

Time 13.30 pm **Public Meeting?** YES **Type of meeting** Oversight
Venue Civic Centre

Membership

Chair Cllr Elias Mattu (Lab)
Vice-chair

Labour

Cllr Ian Brookfield
Cllr Val Evans
Cllr Martin Waite

Conservative

Cllr Andrew Wynne

Quorum for this meeting is two Councillors.

Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

Item No. *Title*

BUSINESS ITEMS

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Minutes of previous meeting** (Pages 3 - 4)
 [To agree the minutes of the previous meeting, held on 1 November 2017.]
- 4 **Matters arising**

DECISION ITEMS

- 5 **Report of the Independent Remuneration Panel** (Pages 5 - 18)
 [To consider the report of the Independent Remuneration Panel.]

CITY OF WOLVERHAMPTON COUNCIL	Standards Committee Minutes - 1 November 2017
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Attendance

Members of the Standards Committee

Cllr Elias Mattu (Chair)
Cllr Andrew Wynne
Ray Tomkinson – Independent Member

Employees

Kevin O'Keefe	Director of Governance
Colin Parr	Head of Governance
Jaswinder Kaur	Democratic Services Manager

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies for absence**
Apologies for absence were received from Councillor Val Evans.

- 2 **Declarations of interest**
There were no declarations of interest made.

- 3 **Minutes of previous meeting**
That the minutes of the previous meeting held on the 11 July 2016 be agreed as a correct record.

- 4 **Matters arising**
There were no matter arising from the previous minutes.

- 5 **Exclusion of the Press and Public**
Resolved:

That, in accordance with section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information falling within paragraph 1 of Schedule 12A to the Act relating to any individual.

- 6 **Reports into an alleged breach of the Councillors Code of Conduct**
Councillor Elias Mattu asked Kevin O'Keefe, Director of Governance, to provide an overview of the investigation report. He noted that the intention had been for the report to be tabled at the meeting.

Kevin O'Keefe explained that the Monitoring Officer receives and considers complaints about any potential breach in the Councillor code of conduct. He advised that, when it appears possible that a breach may have occurred, it was initially the Monitoring Officer's responsibility to investigate the substantive allegations.

Kevin O'Keefe explained that he had received an complaint about two Councillors and the discharge of their duties as a Councillor.

Kevin O'Keefe explained that the role of the Standards Committee at its meeting was to determine whether the Councillors conduct might amount to a breach of the Councillors' code of conduct, if proven. He emphasised that the Committee did not need to agree whether a breach had occurred at this stage, that decision was to be made at a future meeting of the Standards Committee, which would consider the allegations in detail (if that were the agreed pathway).

Resolved:

That the Standards Committee should meet to consider whether the Councillors had breached the code of conduct.

Standards Committee

19 January 2018

Report title	Report of the Independent Remuneration Panel	
Cabinet member with lead responsibility	Councillor Milkinder Jaspal Governance	
Wards affected	All	
Accountable director	Kevin O'Keefe	
Originating service	Governance	
Accountable employee(s)	Kevin O'Keefe Tel Email	Director of Governance 01902 557981 Kevin.O'Keefe@wolverhampton.gov.uk
Report to be/has been considered by		

Recommendation(s) for decision:

The Standards Committee is recommended to:

1. Recommend to Council that:
 - a) the report of the Independent Remuneration Panel be considered and approve, reject or approve alternative proposals for each of the following recommendations made by the Panel:

Recommendation 1: That for the municipal years 2018/19 – 2021/22 the Basic Allowance be increased each year by any percentage increase in pay agreed for local government employees.

Recommendation 2: That no change should be made to the current Special Responsibility Allowances.

Recommendation 3: That no change should be made to the current Dependant Carers' Allowance.

Recommendation 4: That no change should be made to the current Travelling and Subsistence Allowances

Recommendation 5: That no change be made to the current Co-optees Allowances.

- b) The section on Membership of the Local Government Pension Scheme be removed from the Councillor Allowances scheme.
- c) Delegate authority to the Monitoring Officer to amend the Scheme of Councillor Allowances according to the decisions taken by Council for inclusion in the Council's Constitution.

1.0 Purpose

- 1.1 To consider the report of the Independent Remuneration Panel attached as Appendix 1 on a review of Councillor's Allowances and make recommendations to Council.

2.0 Background

- 2.1 Local councils are required by The Local Authorities (Members' Allowances) (England) Regulations 2003 to establish and maintain an Independent Remuneration Panel to make recommendations on the level of basic and special responsibility allowances and associated matters that are paid to Councillors.
- 2.2 Where a local authority scheme provides for increasing allowances by an index, this can only operate for maximum period of four years and a further review is required before any further index can be applied.
- 2.3 The previous report of the Panel was considered by Council on 18 December 2013.
- 2.4 In carrying out its review the Panel was keen to ensure that the review was comprehensive and encompassed all aspects of the allowances scheme. The Panel endeavoured to carry out the review in an impartial manner and to base its conclusions and recommendations on the evidence they received. Throughout the review the aim of the Panel has been to produce an allowances scheme that is fair and equitable and which is appropriate for the needs of this Council.
- 2.5 The Panel has used a range of sources of evidence and in particular considered the allowances paid to Councillors of the Black Country, West Midlands Metropolitan Councils and fifteen similar sized councils in this Councils CiPFA family group.

3.0 Recommendations from the Independent Remuneration Panel

- 3.1 A Panel was appointed in January 2018 to review the Councillor' Allowances Scheme. The Panel Members appointed were:
- Miss Habiba Amjad – Member of the public
 - Mr Miceal Barden – Dean of the Faculty of Social Sciences, Wolverhampton University
 - Reverend David Wright – The Rector of St. Peters Church Wolverhampton
- 3.2 The Panel reviewed the Council's scheme of Councillor Allowances and Expenses in accordance with the provisions of the Regulations and its terms of reference covered:
- (a) Review of allowances:
- Review the level of Basic Allowance;
 - Review all Special Responsibility Allowances;
 - Review of Dependent Carer's Allowance;
 - Decide whether the level of allowances are to be determined according to an index and if so which and for how long

- Review Travelling and Subsistence Allowances
- Review Co-optees Allowances

3.3 The Panel has made a detailed report of its work, attached at Appendix 1, and made five recommendations.

3.4 The decision to approve these recommendations is the Council's. The Council must have regard to the recommendations made by the Independent Remuneration Panel before it proposes any changes to the current Councillor Allowances Scheme. The Council should consider each of these recommendations individually and decide whether each recommendation should be approved or rejected. The Council is not bound by the decisions of the Panel and may reject any of the proposals made, but the Council should have regard to the implications of such decisions and alternative provisions can be put forward and agreed.

4.0 Membership of the Local Government Pension Scheme

4.1 The Council had previously determined that all Councillors were entitled to a pension in accordance with the Local Government Pension Scheme Regulations. The LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 amended access to the LGPS for councillors in England. From 1 April 2014, Councillors in England are unable to join the Local Government Pension Scheme. Those Councillors in England who were in the scheme on the 31 March 2014 can remain in the scheme until the end of their current term of office.

5.0 Financial implications

5.1 The Basic Allowances budget will be uplifted each year by a percentage matching the pay award agreed for local government employees. This inflationary increase will be incorporated in the annual budget setting process.

[GE/10102018/D]

6.0 Legal implications

6.1 Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require the Council to review members' allowances at least once every four years for the purpose of agreeing how it will index link its scheme of allowances. The Council must have regard to the recommendations made by the IRP and determine whether and how these are implemented. The Council must also have regard to the recommendations made by the IRP before it amends any part of the current Councillor' Allowances Scheme.

[RB/09012018/T]

7.0 Equalities implications

7.1 There are no equalities implications arising from this report.

8.0 Environmental implications

8.1 There are no environmental implications arising from this report.

9.0 Human resources implications

9.1 There are no human resources implications arising from this report.

10.0 Corporate landlord implications

10.1 There are no corporate landlord implications arising from this report.

11.0 Schedule of background papers

11.1 The following papers were relied upon as part of this review:

Local Authorities (Members' Allowances) (England) Regulations 2003
City of Wolverhampton Council Constitution Scheme of Councillor Allowances
Benchmarking information for neighbouring authorities and family authorities

12.0 Appendices

12.1 Appendix 1- Report from the Independent Remuneration Panel

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CITY OF WOLVERHAMPTON COUNCIL

REPORT OF THE INDEPENDENT REMUNERATION PANEL ON COUNCILLORS' ALLOWANCES

Date: January 2018

Independent Remuneration Panel

The City of Wolverhampton Council Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2003 to provide advice and recommendations to the Council on amounts to be paid under its Councillors' Allowances scheme. Members of the Panel are appointed by the Council and are independent members of the local community.

The Independent Remuneration Panel has reviewed the Councillors' Allowances scheme and, on behalf of the Panel, I present the report and recommendations for the payment of Members' Allowances for 2018/19- 2021/22. This report is required by the Local Authorities (Members' Allowances) (England) Regulations 2003. In conducting this review, the Independent Remuneration Panel has had regard to the 2006 `Statutory Guidance on Members Allowances.

The Council is required to have regard to our recommendations in deciding what allowances to pay Councillors. Additionally, the Council must also publish our recommendations and conclusions, together with the approved scheme.

Reverend David Wright

Chair of the Independent Remuneration Panel

1. Panel Membership

1.1 The Panel composed of three members:

- Miss Habiba Amjad – Member of the public
- Mr Miceal Barden – Dean of the Faculty of Social Sciences, Wolverhampton University
- Reverend David Wright – Representing the Rector of St. Peters Church Wolverhampton

2. How the Panel Approached the Review

2.1 The Panel chose the following means of gathering evidence.

- **Consideration of relevant legislation and guidance**

Councillor's allowances are paid in accordance with Local Government and Housing Act 1989 and the Local Government Act 2000. Section 18 of the 1989 Act, as amended by Section 99 of the Local Government Act 2000 makes provision in relation to basic, special responsibility and childcare and dependants' carers' allowances for members of local authorities. Section 100 of the 2000 Act allows the Secretary of State to make provision in relation to travel and subsistence allowance for members of local authorities and an allowance for non-councillors who are members of a council's committee or sub-committee.

The Local Authorities (Members' Allowances) (England) Regulations 2003 were made under these provisions. The Regulations provide that it is for each local authority to decide its scheme and the amounts to be paid under that scheme. Councils are required to establish an Independent Remuneration Panel which will provide the local authority with advice on its scheme, the amounts to be paid and the pensionability of allowances where relevant. The Council must have regard to this advice from the Panel.

- **Consideration of the current scheme of allowances**

The Panel were required to review the range of allowances currently paid to members of Wolverhampton City Council. Details of the current schedule of the allowances are included at **Annex 1**.

- **Review of comparative allowances**

In looking at the allowances paid we sought to understand the level of allowances paid to Councillors performing similar roles at similar sized Councils. As with the previous report we have used the Councils in the CIPFA family group and particular attention has been paid to the allowances paid by the other three other Black Country authorities.

3. Scope of the Report

- 3.1 The report sets out the Panel's recommendations to enable the Council to agree a new Councillors' Allowances Scheme.
- 3.2 These recommendations take account of the Council's current political composition and political management arrangements. Recommendations should be applied from the start of the 2017 - 2018 municipal year.
- 3.3 The Panel reviewed the Council's scheme of Councillors Allowances and Expenses in accordance with the provisions of the Regulations and its terms of reference covered:

Review of allowances:

- Review the level of Basic Allowance;
- Review all Special Responsibility Allowances;
- Review of Dependent Carer's Allowance;
- Decide whether the level of allowances are to be determined according to an index and if so which and for how long
- Review Travelling and Subsistence Allowances
- Review Co-optees Allowances

4. Background Information – City of Wolverhampton Council

- 4.1 The City of Wolverhampton Council has 60 Councillors representing 20 wards. The current political composition of the Council is:

Party	Number of Seats
Conservative	10
Labour	49
UKIP	1

- 4.2 The Council operates a Leader and Cabinet model of governance. The Cabinet is currently made up of the Leader of the Council, Deputy Leader of the Council and eight other Cabinet Members. Each of the 10 members of the Cabinet has a specific portfolio of responsibilities.
- 4.3 The Council currently has six themed Scrutiny Panels and an overarching Scrutiny Board whose role is to hold the executive to account, contribute to policy development, carry out reviews and monitor the performance of the Council.

- 4.4 The Council also appoints a number of other Committees to exercise its regulatory functions and other functions that are not the responsibility of the executive.

5. The Basic Allowance

- 5.1 The basic allowance is intended to recognise the time commitment of all councillors for calls on their time including meetings with council employees, meetings with constituents, attendance at political group meetings and incidental costs such as the use of their homes.
- 5.2 The Panel noted that the national guidance states that it is important that some element of the work of councillors continues to be voluntary – that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected members and to ensure that despite the input required people are encouraged to come forward as elected members and that their service to the community is retained.
- 5.3 It is a requirement of the regulations that a basic allowance be paid to all councillors in an authority and paid at the same level for all councillors.
- 5.4 The basic allowance in Wolverhampton has been operating for some years. Between 1 April 2014 and 31 March 2017, any increase in the allowance was aligned to increases in the nationally agreed pay scales for local authority employees.
- 5.5 The Panel compared the basic allowance paid in Wolverhampton with those paid by neighbouring authorities in the region and authorities in the recognised groupings of comparable authorities. It also looked at local and regional wage rates and considered the element of public service discount expected in the role.
- 5.6 The Panel's view is that the level of the current basic allowance remains reasonable in balancing these aims and compares appropriately to local average pay levels. Benchmarking indicates that the level of the allowance is slightly lower in its comparator groups but the Panel has decided not to propose any change, other than to maintain the principle of increasing the allowance in line with any percentage increase for government employees.

Recommendation 1: That for the municipal years 2018/19 – 2021/22 the Basic Allowance be increased each year by any percentage increase in pay agreed for local government employees.

6. Special Responsibility Allowances

- 6.1 Each local authority may also make provision in its scheme for the payment of special responsibility allowances (SRA) for those councillors who have significant responsibilities over and above the generally accepted duties of a councillor.

6.2 The responsibilities remunerated under Wolverhampton's current Scheme of Allowances are:

- Leader
- Deputy Leader
- Leader of the Main Opposition Group
- Deputy Leader of the Main Opposition Group
- Cabinet Member
- Chair – Scrutiny Board
- Chair – Scrutiny Panel
- Chair – Planning Committee
- Chair – Licensing Committee
- Chair – Pensions Committee
- Chair – Audit Committee

- Vice-Chair – Scrutiny Board and Panels
- Vice-Chair – Planning Committee
- Vice-Chair – Licensing Committee
- Vice-Chair – Pensions Committee
- Vice-Chair – Audit Committee

- Leader of a Minority Opposition Group *
- Councillor Champions

“Special Responsibility Allowance for the Leader of a Minority Opposition Group to be paid only if a Minority Opposition Group comprises five or more Councillors”

- 6.3 In reviewing the SRAs, the Panel carefully considered the national guidance which explains that they may be paid to those councillors of the council who have significant additional responsibilities over and above the generally accepted duties of a councillor. The guidance states that it does not necessarily follow that particular responsibilities given to a particular councillor is a significant additional responsibility for which a special allowance should be paid. Such duties may not lead to a significant extra workload for any one particular councillor above another and that they should be recognised as time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which an SRA should be recommended.
- 6.4 The Panel noted that its responsibility is limited to considering whether any roles should be remunerated under the scheme, not the content and structure of any roles which the Council may choose to establish.
- 6.5 Like many other authorities, Wolverhampton's scheme recommends that only one SRA can be claimed by those councillors who hold two or more different roles each entitled to an SRA and the Panel supported maintaining this approach.

- 6.6 The Panel reviewed evidence about the time commitment and responsibilities involved and considered benchmarking information. It was noted that most of the roles remunerated by Wolverhampton are remunerated by other comparator authorities and the levels of allowances paid by Wolverhampton are at or around the average or significantly higher for certain roles.

Recommendation 2: That no change should be made to the current Special Responsibility Allowances.

7. Carers' Allowances

- 7.1 The Panel concluded that no change should be made to the current carers' allowances.

Recommendation 3: That no change should be made to the current Dependant Carers' Allowance.

8. Travel expenses and Subsistence Allowances

- 8.1 The Panel concluded that no changes should be made to the current travel expenses and subsistence allowances.

Recommendation 4: That no change should be made to the current Travelling and Subsistence Allowances.

9. Co-optees Allowances

- 9.1 The Panel concluded that no change should be made to the current Co-optee allowances.

Recommendation 5: That no change be made to the current Co-optees Allowances.

10. Recommendations of the Panel:

1. That for the municipal years 2018/19 – 2021/22 the Basic Allowance be increased each year by any percentage increase in pay agreed for local government employees.
2. That no change should be made to the current Special Responsibility Allowances.
3. That no change should be made to the current Dependant Carers' Allowance.
4. That no change should be made to the current Travelling and Subsistence Allowances
5. That no change be made to the current Co-optees Allowances.

Annex 1

Schedule of Basic and Special Responsibility Allowances

Basic Allowance (All Councillors) – £9,181

Description	From 04.06.14
Special Responsibility Allowance (SRA)	
Leader	25,000
Deputy Leader	20,000
Leader of the Main Opposition Group	15,000
Deputy Leader of the Main Opposition Group	2,500
Cabinet Member	15,000
Chair – Scrutiny Board	15,000
Chair – Scrutiny Panel	10,000
Chair – Planning Committee	15,000
Chair – Licensing Committee	15,000
Chair – Audit Committee	10,000
Chair – Pensions Committee	10,000
Vice-Chair – Scrutiny Board and Panels	2,500
Vice-Chair – Planning Committee	5,000
Vice-Chair – Licensing Committee	5,000
Vice-Chair – Audit Committee	2,500
Vice-Chair – Pensions Committee	2,500
Councillor Champion	2,500
Ceremonial Mayor (inclusive of £2,500 clothing allowance)	20,000
Ceremonial Deputy Major (inclusive of £1,250 clothing allowance)	5,000