

**Coventry City Council**

**Report of the Independent Remuneration Panel**

**February 2017**

**Recommendations to Coventry City Council**

**1. Introduction to the Independent Remuneration Panel**

- 1.1. All local authorities are required to have a members' allowances scheme, agreed locally, which makes provision for a range of allowances and expenses available to elected members. Whilst each authority approves its own scheme, legislation requires that each authority is required to appoint an Independent Remuneration Panel (IRP) to make recommendations on allowances, including the amounts payable. When agreeing its scheme of allowances, an authority must have regard to the Panel's recommendations although it is not bound by them.
- 1.2. The current members of the Independent Remuneration Panel (IRP) were appointed in October 2016 by the Executive Director of Resources following consultation with the Leaders of the controlling and opposition groups in line with the Council's constitution and the Local Authorities (Members Allowances) (England) Regulations 2003.
- 1.3. In carrying out its work, the Panel reviewed information including the legal framework for members' allowances, in particular the 2003 Allowances Regulations and Guidance, information on the Council's structure and organisation, financial information, the views of the Leader of the Council, Leader of the Opposition Group and elected members, benchmarking comparisons with other authorities and the reports of previous Panels.
- 1.4. The IRP has now completed its review of Coventry's scheme and its recommendations are set out in this report and summarised at Appendix 1.
- 1.5. The Members of the Panel are:  
Louise Bennett OBE DL  
Ian Dunn  
Peter Maddock
- 1.6. Background information about the panel members is included at Appendix 2.

## **2. Process and Methodology**

- 2.1 The Panel met four times between December 2016 and February 2017 and considered a range of information to support its work. These included:
- benchmarking information on the types and levels of allowances paid by other metropolitan councils in the West Midlands and those paid by the group of local authorities that the Chartered Institute of Public Finance and Accountancy identify as most closely matching Coventry for size, demographic profile and functions (summarised in Appendices 3-7).
  - information from national organisations such as the Local Government Association about councillor roles, commitments and activity
  - evidence about the political management arrangements at the City Council and the roles and responsibilities of councillors.
  - evidence about the frequency and duration of a range of meetings.
  - the views of the Leader of the Council and the Leader of the Opposition Group on the allowances scheme which were given to a meeting of the panel.
  - the views of all councillors which were sought via an online survey to which 30 responses were received.
- 2.2 In undertaking its work, Panel members have had regard to the legislation and guidance on Member Allowances in terms of the scope of its work, the elements of the scheme which it was being asked to address and the underlying philosophy.
- 2.3 The 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. Ensuring representation from a broad section of society is an important objective for local democracy. The Panel has also been acutely aware of the sensitivity surrounding payments to councillors and the financial constraints placed on the City Council.
- 2.4 The Panel has sought to take a balanced view of these important but sometimes conflicting pressures. The report sets out the details and outcomes of the Panel's review.

## **3. Context**

- 3.1 The Panel was specifically asked to review the Scheme of Allowances at this point because the review of allowances carried out by the previous Panel which reported in July 2012 continued to link any increase in allowances to an index (pegged to spinal column 49 of the National Joint Council Scheme for local government). Such indexes can only run for a maximum of four years.
- 3.2 The Panel noted that the existing framework of allowances was established using a formula approach which took account of the differentials between the posts which attracted Special Responsibility Allowances. The Panel noted that no significant issues of concern had been raised in relation to the overall scheme or its operation and benchmarking showed that overall, the spend on allowances in Coventry and the types and levels of many of the allowances paid were broadly in line with other comparable authorities. As such, the Panel felt that the Scheme was broadly sound and did not require a fundamental restructuring.
- 3.3 However, in looking at the details of the scheme, the Panel identified some areas where it wished to make specific recommendations.

#### **4. Scope of the Report**

- 4.1 The report sets out the Panel's recommendations to enable the Council to agree a new Members' Allowances Scheme.
- 4.2 These recommendations take account of the Council's current political composition and political management arrangements. Except where specified, recommendations should be applied from the start of the 2017/18 municipal year.
- 4.3 The Panel reviewed the City Council's scheme of Member 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 and Co-optees 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
  - Decide whether any amendments should be applied retrospectively to the start of the 2016/17 financial year
  - Review whether a Special Responsibility Allowance for the Deputy Leader of the Opposition should be introduced
- (b) Review of Member expenses
- including travel, subsistence, stationery and telephones

#### **5. Background Information – Coventry City Council**

- 5.1 Coventry City Council has 54 councillors representing 18 wards. The current political composition of the Council is:

<b>Party</b>	<b>Number of Seats</b>
Conservative	14
Independent	1
Labour	39

- 5.2 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.
- 5.3 The Council currently has five themed Scrutiny Boards and an overarching Scrutiny Co-ordination Committee whose role is to hold the executive to account, contribute to policy development, carry out reviews and monitor the performance of the Council. Each Board is responsible for setting its own work programme with oversight from the Co-ordination Committee.
- 5.4 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.

## **6. The Basic Allowance**

- 6.1 The basic allowance is intended to recognise the time commitment of all councillors for calls on their time including meetings with council officers, meetings with constituents, attendance at political group meetings and incidental costs such as the use of their homes.
- 6.2 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.
- 6.3 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.
- 6.4 The basic allowance in Coventry has been operating for some years. Between 1 April 2012 and 31 March 2016, any increase in the allowance was aligned to increases in the nationally agreed pay scales for local authority employees.
- 6.5 Of the 30 Councillors who responded to the Panel's survey, 50% said that they felt that the allowance was about right while 47% said they felt it was too low. Comments made throughout the survey recognised the need to remunerate the role appropriately in order to recognise the significant time commitment involved and to ensure that people were encouraged to seek to become and remain councillors, while recognising the challenges of the financial situation facing the Council and how any increase would be perceived.
- 6.6 The Panel compared the basic allowance paid in Coventry 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.
- 6.7 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 one of the highest in its comparator groups but the Panel does not feel that this is excessive and in the light of this has decided not to propose any change, other than to maintain the principle of increasing the allowance in line with an index which is considered later in the report.

**Recommendation 1: That the basic allowance should remain at the current level, subject to increase by index (see recommendation 7).**

## **7. Special Responsibility Allowances**

- 7.1 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.
- 7.2 The responsibilities remunerated under Coventry's current Scheme of Allowances are:  
Leader of the Council  
Deputy Leader of the Council  
Leader of the Opposition Group  
Cabinet Member  
Deputy Cabinet Member  
Chair of Scrutiny Co-ordination Committee  
Chair of Scrutiny Boards  
Deputy Chair Scrutiny Co-ordination Committee  
Chair of Planning Committee  
Deputy Chair of Planning Committee  
Chair of Licensing and Regulatory Committee  
Deputy Chair of Licensing and Regulatory Committee  
Chair of Audit and Procurement Committee  
Deputy Chair Audit and Procurement Committee  
Member of the Fostering Panel  
Member of the Adoption Panel  
Chair of Ethics Committee
- 7.3 In reviewing the SRAs, the Panel carefully considered the national guidance which explains that they may be paid to those members 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 member 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 member 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.
- 7.4 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.
- 7.5 The framework for SRAs in Coventry has been operating for some time and over the last four years they have been increased by the same index as the basic allowance. The most recent change to the scheme took place in 2013 when the role of Deputy Cabinet Member was introduced and an Independent Remuneration Panel was convened to establish whether an allowance should be payable and if so at what level. In making its recommendations that the role should be remunerated the previous Panel proposed that the allowance be reviewed after 12 months. This review has not been completed and the Panel has included a review of the allowance in its work.
- 7.6 Like many other authorities, Coventry'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.

- 7.7 The Panel reviewed evidence about the time commitment and responsibilities involved and considered benchmarking information. It noted that most of the roles remunerated by Coventry are remunerated by other comparator authorities and the levels of allowances paid by Coventry are at or around the average. This suggests that the framework for Coventry's scheme is broadly sound and some of the comments from Councillors made in response to the Panel's survey support this. As such, the Panel has not proposed a significant overhaul of the framework for SRAs. However, in its consideration, a number of issues were identified which the Panel believes should be addressed and these are set out below.

## **7.1 Remuneration for Opposition Roles**

- 7.1.1 The Panel was specifically asked in its terms of reference to consider whether the role of Deputy Leader of the Opposition should be remunerated.
- 7.1.2 By remunerating the position of Leader of the Opposition, Coventry's current scheme meets the minimum requirements of legislation that where one political group is in control, and where an authority has decided to pay SRAs, the authority must make provision for the payment of an SRA to at least one member of a minority group. The Panel also noted that the national framework allows authorities to make provision in their schemes for the payment of special responsibility allowances for duties which fall within categories including acting as leader or deputy leader of a political group and acting as spokesperson for a political group on a committee or sub-committee.
- 7.1.3 The Panel recognised that local democracy benefits from effective opposition and that the Leader and Deputy Leader of the Opposition shadow the work of the Executive and are invited to attend formal and informal meetings in that capacity. They also acknowledged that managing a political group of councillors places demands on them to participate in activities that support the effective running of the council.
- 7.1.4 The Panel reviewed the arrangements in place for remunerating minority group roles in the West Midlands and the group of comparator authorities. They noted that there are as many different models for this as there are councils. Some of the models are flexible to reflect political balances and any potential changes.
- 7.1.5 However, the Panel noted that Coventry is in the minority in remunerating only one opposition role and feels that this should now be addressed.
- 7.1.6 The Panel first looked at the level of remuneration paid to the Leader of the Opposition and noted that the current level of £3,985 is the lower than all of the other comparator authorities. In recommending an appropriate level of remuneration, the Panel considered the responsibilities and time commitments required and felt that these equated to those of the chair of a scrutiny board at 50% of the basic allowance (currently £6,646). While this is still below the average for comparator groups, this would represent a significant increase from the current position.
- 7.1.7 Comparing the level of remuneration for a second opposition role is more complicated because of the differing political make up of other authorities where there is often more than one minority group. Other schemes place different weight on the responsibilities of minority group leaders and deputy leaders to reflect their local circumstances. However, considering that Coventry has had only two political groups on the Council for some time, the Panel feels that ensuring effective remuneration for the Deputy Leader of the Opposition is appropriate. The Panel recommends that

remuneration for the Deputy Leader of the Opposition should be set at 25% of the basic allowance (currently £3,322).

- 7.1.8 The Panel considered options for remunerating other opposition roles such as shadow Cabinet Members but taking into account the political balance in Coventry and the recommendations for remunerating the Leader and Deputy Leader of the Opposition, did not consider this appropriate at this time.

**Recommendation 2: That the SRA for the Leader of the Opposition be increased to 50% of the Basic Allowance**

**Recommendation 3: That an SRA of 25% of the Basic Allowance be introduced for the Deputy Leader of the Opposition.**

## **7.2 Deputy Cabinet Member**

- 7.2.1 The role of Deputy Cabinet Member was created in May 2013 when three councillors were appointed to this position. An Independent Remuneration Panel was created specifically to consider whether this role should be remunerated and if so at what level. The Panel considered the proposals for how this role would operate and reviewed the arrangements in place in three other councils where the role is remunerated. The Panel recommended that the role be remunerated at 50% of the level of the basic allowance which would currently equate to £6,646. However, when Council considered the report of the Panel it agreed that a lower level of remuneration be set in the Members Allowances Scheme – this equates to approximately 27% of the basic allowance, currently £3,613.
- 7.2.2 Since 2013, councillors have continued to be appointed to the role of Deputy Cabinet Member and the number of roles has increased each year with six members currently holding these roles.
- 7.2.3 The Panel has considered carefully the responsibilities of the Deputy Cabinet Members as set out in the Constitution, benchmarking information from other authorities and the views of members expressed in the Panel's survey.
- 7.2.4 Arrangements for remunerating the role of Deputy Cabinet Member received the most comments throughout the survey of Members. In response to a question asking whether there are any roles for which the SRA is no longer relevant or should not be paid, eight of the 12 responses specifically questioned whether Deputy Cabinet Members should be remunerated.
- 7.2.5 The Panel noted that only two of the 14 of the comparator authorities remunerates this or an equivalent role and that it does not appear in any of the other West Midlands Metropolitan authority schemes of allowances. However, the Panel also observed that other authorities do remunerate the role: these cover a range of councils such as metropolitan boroughs (including Sunderland and Wakefield), counties (including Buckinghamshire and Shropshire) and London Boroughs (including Lambeth and Croydon). Other authorities have arrangements for remunerating similar roles such as policy and project leads.
- 7.2.6 The Panel noted that while Deputy Cabinet Members lead and champion specific issues and are expected to attend a number of meetings alongside their Cabinet Member, the role is not as demanding on time as that of a Cabinet Member nor does

it have the decision-making responsibility which is recognised in the remuneration to Cabinet Members.

7.2.7 However, the Panel also heard about elements of the role that support Cabinet Members, lead on policy areas and its contribution to developing councillors for more senior roles by allowing them to present reports at Cabinet and answer questions at Council.

7.2.8 In making its recommendations, the Panel reiterates 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. In the light of the evidence, while recognising the validity of the role in the structure of councillor appointments, the Panel recommends that the level of remuneration should be frozen and not subject to any increase by index during this review period.

**Recommendation 4: That the level of remuneration for Deputy Cabinet Members should be frozen and not subject to any increase by index during the time of this review period.**

### **7.3 Deputy Chairs of Planning Committee, Licensing and Regulatory Committee and Audit and Procurement Committee**

7.3.1 The Panel noted that the previous IRP had given careful consideration to the Deputy Chair roles, stating that these positions are the most difficult to justify in respect of the required consideration of “significance” in relation to time commitment and responsibility and that the positions do not uniformly attract SRAs in other authorities. However, the IRP’s report had also stated that they also recognised the complexity and /or specialist training required in relation to Planning, Licensing and Audit and the argument that they can be justified to some degree as providing development posts as part of a succession planning strategy.

7.3.2 The Panel noted that five comments made in response to the member survey that suggested that the roles should not be remunerated, with one respondent saying that that the roles should not be paid *“especially if they are rarely chairing or never chairing the meetings”*.

7.3.3 They also looked at how many other authorities remunerated these posts and while many do, they noted that half or fewer than half in the two comparator groups did so.

7.3.4 They sought evidence on the additional time and responsibility associated with the roles to test whether they still justified being remunerated. The Deputy Chairs of Planning and Audit and Procurement Committees both attend agenda conferences with the Chair to prepare for meetings. The Deputy Chairs of all three committees are expected to attend relevant training, although this is no different to expectations on the ordinary members of the committees. The Panel also looked at the number of occasions on which the deputies have stood in for the chair and understand that with one exception due to the illness of the chair for a period of months, this has happened only extremely rarely.

7.3.5 They did, however, recognise the benefit of the role and the opportunity for development and succession planning.

7.3.6 In balancing all of these issues, the Panel is of the view that the posts should no longer receive remuneration because the additional time commitment and



responsibilities involved are not significantly more than for other members. Should this recommendation be accepted it is also recommended that where a chair is absent in special circumstances for example long term sickness, a proportion of the Chair's allowance equivalent to the time period covered should be paid to the Deputy Chair.

**Recommendation 5: That the roles of Deputy Chair of Planning, Licensing and Regulatory and Audit and Procurement Committees should no longer receive remuneration and where a chair is absent for 2 or more consecutive meetings in special circumstances, for example long term sickness, a proportion of the Chair's allowance equivalent to the time period covered should be paid to the Deputy Chair.**

## **8 Lord Mayor and Deputy Lord Mayor**

- 8.1** The allowances paid to the Lord Mayor and Deputy Lord Mayor are not paid under the scheme provided by the Local Government Act 2000 but are classed as civic dignitaries' allowances under the Local Government Act 1972. As such, they fall outside of the Members Scheme of Allowances being considered here.
- 8.2** However, bringing the allowances under the remit of the IRP and publishing them as part of the Council's Allowances Scheme, albeit identifying them separately, aids transparency. In addition, while the Lord Mayor is primarily engaged in civic duties, the Lord Mayor holds an important function within the Council structure in terms of chairing Council meetings.
- 8.3** This Panel, as have others previously, respects the work undertaken by the Lord Mayor and recognises the significant time commitment that is involved in the civic role of promoting the city, encouraging inward investment and supporting local communities. They would not want to see the position diminished.
- 8.4** However, the Mayoral allowances are a significant amount. They are higher than any other in the West Midlands and any of the other authorities that were reviewed and the Lord Mayor's allowance is higher than that paid to the Leader of the City Council. It is hard to argue that Coventry's Mayoral functions are so significantly different from others.
- 8.5** The Panel recommends that the level of remuneration should be frozen and not subject to any increase by index during the period of this review.

**Recommendation 6: That the level of remuneration for the roles of Lord Mayor and Deputy Lord Mayor should be frozen and not subject to any increase by index during the period of this review.**

## **9 Annual Adjustment of Allowances**

- 9.1** The Panel noted that the regulations governing schemes of allowances allow for adjustments to the level of allowances in line with an index. The Panel can recommend which index should be used and for how long the index should apply, subject to a maximum of four years. After this period, the regulations require that the issue of indexation should be reviewed. The terms of reference for this review asked the Panel to decide whether an index should be applied to the scheme of allowances, and if so which and for how long. The Panel was also asked to consider whether any amendments should be applied retrospectively to the start of the 2016/17 financial year.
- 9.2** Coventry's scheme of allowances has included provision for allowances to rise by an index. This has meant that councillor allowances have risen in line with pay increases made to local government employees – increases have been those applied to spinal column 49 of the National Joint Council Scheme for local government.
- 9.3** The Panel supported the principle of increasing allowances by an appropriate index to reflect increases in costs of living and inflation over a four year period. Several councillors strongly supported this approach in responses to the survey. The Panel considered carefully the different types of index that could be applied, looking at national options such as the consumer price index or linking adjustments to changes in pay in the city. On balance they felt that the current index was the most appropriate and recommend that this be applied for the four year period of the scheme. The Panel recommend that the index should be applied retrospectively from 1<sup>st</sup> April 2016 which would mean that allowances in the scheme should be increased from that date by 1% in line with the award made to employees. The impact of this is shown in Appendix 8.

**Recommendation 7: That the Basic, Special Responsibility and Co-optees allowances (except for those allowances paid to Deputy Cabinet Members, Deputy Chairs of the Planning, Licensing and Regulatory and Audit and Procurement Committees, Lord Mayor and Deputy Lord Mayor) be increased each year by any percentage increase in pay agreed for local government employees, (pegged to spinal column point 49 of the NJC scheme); this indexing to be effective from 1 April 2016 and expire on 31 March 2020.**

## **10 Review of Other Allowances and Expenses**

- 10.1** The Panel reviewed the provisions of the scheme for Member expenses and acknowledged that these play a small but important part in mitigating against financial loss experienced by elected members. The Panel felt that the broad provision in the scheme is sound and have limited their recommendations to the following areas.

### **10.1 Dependent Carer's Allowance**

- 10.1.1 The Panel acknowledged that the availability of an allowance for dependent carers meets an important objective of the scheme to help attract people from all sections of the community to become councillors and to retain them in the role. It strongly supports retaining this as a key part of the scheme and that it should be widely promoted. This is important as the Panel notes that no claims have been made against this allowance for a period of years. The Panel supports the structure set out in the current scheme which links the levels of allowance that can be claimed to the living wage for care of a child under 14 and to the appropriate Council rates for adults. To future proof the scheme the Panel recommends that reference to specific rates are removed and the adult rate be updated to link to the Council's Direct Payment rates.

**Recommendation 8: That the Dependent Carer's Scheme be amended to remove references to specific amounts and link allowances to the living wage and the Council's Direct Payment rates for the care of a child and an adult respectively.**

### **10.2 Telephone Allowances**

- 10.2.1 The current scheme allows members to claim a telephone line rental allowance of £30.15 per quarter and a maximum annual telephone allowance for calls of £488.80. The Panel noted that the Council has been improving the offer of ICT equipment to Councillors over time and that all Members are now being given access to a laptop with built in access to the mobile phone network; this will give Members access to the Council's network from any location (providing there is a suitable mobile phone signal) where there is no WiFi available. In addition, all members are offered a smartphone, which allows access to email and the internet, as well as the provision of unlimited calls. The roll out of this equipment to all councillors is scheduled to be complete by the end of April 2017. This will bring the ICT and telephone provision under the Council's corporate procurement framework which the Panel supports.
- 10.2.2 The Panel noted that alternative provision of ICT equipment will be considered where it is not appropriate for a Member to have this due to a disability or other reasons then an alternative solution would be offered in its place subject to approval by a designated officer.
- 10.2.3 The amount claimed by councillors under the two telephone allowances has reduced each year over the last four years and in 2015/16 13 councillors claimed a total of £2,585 (although the budget has remained at £10,400).
- 10.2.4 In this context, the Panel recommends that telephone allowances be discontinued once the roll out of laptops and smartphones has been completed. The Panel notes that not all Councillors have taken up the option of smartphones and that the offer should be re-iterated together with appropriate support.

**Recommendation 9: That once the roll out of laptops is complete, that the provision for telephone and line rental costs is removed from the scheme.**

### **10.3 Travel and Subsistence**

- 10.3.1 Allowance schemes are required to set out the approved duties for which travelling and subsistence allowances are payable in line with regulations and Coventry's scheme meets this requirement.
- 10.3.2 The Panel notes that claims against the travel and subsistence elements of the scheme are low – less than £2,000 in each of the last two financial years. This in part reflects the arrangements in place for advanced bookings by the Council on behalf of members for attendance at approved events. This means that costs can be kept to a minimum by taking advantage of advanced or bulk rail bookings for example and the Panel supports this continued approach.
- 10.3.3 The basis for the scheme is to ensure that reasonable costs are covered and the Panel supports this.
- 10.3.4 In reviewing this element of the scheme, the Panel notes that the scheme allows for car mileage to be paid at two rates according to the size of engine (45p per mile for engines up to 1199cc or at 48.5p per mile for engines over 1199cc). While the impact of this is small, the Panel feels that the message this sends is out of step with the City Council's environmental objectives and recommends that this differential is removed. In addition, this would bring this part of the scheme into line with the scheme of allowances for officers and both remove the additional administration involved in managing this and keep the rates within the HMRC tax limits.
- 10.3.5 The Panel also recommends that provision for reimbursement of travel by motorcycle and bicycle should be included in the scheme at the rates included in the officer scheme and in line with HMRC rates. This would also help ensure that the scheme reflects the City Council's priorities for carbon reduction and modal shift.
- 10.3.6 Finally, while the scheme is silent on this, the Panel endorses custom and practice that travel and subsistence claims are not paid for meetings held in the Council House.

**Recommendation 10: That the higher rate for private car mileage be abolished and the Scheme be amended to include a single rate of 45p per mile.**

**Recommendation 11: That the Scheme be amended to include reimbursement for travel by private motorcycle at 24p per mile and bicycle at 20p per mile.**

**Recommendation 12: That the Scheme be amended to make it clear that travel and subsistence claims are not paid for meetings held in the Council House.**

## **10.4 Stationery Allowance**

- 10.4.1 Coventry's scheme of allowances provides an allowance of up to £150 per annum for items of stationery etc. provided through the authority. While a case could be made that costs of stationery could be expected to be provided from within the basic allowance, the Panel notes that the amounts involved are small and reasonable and does not propose its removal. However, the Panel notes that custom and practice provides an additional allowance of £100 for seven political group officers of both parties and £350 for the Leaders of both groups. This is not reflected in the scheme, has rarely been used and the Panel recommends that this should be discontinued. While the allocation has not been spent, the budget is still provided for and removing it would make a small saving of £1,400 per annum.

**Recommendation 13: That the local additional stationery allowances for group leaders and officers be discontinued.**

## **11 Financial Implications of Recommendations**

- 11.1 The costs and savings of each recommendation are set out in Appendix 9. The Panel estimates that if all of the recommendations proposing changes to allowances are approved, this would result in a small net saving of £13,800 a year on the equivalent of the current year's costs.

## **12 Review Implementation**

- 12.1 While the Panel has considered the scheme in its entirety and some issues are linked, the recommendations are not to be considered as a single "all or nothing" decision by the City Council and most recommendations can be dealt with on an individual basis.
- 12.2 In considering the Panel's report the Council must have regard to the recommendations of the Panel but may reject any of them. Should the Council amend or reject any recommendations, it should consider the implications of such decisions, including the impact on the overall financial position.
- 12.3 Recommendations that are approved will need to be incorporated in a revised scheme of allowances and expenses to be published within the Council's constitution.
- 12.4 Revised allowances and expenses will apply from the Annual Meeting of the Council in May 2017, apart from index linking which should be applied from 1<sup>st</sup> April 2016.

### Summary of Recommendations

Recommendation 1: That the basic allowance should remain at the current level, subject to increase by index (see recommendation 7).

Recommendation 2: That the SRA for the Leader of the Opposition be increased to 50% of the Basic Allowance

Recommendation 3: That an SRA of 25% of the Basic Allowance be introduced for the Deputy Leader of the Opposition.

Recommendation 4: That the level of remuneration for Deputy Cabinet Members should be frozen and not subject to any increase by index during the time of this review period.

Recommendation 5: That the roles of Deputy Chair of Planning, Licensing and Regulatory and Audit and Procurement Committees should no longer receive remuneration and where a chair is absent for 2 or more consecutive meetings in special circumstances, for example long term sickness, a proportion of the Chair's allowance equivalent to the time period covered should be paid to the Deputy Chair.

Recommendation 6: That the level of remuneration for the roles of Lord Mayor and Deputy Lord Mayor should be frozen and not subject to any increase by index during the period of this review.

Recommendation 7: That the Basic, Special Responsibility and Co-optees allowances (except for those allowances paid to Deputy Cabinet Members, Deputy Chairs of the Planning, Licensing and Regulatory and Audit and Procurement Committees, Lord Mayor and Deputy Lord Mayor) be increased each year by any percentage increase in pay agreed for local government employees, (pegged to spinal column point 49 of the NJC scheme); this indexing to be effective from 1 April 2016 and expire on 31 March 2020.

Recommendation 8: That the Dependent Carer's Scheme be amended to remove references to specific amounts and link allowances to the living wage and the Council's Direct Payment rates for the care of a child and an adult respectively.

Recommendation 9: That once the roll out of laptops is complete, that the provision for telephone and line rental costs is removed from the scheme.

Recommendation 10: That the higher rate for private car mileage be abolished and the Scheme be amended to include a single rate of 45p per mile.

Recommendation 11: That the Scheme be amended to include reimbursement for travel by private motorcycle at 24p per mile and bicycle at 20p per mile.

Recommendation 12: That the Scheme be amended to make it clear that travel and subsistence claims are not paid for meetings held in the Council House.

Recommendation 13: That the local additional stationery allowances for group leaders and officers be discontinued.

### Members of the Independent Remuneration Panel

#### **Louise Bennett OBE DL** **Chief Executive, Chamber of Commerce**

Louise is the Chief Executive of Coventry and Warwickshire Chamber of Commerce since February 2003. She has worked in both the private and public sectors including Chambers of Commerce, the National Health Service and the retail industry. She has also undertaken lecturing on the Masters in Business Administration and has run her own small business. In 2007, Louise was awarded an OBE in the Queen's birthday honours list for her services to business and enterprise. Since 2013, Louise has been a Foster Carer.

#### **Ian Dunn** **Deputy Vice-Chancellor (Student Experience) Coventry University**

Ian is a graduate of Coventry University and worked for more than 20 years as a lecturer, associate dean and acting dean of the faculty of engineering, environment and computing at the University before taking up the role of pro vice-chancellor in 2010, and then deputy vice-chancellor in 2013. He has championed the best educational experience for all students, helping develop an exciting, engaging curriculum that is presented in a stimulating manner. Ian works with the local enterprise partnerships, schools and colleges. In 2016 he was voted the most inspiring leader in higher education in the Guardian Higher Education Awards.

#### **Peter Maddock** **Lay Member – Governance, Coventry and Rugby Clinical Commissioning Group**

Peter is the Lay Member for Governance at the Coventry and Warwickshire Clinical Commissioning Group, a member of their board of governors and is Chair of their Audit Committee. He has over 30 years' experience within the NHS of which 16 years was at Director and Chief Executive level. Until recently he was currently a Director of two management Consultancy Companies that provided support to NHS organisations. Peter has been a resident of Coventry for 58 years and worked in Rugby for 8 years.

## Summary of Benchmarking Information – Basic Allowance

<b>West Midland Metropolitan Councils</b>	
Coventry	£13,287
Birmingham	£16,267
Dudley	£9,696
Sandwell	£10,620
Solihull	£8,795
Walsall	£10,927
Wolverhampton	£8,980

<b>CIPFA 2014 Nearest Neighbours for Coventry</b>	
Coventry	£13,287
Bolton	£11,416
Bradford MBC	£13,042
Derby	£10,076
Dudley	£9,696
Kirklees	£12,970
Medway	£8,836
Oldham MBC	£9,239
Peterborough	£7,962
Rochdale	£10,451
Sandwell	£10,620
Sheffield	£11,742
Stockton-on-Tees	£9,300
Swindon	£7,959
Walsall	£10,927
Wolverhampton	£8,980



## Summary of Benchmarking Information – Opposition Roles

Authority	Leader of the largest Opposition group	Deputy Leader of largest Opposition group	Leader of Minority Opposition group
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**West Midland Metropolitan Councils**

Coventry	£3,985		
Birmingham	£12,500	£7,000	£5,000
Dudley	£4,848	£1,616	£4,848
Sandwell	£9,197		
Solihull	£8,795	£1,759	£4,398
Walsall	£7,284		£7,284
Wolverhampton	£15,000	£2,500	

**CIPFA 2014 Nearest Neighbours for Coventry**

Coventry	£3,985		
Bolton	£10,349	£6,209	£2,883
Bradford MBC	£25,939	£16,675	£18,528
Derby	£7,557	£3,779	
Dudley	£4,848	£1,616	
Kirklees	£11,047	£3,684	£9,820
Medway	£9,269	£3,708	£4,634
Oldham MBC	£13,859	£5,543	
Peterborough	£7,166		
Rochdale	£10,850		£3,135
Sandwell	£9,197		
Sheffield	£7,509	£5,269	
Stockton-on-Tees	£5,000		
Swindon	£4,821		
Walsall	£7,284		£7,284
Wolverhampton	£15,000	£2,500	

**Notes:**

The way payments are made to opposition leaders, deputies and spokesperson vary more from one authority to another than most other payments. Some pay only allowances only for the largest opposition group, while many link the level of payment to the number of members in the group. eg the level of allowance in Sandwell ranges from £1,300 to £9,200 depending on the size of the opposition group. Where rates vary, the rates shown here are the maximum given

## Summary of Benchmarking Information – Executive and Scrutiny

Authority	Leader	Deputy Leader	Cabinet Member	Deputy Cabinet Member	Scrutiny Co-ordination Chair	Scrutiny Co-ordination Deputy Chair	Scrutiny Chairs
<b>West Midland Metropolitan Councils:</b>							
Coventry	£23,916	£17,270	£10,631	£3,603	£10,631	£2,661	£6,646
Birmingham	£50,000	£40,000	£25,000		£12,500		
Dudley	£24,230	£12,119	£7,272				£4,848
Sandwell	£26,278	£23,650	£8,750		£8,751	£8,751	£4,375
Solihull	£21,988	£10,554	£8,795		£7,036		£7,036
Walsall	£22,393	£14,624	£11,207		£7,284		£7,284
Wolverhampton	£25,000	£20,000	£15,000		£15,000	£2,500	£10,000
<b>CIPFA 2014 Nearest Neighbours for Coventry:</b>							
Coventry	£23,916	£17,270	£10,631	£3,603	£10,631	£2,661	£6,646
Bolton	£30,681	£18,407	£5,151		£5,151		£5,151
Bradford MBC	£37,056	£18,528	£25,939		£12,970		£12,970
Derby	£30,229	£22,672	£15,115		£7,557	£1,889	£7,557
Dudley	£24,230	£12,119	£7,272				£4,848
Kirklees	£25,155	£18,866	£12,274		£11,047		£6,138
Medway	£20,391	£14,830	£11,123		£9,269	£9,269	
Oldham MBC	£27,717	£19,402	£16,630	£6,929	£8,315		
Peterborough	£21,498	£16,123	£14,332				£7,166
Rochdale	£31,353	£15,677	£14,109	£2,822			£7,838
Sandwell	£26,278	£23,650	£8,750		£8,751	£8,751	£4,375
Sheffield	£18,168	£9,084	£9,084			£7,509	£7,509
Stockton-on-Tees	£25,000	£13,750	£11,250		£6,250	£3,125	£6,250
Swindon	£20,308	£12,076	£10,154		£5,088		
Walsall	£22,393	£14,624	£11,207		£7,284		£7,284
Wolverhampton	£25,000	£20,000	£15,000		£15,000	£2,500	£10,000

## Summary of Benchmarking Information – Committees, Panels and Co-optees

Authority	Audit Chair	Audit Deputy Chair	Planning Chair	Planning Deputy Chair	Licensing Chair	Licensing Deputy Chair	Ethics Chair	Fostering Panel Member	Adoption Panel Member	Co-optee
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**West Midland Metropolitan Councils:**

Coventry	£6,646	£2,661	£6,646	£2,661	£6,646	£2,661	£1,032	£2,661	£2,661	£481
Birmingham	£5,000		£15,000		£15,000		£1,000	£0	£0	£831
Dudley	£4,800	£1,616	£7,272	£2,424	£4,848	£1,616	£0	£0	£0	£0
Sandwell	£5,256		£13,139	£5,913	£8,751	£5,256	£8,751	£5,256	£5,256	£0
Solihull	£750		£7,036	£3,072	£3,518		£3,518	£2,639	£2,639	£0
Walsall	£7,284		£7,284		£4,553		£0	£0	£0	£0
Wolverhampton	£10,000	£2,500	£15,000	£5,000	£15,000	£5,000	£0	£0	£0	£0

**CIPFA 2014 Nearest Neighbours for Coventry:**

Coventry	£6,646	£2,661	£6,646	£2,661	£6,646	£2,661	£1,032	£2,661	£2,661	£481
Bolton	£0		£8,017	£2,758	£7,589	£2,472				
Bradford MBC	£12,970		£12,970		£12,970		£3,706	£2,965	£2,965	£597
Derby	£5,290		£7,557	£3,779	£7,557	£3,779		£1,889	£1,889	
Dudley	£4,800	£1,616	£7,272	£2,424	£4,848	£1,616				
Kirklees	£2,454		£6,138		£4,911			£1,227	£1,227	
Medway		£5,561	£7,415		£7,415					
Oldham MBC	£8,315		£8,315		£8,315		£646			
Peterborough	£7,166	£7,166	£7,166		£7,166					
Rochdale	£6,271									
Sandwell	£5,256		£13,139	£5,913	£8,751	£5,256	£8,751	£5,256	£5,256	
Sheffield			£5,269		£5,269	£3,028				£708
Stockton-on-Tees	£6,250	£3,125	£6,250	£3,125	£6,250	£3,125				
Swindon	£4,390		£6,586		£4,390		£4,390			£1,032
Walsall	£7,284		£7,284		£4,553					
Wolverhampton	£10,000	£2,500	£15,000	£5,000	£15,000	£5,000				

## Summary of Benchmarking Information – Lord Mayor and Deputy Lord

Authority	Mayor/ Lord Mayor	Deputy Mayor/ Deputy Lord Mayor
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West Midland Metropolitan Councils		
Coventry	£30,785	£13,581
Birmingham	£30,244	£9,136
Dudley	£24,130	£4,183
Sandwell	£20,000	£0
Solihull	£21,655	£1,175
Walsall	£0	£0
Wolverhampton	£20,000	£5,000

CIPFA 2014 Nearest Neighbours for Coventry		
Coventry	£30,785	£13,581
Bolton		
Bradford MBC		
Derby		
Dudley	£24,130	£4,183
Kirklees		
Medway	£13,427	£6,765
Oldham MBC	£14,497	£2,848
Peterborough	£12,000	£3,600
Rochdale		
Sandwell	£20,000	£0
Sheffield		
Stockton-on-Tees	£15,625	£4,910
Swindon	£10,000	£3,500
Walsall	£0	£0
Wolverhampton	£20,000	£5,000

## Appendix 8

### Current Levels of Remuneration and Impact of Recommendations

Role	Ratio to Basic Allowance	Current Allowance	Current Allowance (plus 1% where the report recommends that increase by index be applied)*
Basic Allowance		£13,287	£13,420
Leader of the Council	1.80	£23,916	£24,156
Deputy Leader of the Council	1.30	£17,270	£17,446
Leader of the Opposition Group	0.30	£3,985	#
Cabinet Member	0.80	£10,631	£10,736
Deputy Cabinet Member	N/A	£3,613	£3,613
Chair of Scrutiny Co-ordination Committee	0.80	£10,631	£10,736
Chair of Scrutiny Boards	0.50	£6,646	£6,710
Deputy Chair Scrutiny Co-ordination Committee	0.20	£2,661	£2,684
Chairs of Planning Committee, Licensing and Regulatory Committee, and Audit and Procurement Committee	0.50	£6,646	£6,710
Deputy Chairs of Planning Committee, Licensing and Regulatory Committee, and Audit and Procurement Committee	0.20	£2,661	-
Member of the Fostering Panel and the Adoption Panel	0.20	£2,661	£2,684
Chair of Ethics Committee	N/A	£1,032	£1,042
Co-optees' Allowance	N/A	£481	£486

\* 1% increase applied to the SRA ratio to Basic Allowance where applicable

# See table below

#### Mayoral Allowances

Role	Ratio to Basic Allowance	Current Allowance	Proposed allowance
Lord Mayor	N/A	£30,785	£30,785
Deputy Lord Mayor	N/A	£13,581	£13,581

#### Opposition Roles

Role	Current Allowance	Proposed Ratio to Basic Allowance	Proposed allowance from May 2017
Leader of the Opposition Group	£3,985	0.50	£6,710
Deputy Leader of the Opposition Group	-	0.25	£3,355

## Appendix 9

### Financial Implications of Recommendations

	<b>Cost</b>	<b>Saving</b>
Increase in Remuneration to Leader of the Opposition	£2,661	
Introduction of Remuneration to Deputy Leader of the Opposition	£3,322	
Removal of remuneration for Deputy Committee Chairs		£7,983
Removal of additional stationery budget for group officers		£1,400
Removal of budget for telephone costs		£10,400
Sub total	£5,983	£19,783
<b>Total Impact of recommendations</b>		<b>£13,800</b>