

**A Review of
Members' Allowances
For
Tamworth
Borough Council**

The Sixth Report

By the

**Independent Remuneration
Panel**

**Dr Declan Hall (Chair)
Navin Kalia
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March 2015

Foreword

This is the sixth report produced by the statutory Independent Remuneration Panel (the Panel) for Tamworth Borough Council. The first report (May 2002) was required by the *Local Government Act 2000*, to make recommendations on allowances for what were then new roles for Councillors. The Council adopted the substantive recommendations which established the current allowances framework that, by and large, remains in place to this day.

The *Local Authorities (Members' Allowance) (England) Regulations 2003*¹ required the Council to reconvene the Panel to make recommendations on certain associated allowances before 31 December 2003. The limited recommendations (see 2nd Report December 2003) were again accepted by the Council. The third review in November 2005 arose out of changes in Council political structures. While some revisions were recommended the essential structure of the Tamworth Borough's Allowances scheme was not altered. The fourth report (December 2008) arose out of the requirement for the Council to seek fresh authority for indexation of allowances under what is known as the '4-year rule.' In addition to indexation the Council also accepted the Panel's other substantive recommendation mainly relating to the Leaders' SRA. The fifth review (March 2013) was also driven by the '4-year rule.' The Council also asked the Panel to take an overview of the whole Tamworth Borough Council Members' Allowances scheme to consider whether it was still fit for purpose. The Panel concluded that by and large it was fit for purpose *except* for one area: the Panel recommended that the Council introduce a performance element for their remuneration and that it would revisit it in 12-18 months time to assess its success and whether it needed amended or even extending, particularly in light of further implementation of the Localism Act 2011.

This (sixth) review is that revisiting of the performance related element of remuneration. The Panel is pleased to note that performance related remuneration for Members has not only been accepted in principle but appears to be working in practice. The Panel despite some support to do otherwise has decided not to extend performance related remuneration. The Council continues to face challenging times both financially and in terms of its governance. To further develop performance related remuneration at this stage is not appropriate - the current system is still bedding in. Consequently the Panel has recommended only minor changes that if accepted will result in some savings. This is however a reflection of changing pattern of work rather than an overt objective to find savings. The Council has done this and the Panel has accepted these policy decisions. Yet, as ever, the Panel continues to be cognisant of the need to balance this understandable principle by seeking to ensure financial barriers are not put in place for current and future Members to serve on Tamworth Borough Council.

Dr Declan Hall
Chair of the Tamworth Borough Council Independent Remuneration Panel
March 2015

¹ See Statutory Instruments 2003 Nos. 1021 for further details.

Executive Summary: Recommended Basic Allowance and SRAs 2015/16

Post	Basic Allowance	Special Responsibility Allowance	Maximum Total Per Member
All Members (30)	£5,171		£5,171
Leader (1)	£5,171	£12,942	£18,113
Deputy Leader (1)	£5,171	£9,706	£14,877
Other Cabinet Member (3)	£5,171	£8,412	£13,583
Chair of Scrutiny (2)	£5,171	£5,823	£10,994
Chair of Planning (1)	£5,171	£5,823	£10,994
Chair of Licensing (1)	£5,171	£1,294	£6,465
Chairs of Licensing Sub Committees (3)	£5,171	£45/£90 p/meeting	Variable
Chair of Audit & Governance (1)	£5,171	£3,235	£8,406
Leader of (Larger) Opposition Group (1)	£5,171	£5,823	£10,994
Deputy Leader (Larger) Opposition Group (1) (when Group has 8 or more Members)	£5,171	£3,235	£8,406
Deputy Leader (Larger) Opposition Group (1) (when Group has 7 or less Members ²)	£5,171	£1,941	£7,112
Leader Of (Minor) Opposition Group (1) (when group has 4 or more Members)	£5,171	£1,294	£6,465

The Panel also recommends**No change to the member performance framework**

The Panel is not recommending at this stage that the performance framework is extended and the 75% attendance threshold is retained at least until experience of how the new expectation for Members to attend training seminars is gained.

Confirmation and exception to the 1-SRA only rule

The 1-SRA only rule is confirmed with *the exception* of the SRAs that are paid for chairing the Licensing Sub Committees.

² At present the (larger) Opposition Group has more than 7 Members so the higher SRA (3,235) is payable. If the (larger) Opposition Group was to have 7 or less Members then the Deputy Leader of that Group would be paid the lower SRA (£1,941). Similarly, the recommended SRA (£1,294) is only payable if that group has 4 or more Members).

Removal of reference to access to the Local Government Pension Scheme

That paragraph 6.12 "Local Government Superannuation Scheme" is removed from the published allowances scheme.

Co-optees' Allowance

The Co-optees' Allowance of £45 per meeting under 4 hours and £90 per meeting 4 hours or more is maintained.

Travel and Subsistence Allowances

The mileage allowance for attending approved duties within the Borough is discontinued. For journeys taken by Members outside the Borough the current rates payable for travel and subsistence allowances and the approved duties for which they may be claimed are maintained.

Moreover, the allowances scheme is explicitly clarified to reflect the expectation that Members are to submit relevant petrol receipts when they make mileage claims and to submit relevant receipts when claiming subsistence allowances. Furthermore, all travel and subsistence claims are to be submitted within the same time frame that is required from Officers. Exceptions will only be permitted with the approval of the Monitoring Officer.

The Dependants' Carers' Allowance (DCA)

No change to levels payable and scope of the Dependants' Carers Allowance.

Indexation

That authority for Tamworth Borough Council to index their allowances is refreshed and the following indices are applied to the remuneration and allowances paid to Members of Tamworth Borough Council:

Basic Allowance, SRAs and Co-optees' Allowances:

- Indexed to the annual percentage salary increase for local government staff, where an annual increase is agreed, as published by the National Council for Local Government Services (at spinal column 49) to be implemented from 1 April of the following year to which it applies to staff.

Dependants' Carers' Allowance:

- Indexed to the hourly minimum wage applicable to the age of the carer.

Mileage Allowance:

- Mileage allowances rates indexed to the HMRC mileage rates.

Subsistence Allowances:

- The day and overnight subsistence allowances should be indexed to the same rates that are applicable to Officers.

Implementation

That the recommendations contained within this Report be implemented from the first working day (11 May 2015) following the 7 May 2015 elections.

Refining the Model – Review in 2 years

That the Panel reconvenes in 2 years time to review the Members' Allowances scheme with specific reference to assessing whether to continue or extend the performance related element of remuneration and impacts of any changes in governance arrangements.

The Sixth Review of Members' Allowances

By the

Independent Remuneration Panel

For

Tamworth Borough Council

March 2015

Terms of Reference

1. This (sixth) report is a synopsis of the deliberations and recommendations made by the Panel reconvened by Tamworth Borough Council to advise the Council on its current Members' Allowances scheme in accordance with the recommendations of the fifth review of allowances (paragraph 33, March 2013) which states:

The Panel recommends that it reconvenes once more in 12 months time to review the Members' Allowances scheme with specific reference to assessing the success of the new performance related element of remuneration and to refine accordingly.

2. Accordingly Panel has been convened to specifically assess the success of the performance element of remuneration and to consider whether revisions if any are required.
3. The Council took the opportunity to present the Panel with general terms of reference, namely to review the key elements of the Members' Allowances scheme, taking into account any recent changes in governance or workloads and to make any necessary amendments necessary in relation to the following:

- A. As to the amount of basic allowance that should be payable to Members
- B. 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
- C. The duties for which travelling and subsistence allowance can be paid and as to the amount of this allowance
- D. As to the suitability and amount of a co-optees' allowance
- E. 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
- F. On whether any allowance should be backdated to the beginning of a financial year in the event of a scheme being amended
- G. 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

The Panel

4. Tamworth Borough Council reconvened its statutory Independent Remuneration Panel consisting of the following Members, namely:
 - Navin Kalia:
 - an accountant with the University Hospitals Birmingham NHS Foundation Trust
 - Declan Hall PhD (Chair):
 - a former academic at Institute of Local Government, The University of Birmingham, now an independent consultant specialising in members' allowances and support
 - Stan Orton:
 - retired and a North Warwickshire resident with an interest and background in local government
5. The Panel was supported by Lara Allman, Democratic and Election Services Officer and Jane Hackett, Solicitor to the Council and Monitoring Officer. The Panel would like to record its gratitude to the Members and Officers of Tamworth Borough Council for making themselves available to meet with the Panel and supporting its work during this review.

Process and Methodology

6. As a limited review the approach adopted was based on the principle that the resources devoted to the review should match the probable conclusions, i.e., recommending only minor amendments. This approach is within the spirit of the 2003 Regulations. To formally involve the whole Panel from the beginning would not be an efficient use of Council resources as it would impose a disproportionate cost on the Council and Panel members relative to outcome.

7. As per the fifth review the Panel Chair undertook the initial planning, research, benchmarking and considering the evidence and writing up the first draft of report. In doing so the Chair visited the authority on 24 June 2014 to obtain an initial briefing from Officers to scope out the review. There was a subsequent visit on 8 December 2014 by the Chair to meet with a number of leading Members to discuss the terms of reference. The interviews obtained the views of the groups on Council and raised a number of specific concerns. In addition, all Members were invited to make written submissions to the Panel. Appendix 1 lists those Members and Officers who met with the Chair and Panel, and those Members who made a written submission.
8. Finally, all the evidence and representations have been reviewed and evaluated within the comparative context. As with previous reviews a benchmarking exercise was undertaken, the benchmarking group remaining the other district councils in Staffordshire and Tamworth's immediate neighbouring councils. Other relevant information was also considered by the Chair in the early stages of the review - which in turn was subsequently reviewed by the full Panel. See Appendix 2 for the list of written information the Panel considered.
9. Consequently, the Panel convened on 22 December 2014 at Marmion House, Tamworth, to meet with other Members who wished to talk to the Panel and consider any other evidence called for. It was at this stage that the Panel agreed the final recommendations.

Key Messages and Observations

Recognising the economic climate - council and panel driven savings

10. Ideally, the role of the Panel is to assess what the roles and posts under review are worth based on the evaluation of the evidence, taking into account such variables as workloads and responsibility. However, the Panel cannot *but* be sensitive to the current economic climate, a point emphasized by all the interviewees. The Council has already agreed and continues to explore a number of measures that will automatically decrease spending on members' allowances regardless of the recommendations of this review. Specifically the Council has agreed as of 10 December 2014 to reduce the number of Cabinet Members from 6 to 5 (including Leader and Deputy Leader). While each of the remaining Cabinet Members will take on extra responsibilities there was no suggestion their SRA should be increased proportionately. It is a policy decision to seek savings by trying to 'do more with less', a policy decision the Panel has accepted and has not sought to compensate by reallocating the inherent savings across fewer post holders
11. Similarly, there is a proposal to reduce the number of Overview and Scrutiny Committees from 2 to 1. At this juncture, it is simply that - a proposal but it is

envisaged that all of the current remit and workloads carried out by 2 Overview and Scrutiny Committees would be carried out by its single successor committee. The Panel understands that part of the driver behind this proposal is to seek further savings. Consequently, the case to increase the SRA for a single Chair of Overview and Scrutiny on a proportional basis is limited. If there was a single Overview and Scrutiny Committee there may be a stronger case to pay the Vice Chair a small SRA. However, the proposal on Overview and Scrutiny has not yet been accepted, it might not be adopted or could be adopted in a different form and the Panel has no way of knowing what the impacts will be if the proposal is adopted. So the Panel is not recommending any change to the SRA to the Chair[s] of the Overview and Scrutiny Committee whether there are 1 or 2 committees going forward. The Panel will revisit the impact of any changes in structures in its next review.

12. Regardless, the Panels' recommendations, if adopted by the Council, will lead to further identifiable savings of at least £3,236³ on the current spend on Members' Allowances (see below for details). This has not been driven by a desire to find savings but arises out anomalies in the current scheme due to changing member roles.

The Localism Act 2011 - Limited Impacts at this stage

13. Previously the Panel also flagged up that it would assess the staged implementation of the Localism Act 2011. In general, the Localism Act 2011 has yet to have major impacts on the roles of Members across the board. The power of general competence, changes in how planning policies are developed, enhanced powers for local communities, new freedoms for local area committees where established and the ability of the Council to return to the old committee system if it wishes has not had a noticeable impact on the roles of all Members with the exception of the Chair of Audit & Governance which the Panel has addressed (see below).

Benchmarking

14. Benchmarking - see Appendix 3 - by and large shows that compared to the comparator group of authorities that the levels payable in Tamworth is either marginally above (e.g., Basic Allowance) or noticeably above (e.g., Cabinet Members) the average paid in the comparator group. However, the Panel is content that these apparent anomalies can stand up to public scrutiny and that Tamworth Members Allowances are not excessive in the comparative context. In particular, there are fewer Members in Tamworth than in the comparator authorities and the number of SRAs payable is limited in Tamworth. While the SRAs for the Chair of Licensing and the Deputy Leader of the (Larger)

³ This figure does not include savings arising from any changes in structures implemented by the Council, the discontinuation of the travel allowance for within the Borough and any penalties imposed for not reaching 75% attendance threshold. Nor does it include the £45 per meeting for the Chairs of Licensing Sub Committees.

Opposition Group are addressed below the few SRAs that remain as outliers need to be taken in context:

- Cabinet Members - As of 10 December 2014 there is one less cabinet member, leaving five in total which is half the legal maximum and insofar as can be ascertained all the comparator councils have more cabinet members where they operate an executive model. Thus, although Tamworth pays a higher SRA (£8,412) to Cabinet Members compared to the average (£6,745) in the benchmarking group the total spent on the executive function is less due to fewer executive members in Tamworth.
- Chairs of Overview and Scrutiny - While the SRA (£5,823) paid the Chairs of Overview and Scrutiny in Tamworth is higher than the average (£4,303) paid in the benchmarking group Tamworth is unusual in only having two such committees; many of the comparator councils have more than 2 scrutiny committees or also remunerate their Vice Chair[s] of Scrutiny. Again, the total allowances spent on the overview and scrutiny function is less than that in many comparator authorities. Moreover, if the Council does go down to a single Overview and Scrutiny Committee, the total spent on that function will be reduced further.

Minor amendments only required

15. The key message gained from reviewing all the oral and written evidence and representations received was that the current scheme remains broadly fit for purpose taking into account the current financial context and there should only be minor adjustments to the scheme. This was a unanimous view of all the Member interviewees.

Recommendations

No change to the member performance framework

16. The performance element of remuneration has now been in operation since May 2013. The Panel is pleased to note that the performance element of remuneration has been successful in that two key concerns have been met:
 - Improved attendance: The first year of operation (2013/14) for the member performance framework has had a degree of success regarding its first objective: boosting Members attendance at meetings. There was a noticeable improvement in Members attendance in 2013/14 compared to 2012/13. Last year only 4 Members fell below the 75% attendance threshold compared to 7 Members failing to do so in 2012/13.⁴ No Member in receipt of an SRA has failed to reach the 75% attendance target. This

⁴ There was an 8th Member who failed to attend 75% of meetings in 2012/13 but that was due to bad health, which the performance framework takes into account and therefore not counted for the penalty to be applied.

improvement has been maintained so far this year and may well be bettered by the year's end.

- **Non-attendance penalised:** The second objective, establishing a link between attendance and remuneration, has also been realized. Members not reaching the 75% attendance threshold last year had financial penalties implemented, via the withholding of the 12th monthly instalment of the Basic Allowance, a deduction of £431 apiece. Saying that non-attendance has been penalised is a sign of success after the principle was adopted by the Council may appear to be an exercise in circular logic. However, it must be remembered that collectively Members are the final arbiter of their own remuneration and the acceptance of a lower remuneration by Members not reaching the 75% attendance target represents a step change in a context where Members have traditionally been paid the same Basic Allowance regardless of whether they attend one approved duty every six months (the statutory minimum) or one approved duty every other day. It is not uncommon for councils to insert a penalty clause in their allowances scheme for when Members do not attend a certain percentage of meetings but it is uncommon for the clause to be implemented when there is no compulsion on the part of Members to do so.

17. The majority of representations received supported the view that the performance framework for remuneration has been successful and generally accepted by all Members. However, a number of representations argued that the current performance framework should be extended, partly as a further money saving exercise, in a number of ways:

Adding a second financial penalty below a 50% attendance threshold

18. There was a view that as the performance framework had worked it should be extended further principally through adding a second lower attendance threshold penalty trigger. In other words, if 75% of approved duties are not attended the current penalty of £517 would still apply to the Basic Allowance and if applicable relevant SRAs *and* if 50% of approved duties are not attended then a second penalty of £517 would be imposed with a similar parallel provision extended to SRAs. The suggestion that a lower 2nd threshold of 50% attendance is needed is not borne out by the improvement in attendance - all Members for 2013/14 and so far this year are either attending in excess of 50% of their scheduled meetings or are on target to do so.

Cover the whole meeting and more types of meetings

19. There were three distinct points raised here:
- **Include meetings of the Licensing Sub Committees:** currently those Members who sit on the 3 Member Licensing Sub Committees do not have

those meetings included in their formal attendance figures for performance purposes. This is appropriate due to the ad-hoc nature of the Licensing Sub Committees. They are not scheduled meetings, they meet as and when. Members attend on a voluntary basis based on availability. They should not be included within the performance framework.

- Include training seminars: as Members are now expected to undertake training relevant to their committee then it was argued that training seminars should be included in the performance framework. The Panel notes that training is going to be treated more seriously but was informed that if a Member does not undertake the relevant training then they will be asked to step down from the relevant committee. Consequently, at this stage, the Panel has decided to see how the expectation to attend training plays out and whether it is an issue for the future.
 - Attendance for whole meeting: There should be a requirement it was argued, to attend the whole meeting for it to count towards the 75% threshold for the full Basic Allowances to be payable. If a Member signs out after 10-15 minutes, as it was suggested some do, then it should not count as an 'official' attendance. This is a repeat of the criticism of the old attendance allowance, and one reason it was abolished. To ensure all Members attend meetings for their full length becomes resource intensive both to monitor and enforce and places an overemphasis on formal attendance at meetings.
20. Moreover, the balance of representation received indicated that it was not the right time for the performance framework to be extensively developed. There will be savings in any case through the reduction in cabinet members (and by one less Overview and Scrutiny Committee if proposal is accepted) as well as through further recommendations of this review (see below). In addition, there is a possibility in the next year or so that the total number of councillors will be reduced which in itself will result in savings and the Panel would want to see how a reduction in councillor numbers impacts on workloads before it extended the performance framework. It must be remembered that Tamworth Borough Council by creating a stronger link between members' allowances and their performance is in the vanguard of member performance remuneration - to push too far too quickly could leave the Council overexposed.
21. **Consequently, the Panel is not recommending at this stage that the performance framework is extended. Moreover, that threshold remains unchanged at 75% at least until experience of how Members are meeting the new requirement to attending training seminars is gained.**

Refining the Model – Review in 2 years

22. Now that the principle of having a performance framework for Members remuneration has been established the Panel is keen to revisit the whole area in light of potential changes to the council over the next 2 years.
23. **The Panel recommends it convenes in 24 months to review the Members' Allowances scheme with specific reference to assessing whether to continue or extend the performance related element of remuneration and to refine accordingly in light of further governance changes.**

Special Responsibility Allowances - Chair of Audit and Governance Committee

24. Previously, the Panel flagged up it would revisit its recommended SRA for the Chair of the Audit and Governance Committee. The committee has expanded its remit since the last review. The audit function has developed in accordance with new government audit guidelines in that Audit and Governance Committee now has to approve financial returns. Generally there is a greater emphasis on audit with for example the committee being involved in the preparation of audit reports and annual governance statement (self assessment). A sign of this is that the external auditors now attend the meetings of the committee and the Chair is required to liaise more with the external auditors.
25. In addition the Audit and Governance Committee has acquired responsibility for the residual Standards functions not otherwise assigned to the Monitoring Officer and Independent Person (IP) under the requirements of the Localism Act 2011. While this has not significantly impacted on the responsibility of the Chair of Audit and Governance it does have the potential to do so.
26. All this adds up to a strong case to pay a larger SRA to the Chair of the Audit and Governance Committee, a view also supported in the representations made to the Panel. In setting the appropriate level benchmarking is of limited value as the mean SRA (£2,247) paid to Chairs of Audit in the comparator authorities does not compare like with like, as some councils retain a separate Standards Committee with a remunerated chair, e.g., Newcastle Under Lyme £2,830, while not all the other benchmarked Audit Committees have responsibility for governance. The model adopted in Tamworth is distinctive.
27. The Panel has decided that current ratio utilised (15%% of the Leader's SRA) to set the SRA for the Chair of Governance and Audit should be increased to 25% of the Leader's SRA, which equals £3,235. **It is recommended that the SRA for the Chair of Audit and Governance be increased to £3,235.**

The Chair of the Licensing Committee

28. The nature of this committee has also changed. The Licensing Committee now meets less frequently (typically twice per year), with the bulk of the work regarding licensing applications being dealt with by Licensing Sub Committees. The SRA for this post is currently £5,823 which is no longer defensible. The

Panel has decided this SRA should be reduced to reflect not simply the workload which is minimal but also the potential responsibility regarding licensing policy and set it at 10% of the Leader's SRA.

29. The Chair of the Licensing Committees' recommended SRA is £1,294.

Chairs of the Licensing Sub Committees (3)

30. Conversely, much of the on-going work of Licensing is handled by the Licensing Sub Committees. They consist of 3 or 4 Members and appoint a Chair on the day and deal with licensing applications when any objections are made. There is a case to take some of the savings resulting in the lower recommended SRA for the Chair of Licensing and assign it to the Chairs of the Licensing Sub Committees. However, the variation in who chairs the Licensing Sub Committees and in how often they meet makes it difficult to recommend a standard sum. For instance, in the past 2 years one Member chaired 15 Licensing Sub Committees while One Member only chaired two in total during the same period. Similarly, last year the Licensing Sub Committees met 16 times with 5 further meetings cancelled or applications withdrawn. This year so far there have only been 4 Licensing Sub Committees with 3 cancelled or withdrawn.
31. Benchmarking is of limited value as none of the comparator authorities remunerate their Licensing Sub Committee Chairs. This is either because licensing appeals are not a big issue or the Chair and often the Vice Chair have a lead role in the appeals process for which they receive their SRA.
32. Due to the ad hoc nature of the Licensing Sub Committees and the practice of appointing a Chair on the day the Panel has decided that the current arrangements in remunerating Co-optees (£45 per meeting) should be replicated in determining the appropriate SRA for the Chairs of the Licensing Sub Committees. **It is recommended that the Chairs of the 3 Licensing Sub Committees receive an SRA of £45 per meeting that lasts under 4 hours and £90 for meetings of 4 or more hours.**

Deputy Leader of the (larger) Opposition Group - a 2 tier SRA

33. The current SRA (£3,235) for to the Deputy Leader of the (larger) Opposition Group is on a par with the recommended SRA for the Chair of the Audit & Governance Committee. Benchmarking shows this SRA is somewhat of an anomaly. It is a post that is only paid in two of the comparator councils and even then at a lower level, Lichfield £570 and North Warwickshire £1,745.
34. The relatively high SRA for the Deputy Leader of the (larger) Opposition Group dates to when there was no overall control of the Council and the Deputy Leader of the (larger) Opposition Group has a council business role and was generally more high profile. As things stand the (larger) Opposition Group

remains substantial in size (12) and the Deputy Leader of the (larger) Opposition Group has a notable role to play mostly through assisting Leader of the (larger) Opposition Group in specific duties as required and set out in the role profile. In this case the Panel has decided that there should be no change the current SRA payable as long as the (larger) Opposition Group has 25% (8) or more of the council membership.

35. **It is recommended that where the (larger) Opposition Group has at least 25% of council membership (8 or more Members) then the SRA payable to the Deputy Leader of the (larger) Opposition Group remains at £3,235.**
36. However, if the larger Opposition Group was to decrease in size to less than 25% of council membership, or less than 8 members, then the current SRA should be reduced to 15% of the Leader's SRA which is £1,941.
37. **It is recommended that if the (larger) Opposition Group falls below 8 Group Members then the SRA payable to the Deputy Leader of the (larger) Opposition Group be reduced to £1,941.**

Leader of Other (minor) Opposition Group - 4 or more members

38. The Panel received representation that there could be a scenario whereby the Leader of the Other (minor) Opposition Group merited an SRA, namely if it reached a critical mass. The Panel accepted the argument in principle and benchmarking shows that this post is paid in just under half the comparator councils with the average SRA being £2,305. Moreover, it is a not uncommon for such an SRA to be payable once a minor opposition group has a certain percentage of council membership. e.g., 10% in East Staffordshire and Newcastle-under-Lyme and the Panel proposes that a similar approach is adopted in Tamworth in that an SRA to the Leader of the Other (minor) Opposition Group becomes payable if the group has more than 10% of the council membership, which is 4 Members. In determining the appropriate level the Panel has maintained its methodology in arriving at SRAs by setting as a ratio of the Leader's SRA, in which case 10%.
39. **The Panel recommends that if the Other (minor) Opposition Group attains 4 or more members that the Group Leader receives an SRA of £1,294.**

Other Special Responsibility Allowances

40. The Panel considered whether there was a case to consider revision of other SRA or add posts to or omit posts from the current SRA schedule but no evidence was received to make a compelling case for further reform.
41. **The Panel recommends that the current scope and levels of other SRAs remain the same for 2015/16 subject any application of an index.**

Exception to the 1-SRA only Rule

42. **The Panel confirms the 1-SRA only rule *with the exception* of the SRAs paid for chairing the Licensing Sub Committees.**

Removal of reference to access to the Local Government Pension Scheme

43. Since April 2014, membership of the Local Government Scheme (LGPS) has been closed to new Members and those Members already in the LGPS will have to leave once their current term of office ends. For Tamworth, it only affects a handful of elected Members. Nonetheless, the allowances scheme needs up dating to reflect changes in legislation.
44. **The Panel recommends that paragraph 6.12 "Local Government Superannuation Scheme" is removed from the published allowances scheme.**

Co-optees' Allowance

45. Currently, the allowance scheme contains provision for a Co-optees' Allowance payable as follows:
- Meetings under 4 hours: £45 per meeting
 - Meetings 4 hours and over: £90 per meeting
46. At present it is only payable to Co-opted Members on the Nominations Committee which meets as and when. No evidence was received to suggest the Co-optees' Allowance required amendment. **The Panel recommends that the Co-optees' Allowance of £45 per meeting if under 4 hours and £90 per meeting if 4 hours or more is maintained.**

Travel and Subsistence Allowances

The Mileage Allowance - within the Borough

47. The Panel received representation that one means of saving further money on the allowances would be to discontinue the right of Members to claim a travel allowance for attending approved duties within the Borough. The Panel had sympathy with this argument, not necessarily on cost savings grounds; rather on grounds of it being rarely claimed. The reality is that Tamworth Borough Council is less than 12 square miles and travel to and from approved duties within the Borough does not impose an onerous cost upon Members, for many it is negligible. For the vast majority of Members, such as the Leader and other senior Members, where travel from home to council offices may impose a

perceptible cost they are in receipt of an SRA which is largely to compensate for their time and responsibility must also be seen to bear some of the marginal costs of holding such a post.

48. **The Panel recommends that the mileage allowance for attending approved duties within the Borough is discontinued.** This does not preclude Members claiming for public transport costs if they are required to attend approved duties in the Borough subject to the agreement of the Monitoring Officer.

Petrol and Subsistence receipts and timely claims

49. Representation was received to the effect that if Members attach relevant petrol receipts when they submit claims for mileage it makes it easier to claim back the VAT. Similarly, when subsistence claims are made receipts should be submitted. Also, it would be administratively less cumbersome for the Council if relevant travel and subsistence claims were submitted in a timely fashion. The Panel recognises that it is not always possible to produce petrol receipts for every vehicle journey undertaken and there may be valid reasons in delaying submission of travel and subsistence claims yet both of these practices are standard procedures that Officers observe and Members should be expected to abide by them. **Consequently, the Panel recommends that the allowances scheme is clarified to alert Members to the fact that they are normally expected to submit relevant petrol receipts when they make mileage claims and it is a requirement for subsistence claims. In addition, all travel and subsistence claims will be submitted within the same time frame that is applicable to Officers. Exceptions will only be permitted with the approval of the Monitoring Officer.**
50. **The Panel recommends that the current rates payable for travel and subsistence allowances when attending approved duties outside the Borough are maintained.**

The Dependants' Carers' Allowance (DCA)

51. Legislation specifically enshrines the right of Members to claim a Dependants' Carers' Allowance (DCA) to assist with the costs of caring for any dependants a Member may have while they undertake approved duties. It is designed to reduce barriers to being an elected Member. The DCA is provided for within the Tamworth Borough Council Members' Allowances scheme but is rarely claimed. Nonetheless, the Panel feels that the scheme should still be made available lest a Member's circumstances change or a new Member does have dependants.

52. **The Panel recommends no change to the scope and levels payable for the Dependants' Carers Allowance, including the relevant indices.**

Indexation

53. While the Panel provided authority to index allowances for 4 years from 1 April 2013 the Panel has decided to provide further authority for another 4 years from 1 April 2015.
54. The Panel points out that if the principle of indexing allowances is not adopted by the Council it will not be able to apply an annual cost of living increase without coming back for advice to the Panel. However, where a Council has adopted indices they are under no obligation to apply them each year. Council and individual Members retain the right to not apply an index to their allowances.
55. **The Panel recommends that authority for the Council to index allowances is refreshed and the following indices applied to the remuneration and allowances paid to Members of Tamworth Borough Council:**

Basic Allowance, SRAs and Co-optees' Allowances:

- Indexed to the annual percentage salary increase for local government staff, where an annual increase is agreed, as published by the National Council for Local Government Services (at spinal column 49) to be implemented from 1 April of the following year to which it applies to staff.

Dependants' Carers' Allowance:

- Indexed to the hourly minimum wage applicable to the age of the carer.

Mileage Allowance:

- Members mileage allowances rates should be indexed to the HMRC mileage rates.

Subsistence Allowances:

- The day and overnight subsistence allowances should be indexed to the same rates that are applicable to Officers.

Implementation

56. **The Panel recommends that the recommendations contained within this Report be implemented from the first working day (11 May 2015) following the 7 May 2015 local government elections.**

Appendix One

Members and Officers who met with the Chair and Panel

Members

Cllr Danny Cook:	Leader of Council and Conservative Group
Cllr Chris Cooke:	Leader of Independent Group
Cllr Marion Couchman:	Labour Member
Cllr Maureen Gant:	Chair of Audit & Governance Committee (Conservative)
Cllr John Faulkner:	Deputy Leader of the (Labour) Opposition Group

Written Submissions from Members

Cllr Tina Clements:	Chair of Aspire & Prosper Committee & Licensing Committee Member (Conservative)
Cllr Marion Couchman:	Labour Member
Cllr Maureen Gant:	Chair of Audit & Governance Committee (Conservative)
Cllr Michael Greatorex:	Heritage Champion & Conservative Member
Cllr Tony Madge:	UKIP Member
Cllr Patrick Standen:	Labour Member

Officers

Tony Goodwin:	Chief Executive
Jane Hackett:	Solicitor to the Council and Monitoring Officer
Lara Allman:	Democratic & Election Services Officer

Appendix Two

Information Received and Reviewed by the Panel for Tamworth Borough Council – Member Allowances Review 2015

1. Panels' terms of reference
2. Consolidated Guidance for panels re-issued 2006 by Department Of Local Government and Communities.
3. Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) Regulations 2003*
4. Tamworth Borough Council Members' Allowances scheme 2014/15
5. Copies of Allowances schemes (2013/14) paid in comparator authorities
6. The Fifth Report by the Independent Remuneration Panel, March 2013
7. Summary of Members' Attendance records 2012/13 and 2013/14 and to end of calendar year 2014
8. Breakdown of number of Licensing Sub Committee meeting, including who was appointed Chair, for 2013/14 and so far this year up to end of 2014
9. Schedule of meetings and list of Committees, including membership for 2013/14 and 2014/15
10. Member role profiles including post holder, where available
11. Revised portfolios of Leader, Deputy Leader and 3 other Cabinet Members

Appendix Three: Allowances paid the Staffordshire and Immediate Neighbour Districts 2014/15

BM 1: Tamworth BC Comparator Group: BA plus Executive, Scrutiny & Civic Head SRAs 2014/15											
Authority	Basic Allowance	Leader	Leader Total	Deputy Leader	Other Cabinet Members	Cabinet Member w/o Portfolio	Chair[s] of Scrutiny	V/Chair Scrutiny	Chair Health Scrutiny	Chair Council	V/Chair Council
East Staffs	£4,540	£18,417	£22,957	£9,208	£9,208		£1,842				
Cannock Chase	£5,339	£18,150	£23,489	£9,260	£8,025		£6,791		£1,853		
Lichfield	£3,020	£11,360	£14,380	£6,820	£6,250		£2,270			£2,740	£820
North Warwickshire	£4,942	£10,987	£15,929		NA		£4,983		£1,745		
North West Leicestershire	£3,699	£14,795	£18,494	£9,247	£5,548		£4,808			£3,699	£462
Newcastle Under Lyme	£3,285	£13,590	£16,875	£9,510	£5,660	£2,830	£2,830	£1,130			
South Derbyshire	£6,034	£18,096	£24,130	£9,947	£9,039	£2,259	£9,039	£2,259			
South Staffs	£5,000	£10,000	£15,000		£5,000		£2,500				
Stafford	£3,837	£8,800	£12,637	£7,278	£5,529		£3,103				
Staffordshire Moorlands	£2,902	£9,565	£12,467	£5,739	£4,783		£3,348	£1,913		£1,435	
<i>Tamworth BC</i>	£5,171	£12,942	£18,113	£9,706	£8,412		£5,823				
Highest	£6,034	£18,417	£24,130	£9,947	£9,208	£2,830	£9,039	£2,259		£3,699	
Lowest	£2,902	£8,800	£12,467	£5,739	£4,783	£2,259	£1,842	£1,130		£1,435	
Mean	£4,343	£13,337	£17,679	£8,524	£6,745	£2,545	£4,303	£1,767		£2,625	
Median	£4,540	£12,942	£16,875	£9,247	£5,955	£2,545	£3,348	£1,913		£2,740	
BM 2: Tamworth BC Comparator Group: Main Regulatory SRAs											

Authority	Chair of Planning	V/Chair of Planning	Chair of Licensing	V/Chair Licensing	Chair of Audit	Chair HR or Employment Appeals	Members HR Appeals	Chair Public Protection or Appeals	V/Chair Public Protection	Chair Standards	V/Chair Standards
East Staffs	£5,526		£5,526		£924					£924	
Cannock Chase	£4,322		£1,853		£1,853						
Lichfield	£6,250	£2,270	£2,270	£570	£2,270	£2,270				£50 p/meeting	
North Warwickshire	£4,983		N/A				£260			£293	
North West Leicestershire	£4,808		£4,808		£4,808						
Newcastle Under Lyme	£4,230	£1,410	£3,430	£1,130	£2,830			£3,430	£1,130	£2,830	£1,130
South Derbyshire	£9,039	£2,259	£2,259								
South Staffs	£2,500		£2,500		£2,500					£2,500	
Stafford	£4,067	£3,385	£1,523		£2,223	£3,611		£1,523		£902	
Staffordshire Moorlands	£3,348	£957	£3,348	£957		£1,913				£2,391	£478
<i>Tamworth BC</i>	£5,823		£5,823		£1,941						
Highest	£9,039	£3,385	£5,823	£1,130	£4,808	£3,611				£2,830	
Lowest	£2,500	£957	£1,523	£570	£924	£1,913				£293	
Mean	£4,991	£2,056	£3,334	£886	£2,419	£2,598				£1,640	
Median	£4,808	£2,259	£2,924	£957	£2,247	£2,270				£1,658	

BM 3: Tamworth Comparator Group Opposition & Other SRAs & Co-optees 2014/15

Authority	Main Opposition Leader	Main Opposition Deputy Leader	Other Opposition Group Leaders	Area Chairs	Other SRAs/Comments
East Staffs	£9,208		£1,842		Co-optees £211
Cannock Chase	£6,791				Chair Policy Development £1,853
Lichfield	£2,270	£570			£570 SRA to Chair of Parish Forum Co-optees £44 per meeting
North Warwickshire	£1,162 + £233 p/mbr	£1,745	£1,162 + £233 p/mbr	£873	£1,745 SRA to Chairs of Housing + Safer Communities Sub Committee
North West Leicestershire	£3,699				50% of 2nd SRA payable
Newcastle Under Lyme	£1,130		£1,130		Vice Chair of Audit £1,130
South Derbyshire	£9,039				Tele Allow £300
South Staffs	£2,500				
Stafford	£4,400		£2,900		£1,523 SRA to Chair of Joint Parking. SRAs for Planning Chair & Employee Appeals paid quarterly only if post holder has chaired a meeting that quarter
Staffordshire Moorlands	£3,348		£3,348		£1,913 SRA to Chair Constitution Review WP + Member Development Champion V/Chair of Employment Appeals £478
<i>Tamworth</i>	£5,823	£3,235			<i>Co-optees £45 p/meeting</i>
Highest	£9,208	£3,235	£3,348		
Lowest	£1,130	£570	£1,130		
Mean	£4,821	£1,850	£2,305		
Median	£4,050	£1,745	£2,371		

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