12,689.00)  
Chairman of other Overview & Scrutiny Committees  
10,000.00 (12,689.00)

**OTHER ROLES WITH SPECIAL RESPONSIBILITY**  
Executive Member for Local Services  
6,000.00 (10,574.00)  
Chairman of the Employment and HR Committee  
6,000.00 (14,803.00)  
Chairman of the Audit Committee  
5,000.00 (5,659.00)  
Chairman of the Trust and Charities Committee  
5,000.00 (5,659.00)  
Leader of Other Qualifying Opposition Groups  
5,000.00 (5,287.00)  
Deputy Leader of the Largest Qualifying Opposition Group  
5,000.00 (6,545.00)  
Deputy Leader of Other Qualifying Opposition Groups  
2,500.00 (2,115.00)  
Lead Opposition Spokesperson (Shadow Cabinet)  
2,500.00 (2,618.00)  
Political Group Secretaries  
2,500.00 (2,179.00)

(A Qualifying Opposition Group is one with a minimum of 6 Members)
CO-OPTEE ALLOWANCES (per annum) £
Chair of the Standards Committee 1000.00
Member of an Overview & Scrutiny Committee 831.00
Member of the Standards Committee 557.00

CARERS’ ALLOWANCES £
Independent care - hourly rate with effect from 01/10/2013 6.31
Professional care with supporting documentation - hourly rate of 7.62

TRAVEL EXPENSES AND SUBSISTENCE ALLOWANCES
Car, Motorcycle and Bicycle Allowance Rates are set in line with those paid to officers of the authority.

Day and Overnight Subsistence Allowances are set in line with those paid to officers of the authority or the inflation factor in the council’s budget.

Car Mileage Rates
First 10,000 business miles in tax year 45p per mile
Each business mile 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 Actual Cost
(Supporting receipts if possible)

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 allowances or expenses for duties undertaken in the area covered by the pass or to make use of transport services provided directly by the Council, unless the relevant travel service is not available, or there are health and safety reasons.
**Benchmark Day Subsistence (excluding VAT)**

<table>
<thead>
<tr>
<th>Meal</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast</td>
<td>4.48</td>
</tr>
<tr>
<td>Lunch</td>
<td>6.17</td>
</tr>
<tr>
<td>Tea</td>
<td>2.43</td>
</tr>
<tr>
<td>Evening Meal</td>
<td>7.64</td>
</tr>
</tbody>
</table>

**Benchmark Overnight Subsistence (excluding VAT)**

<table>
<thead>
<tr>
<th>Location</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>In London</td>
<td>97.09</td>
</tr>
<tr>
<td>Other locations outside London</td>
<td>85.13</td>
</tr>
</tbody>
</table>

The reasonable cost of meals taken, overnight accommodation and minor associated out-of-pocket expenses will be reimbursed, **subject to the provision of supporting receipts**. The validity of claims made will be judged against where the meal was taken or where the stay occurred, the total time spent on the duty and the relevant benchmark subsistence value.
APPENDIX 2

PRINCIPLES FOR THE MEMBERS’ ALLOWANCES SCHEME

The Panel felt that there should be a set of principles that can be used as a logical, transparent and robust framework for the City Council’s Members Allowances Scheme.

The Panel agreed that the following set of principles should continue to underpin any Scheme adopted by the Council.

Scheme Objectives

- The promotion of a healthy democracy seeking to reduce financial disadvantage as a barrier to people from a wide range of backgrounds and a wide range of skills standing for election or serving as a Member.
- Recognise the role that co-opted Members play in the operation of the Council.

Basis of Scheme

- Maintain the ethic of voluntary public service and reflect this in the Basic Allowance and Special Responsibility Allowance paid to all Councillors.
- Members should not expect nor receive a full-time salary.
- Reflect a reality that some Members will be expected to take on significant additional responsibilities that will require a near full time commitment to the detriment or limitation of other career activity.

Better Performance

- Effective support arrangements should be available to assist Members in their roles and to maximise the value of the time that Members with work and family commitment have available.
- Adequately resourced training and development opportunities should be available to Members that would enable them to acquire the skills and knowledge for both their current and future roles.
Methodology

- Recommendations of the Panel should be arrived at following a logical, impartial and transparent process that identifies roles, reasonable expectations on those roles and make use of suitable external indicators or comparators to establish the value of individual allowances.
- Wage rate indicators or comparators should not be related to local authority pay scales or jobs so as to maintain the distinction between the roles of elected members and officers.
- Basic Allowance should reflect the core time less a discount for Voluntary Public Service needed to undertake a generally accepted range of duties expected of all Elected Members. It includes a recognition that all Elected Members will from time to time take on additional roles that fall outside the scope of significant additional responsibilities.
- Special Responsibility Allowances recognise the level of responsibility, complexity and extent of commitment of a limited number of Elected Members who are expected to undertake roles on behalf of the Council that involve significant additional time and responsibilities, relating to the governance of the City. These will be identifiable over and above the generally accepted range of duties for an Elected Member that is reflected in the Basic Allowance. The Special Responsibility Allowance will also include a discount for Voluntary Public Service.
- Co-opted Allowances should reflect the core time needed to serve on a Committee. It should also recognise that any additional work will be undertaken within the ethic of voluntary public service.

Expenses

- The Council should meet a standard range of general expenses (such as telephone and home office costs) that Elected Members incur directly when undertaking their role. To avoid a proliferation of claim based systems this should be done by the payment of a lump sum on top of the Basic Allowance.
- Elected Members and Co-opted Members should be entitled to claim reasonable travel expenses that are necessarily and exclusively incurred in carrying out approved duties.
- Elected Members and Co-opted Members should be entitled to claim reasonable subsistence expenses that are necessarily and exclusively incurred in carrying out approved duties outside the Birmingham authority area.
- Elected Members should be entitled to claim for reasonable childcare and dependent carer costs that are necessarily and exclusively incurred in carrying out approved duties.
• Claims for expenses should be made on a quarterly basis. Claims outside that time limit should only be paid if there are acceptable and identifiable exceptional circumstances that prevented the claim being submitted on time.

Administration and Review

• Robust administrative arrangements should minimise the potential abuse of the system and remove the possibility of a member receiving an allowance from more than one authority for the same duty.
• Appropriate allowance should be withheld where a member is suspended or partially suspended from responsibilities or duties in accordance with Part III of the Local Government Act 2000.
• The Independent Remuneration Panel should undertake an annual review of the principles, assumptions and the appropriateness of the indicators used in drawing up the scheme.
• Allowance rates may be automatically updated annually in line with the select wage indicators for Basic (Time Commitment element), Special Responsibility, Co-opted and Childcare and Dependent Carer Allowances. Comparator rates for Mileage and Day Subsistence Allowances or a local authority inflation factor for Basic Allowance (Additional Expenses element) and Overnight Subsistence Allowances will be increase in line with Officer Rates.
• Backdating of amendments to a Scheme in the relevant year should only take place if the Independent Remuneration Panel has accepted in its recommendations that the changes had already taken place.
• Allowances Scheme and records of payments should be widely published and generally available to the public.
APPENDIX 3

MEMBERSHIP OF THE INDEPENDENT REMUNERATION PANEL

Chair of the Panel
Sandra Cooper, Citizen Representative, Stirchley

Council Appointees
David Grainger
Stephen Shute

Citizen Representatives
Graham Macro, Sutton Coldfield
Subat Khan, Ward End
Michael Tye, Handsworth

Co-opted Members
Honorary Alderman Len Gregory
Honorary Alderman Jim Whorwood