

# Birmingham City Council

## City Council

13 April 2021



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**Subject:** Annual Report of the Independent Remuneration Panel 2020-21

**Report of:** Council Business Management Committee

**Report author:** Emma Williamson, Head of Scrutiny Services

Does the report contain confidential or exempt information? ☐ Yes ☒ No

### 1 Executive Summary

- 1.1 The Annual Report of the Independent Remuneration Panel was discussed at the Council Business Management Committee meeting of 29 March 2021 and a copy of the Panel's Report is attached as an Appendix to this Report.
- 1.2 The Panel has worked consistently within the requirements of the Local Government Act 2000 and the accompanying Statutory Guidance and Regulations on Councillors' allowances.
- 1.3 The City Council must have regard to the recommendations of an Independent Remuneration Panel before it can set up or amend its Members' Allowances Scheme. The Council is, of course, free to accept the Panel's recommendations in full, in part, or not all.

### 2 Motion

- 2.1 The Recommendations made by the Independent Remuneration Panel on page 5 of its Annual Report be accepted and implemented with effect from 25 May 2021.

### 3 2020/21 Report and Recommendations

- 3.1 In 2019 the City Council accepted the Panel's recommendation to bring the Basic Allowance (BA) back in line with the Annual Survey of Household Earnings (ASHE) comparator. Previously, allowances paid to Councillors had fallen behind those rates of the comparator used at the time. In this year's report, the Panel noted the very different context of the 2020/21 but remained focussed on the need to make recommendations on the allowances paid to Birmingham City Councillors.
- 3.2 The Panel is recommending that the City Council increases the BA to £18,681. This represents an increase of 4.2% which is half of the difference between the current

rate of BA and the ASHE rate for 2020, with the expectation that the Panel shall recommend a full catch-up for the municipal year commencing 2022. The Panel also recommends the same increase is applied to Special Responsibility Allowances (SRA). The Panel believes this a fair and equitable approach to setting the BA and SRAs in 2021 which incorporates the City Council's commitment to the catch-up element, whilst acknowledging the unprecedented economic and social circumstances faced by residents, communities and the City Council.

- 3.3 The report also notes several issues raised by Councillors which, although falling outside the Panel's remit, are recorded here as having relevance but are for the Council to follow up.

## **4 Appendices**

- 4.1 Appendix 1: Annual Report of the Birmingham Independent Remuneration Panel 2020-2021