

REPORT TO
SOLIHULL METROPOLITAN BOROUGH COUNCIL
BY
THE INDEPENDENT REMUNERATION PANEL

RECOMMENDATIONS FOR
COUNCILLORS' REMUNERATION
FOR 2024 - 2025

March 2024

FOREWORD

To the Chief Executive and Members of Solihull Metropolitan Borough Council

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

The Independent Remuneration Panel has reviewed the Members' Allowances Scheme and, on behalf of the Panel, I present the report and recommendations for the payment of Members' Allowances for 2024-25. This report is required by the Local Authorities (Members' Allowances) (England) Regulations 2003. In conducting this review, the Independent Remuneration Panel has had regard to the Statutory Guidance on Members Allowances.

The conclusion of this review was that although Solihull's Allowances are low compared with similar authorities, the Members Allowances Scheme remains fit for purpose. In reaching its conclusions, the Panel has been mindful of its guiding principles that it seeks to reduce financial barriers to being an elected Member while ensuring that the remuneration and expenses received by elected Members are fair and proportionate for the duties they undertake.

The Council is required to have regard to our recommendations in deciding what allowances to pay Councillors. These recommendations seek to ensure that the Members' Allowances Scheme is fair, transparent and provides a clarity and consistency in terms of the positions eligible to receive allowances.

The Council must publish our recommendations and conclusions, together with the approved scheme.

The Panel is grateful for the assistance of Council Officers in support of the Panel's work.

Patricia Smith

Chairman of the Independent Remuneration Panel

March 2024

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**RECOMMENDATIONS FOR
COUNCILLORS' REMUNERATION**

1. SUMMARY OF RECOMMENDATIONS

1.1.1 The Independent Remuneration Panel has undertaken a review of the Solihull Metropolitan Borough Council Members' Allowances Scheme and makes recommendations for the period from 1st April 2024 to 31st March 2025.

1.1.2 As a result of this review the Panel recommends that:

I.	The Basic Members' Allowance for 2024-25 be increased to £12,500.
II.	That the Special Responsibility Allowances be increased for 2024-25 by 3% or the level of the 2024-25 staff pay award once determined, whichever is the greater.
III.	That the current policy for the Dependents' Carers' Allowance should remain in place, with the Head of Legal & Democratic Services authorised by the Council to consider exceptional claims for Dependents Carers Allowance on the individual merits of each case.
IV.	That the travel allowance for Councillors should remain the same as the locally agreed rates payable to Council staff, and that they be changed as appropriate, as and when the staff rates are changed.
V.	That claims for Subsistence Allowance should continue to be reimbursed in respect of actual expenditure which has been reasonably and necessarily incurred and this should exclude claims for alcoholic drinks.
VI.	That the Solihull Metropolitan Borough Council Members' Allowances Scheme be reviewed again before the start of the 2025-26 financial year.

1.1.3 The remainder of this report presents the context and evidence for the Panel's recommendations.

2. The Independent Remuneration Panel

2.1.1 The current members of the Independent Remuneration Panel (IRP) were appointed by Solihull Metropolitan Borough Council (SMBC) in October 2016 for the purpose of the Local Authorities (Members' Allowances) (England) Regulations 2003.

2.1.2 The members of the IRP are shown in Appendix 1 (page 10).

2.1.3 The Local Authorities (Members' Allowances) (England) Regulations 2003 enable allowances schemes to make provision for Councillors' Basic and Special Responsibility Allowances, travelling and subsistence allowances and co-optees allowances and it falls to the IRP to make recommendations about these matters.

- 2.1.4 It is for the Council to decide on the Members’ Allowances Scheme that is put in place, having regard to the Independent Panel’s recommendations.

3. Background Information - Solihull Metropolitan Borough Council

- 3.1.1 Solihull Metropolitan Borough Council has 51 Councillors representing 17 Wards. The Borough also has 2 town councils and 14 parish councils, in respect of which the Independent Remuneration Panel may make separate recommendations about Parish Allowances.

- 3.1.2 The current political composition as at March 2024 is:

Party	Number of Seats
Conservative	29
Green	12
Liberal Democrat	6
Independent	4
Total Members	51

- 3.1.3 The Council operates a Leader and Cabinet model of governance in accordance with the Local Government Act 2000. The Cabinet executive is currently made up of the Leader of the Council plus eight Cabinet Members, each of whom has a specific portfolio of responsibilities.

- 3.1.4 The Council appoints 5 Overview and Scrutiny Boards whose role is to hold the executive to account, to conduct in-depth policy reviews and contribute to policy development, and to monitor the performance of Council Services. The Scrutiny Boards are responsible for setting their own work programmes for each civic year, taking into account the Council’s strategic vision and priorities.

- 3.1.5 The Council also appoints a number of other Committees and Panels to exercise its regulatory functions and those functions which are not exercisable by the Cabinet Executive.

- 3.1.6 The Council appoints independent co-opted (non-elected) members to serve on the Childrens Services, Education and Skills Scrutiny Board, the Remuneration Committee, and the Audit Committee. The Audit Committee’s Terms of Reference require that one of the co-opted independent members must chair the Committee. With the exception of the Chair of the Audit Committee, these co-opted members are not remunerated under the Members’ Allowances Scheme but they may claim travelling, subsistence and dependents carers’ allowances.

4. Scope of Report

- 4.1.1 This report sets out the IRP’s recommendations to enable the Council to make a new allowances scheme for the period from 1st April 2024 to 31st March 2025. These recommendations take account of the Council’s political composition and the political governance arrangements currently in place in the 2023-24 financial year.

- 4.1.2 In accordance with the Regulations the Independent Remuneration Panel makes formal recommendations in respect of each of the matters upon which they are required to make recommendations. These are as follows: -

- (a) The responsibilities or duties in respect of which the Special Responsibility Allowances, travelling and subsistence allowances, dependents carers' allowance and co-optees' allowance should be made available;
- (b) The amount of the Basic and Special Responsibility Allowances, travelling and subsistence allowances and co-optees allowances;
- (c) Whether dependants carers' allowances should be payable and if so, the amount;
- (d) Whether future adjustments of allowances should be determined in accordance with an index and for how long that index should apply (the maximum being 4 years).

5. Information provided to the Panel

- 5.1.1 The Panel met twice during January and February 2024 and also liaised by email outside of the meetings. The Panel was provided with benchmarking data on allowances paid by other metropolitan authorities within the West Midlands region.
- 5.1.2 The Panel was advised that there had been no significant changes to the members' role profiles or the Council's political management arrangements since the last review of the Allowances Scheme.
- 5.1.3 The Panel invited the Leaders of each of the political groups on the Council to raise any aspects of the current Allowances Scheme they wished to bring to the attention of the IRP.
- 5.1.4 The Panel was asked to consider recommending new Special Responsibility Allowances for members of the Planning Committee and for the Deputy Leader(s) of the main opposition group and was provided with information relating to these roles.

6. Context

- 6.1.1 Between 2010 and 2016 there was no change in the level of allowances for Solihull Councillors. During that period the Council declined the increases recommended by the Independent Remuneration Panel and chose to freeze their allowances in line with the restrictions in place at the time on public sector pay. As a consequence, the real value of Solihull's allowances, which were already amongst the lowest of all comparable sized Councils, fell further below that of comparative authorities.
- 6.1.2 The current allowance rates were set by the Council in April 2023 after having regard to the report of the Independent Remuneration Panel dated March 2023, which contained recommendations for 2023-24.
- 6.1.3 Although the Council accepted the Independent Remuneration Panel's recommendations for 2023-24, the levels of many of the allowances paid in Solihull remain low compared with similar authorities in the West Midlands.
- 6.1.4 Current comparisons show that almost every category of allowance in the Solihull MBC Members Allowances Scheme is below the average for comparable authorities within the West Midlands metropolitan area, with several of Solihull's allowances being the lowest in the region.
- 6.1.5 The Independent Remuneration Panel continues to hold the view that the Solihull MBC Allowances should be broadly comparable to those of similar sized metropolitan authorities within the West Midlands.

7. Reducing Barriers to Becoming a Councillor

7.1.1 The Independent Remuneration Panel reaffirms the principles of the Members' Allowances Scheme set out in previous reports, and the key factors which the Panel takes into account are:

- Promoting a healthy democracy by minimising financial disadvantage as a barrier to people from a wide range of socio/economic backgrounds and age groups with a wide range of skills standing for election or serving as Councillors. This point is particularly relevant in the current times of increased financial hardship due to the cost of living.
- Maintaining the ethic of voluntary public service given freely and the need to reflect this within the Basic Allowance paid to all Councillors so that people do not stand for and remain on the Council primarily for financial reasons.
- Ensuring Councillors are remunerated fairly in proportion to the tasks that they perform in the discharge of the Council's functions, within the political management arrangements operated under the Local Government Act 2000.

7.1.2 Anecdotal evidence provided to the Panel historically has suggested that a higher level of Basic Allowance would probably make the role of Councillor more attractive to new election candidates and also that it would help attract younger people to become Councillors if the Basic Allowance was higher.

8. The Basic Allowance

8.1.1 The Panel notes that the Basic Allowance is intended to recognise the time commitment of all Councillors in their representative role including work done by non-Cabinet Councillors as members of Scrutiny boards and other committees, meetings with officers, and ward work, including travel to meet residents etc. It also covers incidental costs, such as the use of their homes, and internet and phone provision etc. It is not intended to directly recompense for work undertaken or to fully compensate for loss of earnings.

8.1.2 The Panel acknowledges that the role of Councillors depends on a sense of social responsibility and public service and that they are motivated to a significant extent by a sense of public good. Nevertheless, those who decide to stand for election should not be required to make unreasonable sacrifices in their private lives.

8.1.3 The Panel notes that the level of Basic Allowance paid in Solihull (currently £11,500) has once again fallen back to being the lowest of all the metropolitan councils in the West Midlands. The Panel remains committed to addressing the low Basic Allowance and would like to see the Solihull Basic Allowance move closer to the average for the West Midlands metropolitan councils.

8.1.4 The Panel therefore recommends that the Basic Allowance be increased to £12,500 for 2024-25 and that it should be reviewed again for the 2025-26 financial year.

9. Special Responsibility Allowances (SRA)

9.1.1 The 2003 Regulations specify the categories of special responsibilities which may qualify for Special Responsibility Allowances (SRA). Special Responsibility Allowances may be paid to those Members of the Council who have significant additional responsibilities over and above the generally accepted duties of a Councillor.

9.1.2 The roles for which the Council currently sets Special Responsibility Allowances are:

- The Leader of the Council
- The Deputy Leader of the Council
- Cabinet Members
- The Chairmen of the Scrutiny Boards
- The Chairman of the Planning Committee
- The Chairman of the Licensing Committee
- The Chairman of the Licensing Sub-Committee
- The Chairman of the Governance Committee
- The Co-opted independent Chairman of the Audit Committee
- The Group Leaders of the Opposition Groups
- Members of the Fostering Panel
- Opposition spokespersons (Shadowing Cabinet Portfolios - One per political group per portfolio).

9.1.3 The Panel is aware that the original framework of Special Responsibility Allowances was established using a formula approach based on multiples of the Basic Allowance. The Panel agrees that although there has been a move away from this approach in recent years in order to concentrate on boosting the Basic Allowance, this approach has established a framework of allowances that generally reflects the differentials between the various special responsibility roles.

9.1.4 The Panel notes that all of Solihull's Special Responsibility Allowances are below the West Midlands average for comparable roles, and many are the lowest in the region. However the Panel has not received any representations to suggest that increasing the Special Responsibility Allowances above the rate of the staff pay award for 2024-25 would be justified.

9.1.5 The Panel therefore recommends that the Special Responsibility Allowances be increased in 2024-25 by 3% or the level of the staff pay award for 2024-25, whichever is the greater.

9.1.6 The Panel acknowledges that some Councillors may occupy two or more positions of special responsibility but continues to recommend that a Member may not receive more than one Special Responsibility Allowance. The recommended designation and rates of Special Responsibility Allowances are as set out in Appendix 2 (see page 11).

10. Planning Committee Members Allowance

10.1.1 The Independent Panel was asked to consider the introduction of a Special Responsibility Allowance for all members of the Planning Committee, to reflect the frequency of meetings and workload of the Committee.

- 10.1.2 The Members Allowances Scheme currently only makes provision for a Special Responsibility Allowance for the Chairman of the 9-member Committee.
- 10.1.3 The Local Authorities (Members' Allowances) (England) Regulations 2003 provide that a special responsibility allowance (SRA) may be paid to members of the Council to reflect membership of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods.
- 10.1.4 The Panel was presented with information to enable a comparison to be made with the other West Midlands Metropolitan Authorities and noted that none of the West Midlands Metropolitan Authorities provides a Special Responsibility Allowance for Planning Committee members.
- 10.1.5 The Panel was provided with information about the number of meetings per year of the Cabinet, individual Portfolio holders' decision sessions and the various other committees and boards appointed by the Council.
- 10.1.6 It was noted that the Planning Committee and the Cabinet are both scheduled to meet 12 times each civic year, the Resources and Delivering Value Scrutiny Board and some of the Cabinet Portfolio holders are scheduled to meet 10 times per year, whilst other Portfolio holders, committees and boards meet less frequently.
- 10.1.7 The Regulations do not limit the number of special responsibility allowances which may be paid, however the Guidance that accompanies the Regulations states *'If the majority of members of a Council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the additional roles of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.'*
- 10.1.8 Under the existing Members Allowances Scheme 36 Councillor positions qualify for a Special Responsibility Allowance although currently only 33 Members are in receipt of a Special Responsibility Allowance due to some members holding more than one Special Responsibility position.
- 10.1.9 The Panel's view is that the Basic Allowance is intended to recognise the many varying calls on Councillors' time, covering the work done by non-Cabinet Councillors as members of Scrutiny boards and other committees.
- 10.1.10 The Panel recognises that membership of the Planning Committee often involves making site visits in person or via Google maps. Whilst membership of any committee or board will require reading and preparation time in addition to attending meetings, the Panel acknowledges that the workload of the Planning Committee tends to be more onerous than many other Councillor roles.
- 10.1.11 However the Panel's view is that It is inevitable that not all roles carry an equal workload. Some Councillors take on membership of several scrutiny boards or committees according to the time commitment they are able to make and there will always be variances in the amount of time individual Councillors spend on their Council work.
- 10.1.12 The Panel does not believe there is compelling evidence to support provision of a Special Responsibility Allowance for all members of the Planning Committee and therefore does not recommend this be introduced.

11. Deputy Leader(s) of Opposition Group Allowance

- 11.1.1 The Independent Panel was asked to consider recommending the introduction of a Special Responsibility Allowance for the Deputy Leader(s) of the main opposition group.
- 11.1.2 The Local Authorities (Members' Allowances) (England) Regulations 2003 provide that a special responsibility allowance (SRA) may be paid to those members of the Council who have significant additional responsibilities, over and above the generally accepted duties of a Councillor. These special responsibilities must be related to the discharge of the authority's functions.
- 11.1.3 The Panel noted that the position of Leader of the Opposition is an integral part of the Council's political management structure and that in the interests of democracy, it is right that the importance of this position should be recognised with a Special Responsibility Allowance. The Panel also accepts there is public benefit in the contribution the political opposition spokespersons make to the effective discharge of the business of the authority through their work shadowing the Cabinet Portfolio holders.
- 11.1.4 The Panel noted that currently 4 of the 7 West Midlands Metropolitan Authorities provide a Special Responsibility Allowance for the Deputy Leader of the main opposition group.
- 11.1.5 The Panel was unclear as to the specific contribution made by the Deputy Leader(s) of the opposition group in the discharge of the authority's functions and sought information from the Leader of the main opposition group about the role.
- 11.1.6 The Panel is grateful for the role summary provided by the main opposition group Leader which has clarified that the role of Deputy Opposition Group Leader is predominantly focused on the administration of political group business rather than the discharge of the Council's functions.
- 11.1.7 For this reason the Independent Panel does not recommend that the Council introduces a Special Responsibility Allowance for the Deputy Leader(s) of the political opposition group.

12. Dependents' Carers' Allowance

- 12.1.1 The Panel views this Allowance as one of the enablers for Members from diverse backgrounds to stand for Council and recommends that the Dependents' Carers' Allowance should remain in place.
- 12.1.2 The Panel has previously acknowledged that the care costs for a child are generally less than the cost of care for a dependent adult and concluded that two rates are required. The IRP recommends that the maximum hourly rates continue to be indexed to the government's national living wage applicable to the age of the carer for childcare, and the Council's own hourly rate for Home Care Assistance for care of adult dependents.
- 12.1.3 The Panel notes that there may be circumstances in which exceptions need to be made, such as care for a disabled child who may need more complex care or care for an adult with very complex needs and recommends that authority be given to

the Head of Legal & Democratic Services to consider exceptional claims on the individual merits of the case.

13. Travel/Subsistence Allowance

13.1.1 The IRP has to make recommendations as to the approved duties for which travel and subsistence allowances are payable. Regulation 8 of the 2003 Regulations sets out the categories of duties which may be included in a scheme and the IRP considers that all these categories are relevant and should properly be included in the scheme. A list of these duties is set out in Appendix 3 (see page 12).

13.1.2 The Panel acknowledges that the current Solihull MBC mileage rate is low. However, the IRP feels that the rate should continue to be linked to the travel allowances paid to the Council's staff, including an allowance for bicycle use.

13.1.3 The IRP therefore recommends that the travel allowance for Councillors should remain the same as the locally agreed rates payable to Council staff, and that they be changed as appropriate, as and when the staff rates are changed.

13.1.4 The Panel makes no recommendations as to whether rail travel should be by first class travel. The IRP accepts that there will be occasions when first class rail travel should be used and that for other occasions standard class travel is appropriate.

13.1.5 The IRP believes it is appropriate for the scheme to provide that Members who require an overnight stay should, where practicable, have their accommodation pre-booked by the Council's Officers in accordance with arrangements which would apply to the Council's senior officers and which represent best value.

14. Index Adjustment

14.1.1 The IRP considered whether it would be appropriate for their recommendations to be subject to index linking in respect of Basic and Special Responsibility Allowances.

14.1.2 The conclusion was that although there may be merit in doing so the IRP would not wish to lose the flexibility to recommend increases above the rate of inflation in the endeavour to raise the level of allowances in the future to that more in keeping with similar authorities.

14.1.3 The IRP considers that linking of travel allowances to staff travel allowance is appropriate based on locally agreed rates and have recommended that travel allowances for Councillors should be changed as and when the locally agreed rates change.

15. Review

15.1.1 The recommendations in this report are made in relation to the allowances scheme which the Council may make under the 2003 Regulations for the financial year 2024 - 25. The Panel recommends that the Allowances Scheme be further reviewed for the 2025-26 financial year.

SOLIHULL INDEPENDENT REMUNERATION PANEL MEMBERS

Mr David Billingham

A resident of Solihull, David is a Fellow of the Chartered Institute of Personnel and Development. He has over 30 years' experience in Human Resources including a number of years as a consultant with Price Waterhouse and as Human Resources Director for Serco Local Government & Commercial. Most recently he was interim Director of HR Transformation and interim Director of Talent & Development for Mitie plc. He is a current member of the UK Government's Armed Forces Pay Review Body and has been a member of the Independent Remuneration Panel since 2007.

Mrs Patricia Smith (Chairman)

Patricia is a retired resident of Solihull and a former non-executive director and vice-chair of Solihull Community Housing, where she was a member of the Audit and Risk Committee.

She was previously chair of the Colebridge Trust and was involved in its inception. Although no longer playing an active role she maintains a real interest in its ongoing development, and she was also involved in Waterloo Woodwork and Community Transport. Patricia was appointed as a member of the Independent Remuneration Panel in 2016.

Dr Nerys Williams

Nerys is a Consultant Occupational Physician and former non-executive director at Birmingham and Solihull Mental Health NHS Foundation Trust. She works as a civil servant and as an Associate for the General Medical Council. She is a resident of Solihull Borough and has been a member of the Independent Remuneration Panel since its inception in 2003.

APPENDIX 2

Summary of Recommended Basic and Special Responsibility Allowances

(Annual Rates)

Financial Year 2024 - 2025

Basic Allowance	£12,500
Special Responsibility Allowances*	£ Indicative*
Leader of the Council	£27,222
Deputy Leader of the Council	£16,660
Cabinet Members	£10,888
Chairmen, Overview & Scrutiny Boards	£8,710
Chairman of Planning Committee	£8,710
Chairman of Licensing Committee or Licensing Sub-Committee	£4,356
Chairman of Governance Committee	£4,356
Independent Co-opted Chairman of Audit Committee	£4,356
Member of Fostering Panel	£3,266
Group Leader (10 or more Councillors)	£10,888
Group Leader (5-9 Councillors)	£5,422
Group Leader (Fewer than 5 Councillors)	£2,723
Spokesperson of a political group	£2,178

* the Special Responsibility Allowances for 2024-25 to be increased by 3% or the level of the 2024 -25 staff pay award once determined, whichever is the greater. The figures above include a 3% increase.

APPROVED DUTIES FOR THE PURPOSE OF TRAVELLING AND SUBSISTENCE ALLOWANCES

(As approved by General Purposes Committee on 20 September 2004)

- (a)(i) The attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- (a)(ii) Attendance of a member at meetings of working parties and advisory groups constituted by the Council, or by or on behalf of the Cabinet (including any Cabinet Member);
- (a)(iii) Attendance at seminars, training events and open days organised by or through the Council;
- (a)(iv) Attendance at a meeting on Council premises with an officer of the Council for the purpose of receiving a briefing by officers on matters on business before any decision making body (including decisions by Cabinet Members) (excluding any meeting only for the purpose of raising matters on behalf of constituents);
- (a)(v) Any specific duty on any occasion specifically approved by a Scrutiny Board, Committee, or Sub-Committee for the purpose of or in connection with the functions of that body.
- (b) The attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and one or more local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee provided that -
 - (i) Where the authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited, or
 - (ii) If the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
 - (c) The attendance at a meeting of any association of authorities of which the authority is a member;
 - (d) The attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements;
 - (e) The performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
 - (f) The performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and

- empowering or requiring the authority to inspect or authorise the inspection of premises;
- (g) The performance of any duty in connection with arrangements made by the authority for the attendance of pupils at any school approved for the purposes of section 342 (approval of non-maintained special schools) of the Education Act 1996, and
 - (h) The carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees.