

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