

APPENDIX 1

AN INDEPENDENT REVIEW OF MEMBERS' ALLOWANCES FOR THE WEST MIDLANDS FIRE AUTHORITY

A Report by Andrew Campbell CB
of the Local Government Association
October 2018

Terms of Reference

1. I was asked to undertake an independent review of the Authority's Members' Allowances scheme. Specifically, it was agreed that the review should consider, make recommendations and offer advice on the following:
 - a. The level of the basic allowance
 - b. The range and levels of the Special Responsibility Allowances (SRAs), taking into account the roles and responsibilities of Members and the anticipated workload arising from the number of meetings planned for 2018/19;
 - c. The eligibility of co-optees for allowances and the consistency of payments to co-optees across the various committees and panels);
 - d. The duties for which Travel and Subsistence should be paid and the amount of such allowances;
 - e. Whether a provision for dependent care should be included in the Allowances Scheme;
 - f. Whether there should be any separate allowances for IT and stationery;
 - g. The backdating of any retrospective changes to aspects of the Allowances Scheme;
 - h. The Scheme of Delegations; and
 - i. The Terms of Reference for the Committees.
2. Members of the West Midland Fire Authority were given two opportunities for face to face meetings: on 4 and 17 September. In addition, all Members were invited to make written submissions or to participate in a telephone interview. I am grateful to all those who contributed their views.
3. The operation of the Members Allowances Scheme in a range of other Fire Authorities was considered in order to gather comparative data on the operation of Basic, Special Responsibility and Carers' Allowances, Travel and Subsistence, and the roles, responsibilities and workloads of Members in those Authorities. The Authorities considered were as follows:
 - Avon
 - Derbyshire
 - Hampshire
 - Humberside
 - Lancashire
 - Merseyside
 - Nottinghamshire
 - Royal Berkshire
 - South Yorkshire
 - Tyne and Wear

- West Yorkshire
4. The Members' Allowances Schemes in each of the 7 local authorities from which Members of the Fire Authority are drawn were also considered.

Context

Committee Structure

5. The Policing and Crime Act 2017 places a clear expectation on the blue light emergency services (Police, Ambulance and Fire) to collaborate further where efficiency and effectiveness can be achieved. The Act also enables the governance of a Fire Service to transfer from a Fire Authority to a Police and Crime Commissioner, or an elected Mayor where there is local agreement.
6. In June 2016 Authority members approved the commissioning of a Future Governance Working Group to review the governance arrangements of West Midlands Fire Service. The outcome of the working group was to provide an evidence based options appraisal for the future governance of West Midlands Fire Service. The options were presented to the Fire Authority and the agreed route and approach was for the West Midlands Mayoral Combined Authority to assume governance of the Service. The Authority approved an application to the Secretary of State for the amendment to the Local Government Act 1985, Schedule 10.
7. As part of the Authority "Route to Future Governance", approved on 20 February 2017, the Authority reviewed its Committee Structure and reduced its membership from 27 members to 15 plus two co-optee members and the Police and Crime Commissioner. The new arrangements commenced at the Annual General Meeting held on the 25 June 2018.
8. The revised arrangements meant that the former Executive Committee was disestablished and a new Committee established, the Governance and Transformation Committee. The purpose of this new Committee is to advise the Authority on the transition to the Mayoral West Midlands Combined Authority. The Committee consists of 7 Members (one from each Constituent Authority) and a position exists on this committee for 1 Co-optee.
9. The Authority has established a Policy Planning Forum, comprising all Members of the Authority, to provide for consideration of key policy areas affecting the Authority and service delivery. It is recognised as an effective way of engaging Members and officers on major issues faced by the Authority.
10. The Audit Committee has become the Audit and Risk Committee to reflect its role in monitoring the Authority's risk register. It consists of 5 Members and 1

Independent member and a position exists for 1 Co-optee. The Pensions Board assists the Audit and Risk Committee in its role as scheme manager to secure compliance with the regulations relating to governance and administration.

11. The Scrutiny Committee informs policy development; holds officers and the Service to account; holds the Authority to account and conducts reviews into specific issues. It has 7 elected Members and one co-optee position.
12. Three hitherto separate Committees, Appointments, Standards and Appeals Committees have been combined into one. It comprises of 7 Members (one from each Constituent Council) and 1 Independent Member for Standards issues only. The role of the Committee includes promoting and maintaining high standards of conduct and ethical governance by Members and co-opted Members of the Authority; making appointments to senior officer posts; and hearing and deciding upon appeals under Pension and Compensation schemes.
13. A Joint Consultative Panel, comprising 14 members, including 5 elected Members, exists to ensure regular methods of consultation between the Authority and its employees and to consider and make recommendations to the Authority or Chief Fire Officer as appropriate on any problems which may arise.
14. The committee structure for 2018/19 is attached as Appendix 1. All but one of the elected Members serves on at least 2 of the Committees plus the Policy Planning Forum. During the course of the year to date, since the reduction in the overall numbers of elected Members, several have also substituted for other Members on one or more other Committees.
15. It was agreed at the Authority Meeting held on the 10 April 2017 that an independent review should be held of the allowances scheme. This was approved at the Annual General Meeting held on the 25 June 2018 when the revised committee structure and members was approved.

Members' Allowances Scheme

16. In accordance with Regulation 10 of the Local Authorities (Members Allowances) (England) Regulations 2003 (the Regulations), the Authority is required to make and approve a scheme of the payments of members allowances each year.
17. There was no pay award to NJC and Local Government Services in 2010/11, 2011/12 and member's allowances were not therefore increased. In the years

between 2012/13 and 2017/18 in view of the continuing difficult financial situation faced by the Authority, it was agreed to defer reconsideration of the Members' Allowances Scheme.

18. As a result of the reduction in the number of Members of the Fire Authority and other changes, outlined above, the anticipated cost of the Members' Allowances Scheme reduced by around £80,000 in 2018/19.

The Review of Allowances

19. In arriving at the recommendations I set out below, I have been very mindful of the view, expressed by several Members, that increases in the cost of the allowances scheme is difficult at a time of continuing financial pressure on the Fire Service. One option, therefore, would be for the Authority to roll over the existing allowances scheme either without change or with all allowances uprated by up to 1% (in line with the increase in pay to firefighters for 2017 and in previous years).
20. However, allowances have not increased since 2010. The structure of the Authority has been reformed. The reduction in the number of Members of the Authority has saved around £80,000 in allowances. At the same time, the workload of Members of the Authority, as measured by their participation in the Committees of the Authority, has increased. This review, therefore, also sets out a package of measures that seeks to improve the operation of the current scheme, while also keeping the overall increase in the cost of allowances below the CPI annual rate of inflation, at the time the review was carried out.

The Basic Allowance

21. The Basic Allowance recognises the time commitment of all Members and is paid to recompense them for the duties that are common to all Members regardless of whether they hold a position of responsibility. The view of Members who submitted their thoughts to me in the course of the review were that the allowance should cover incidental costs that Members incur in carrying out their duties.
22. The level of the annual Basic Allowance in the West Midlands is £3,500. At the time of the review, the Allowance in a selection of urban Fire Authorities was as follows:

- Tyne and Wear £2,500¹
- Avon £1,482
- Merseyside £8,070²
- Humberside £4,457
- West Yorkshire £3,521³
- South Yorkshire £3,464⁴

23. The average Basic Allowance was £3,916.

24. The Allowance payable in a selection of county based Fire Authorities⁵ ranged from £2,266 to £6,000. The average Basic Allowance was £3,548.

25. I conclude, therefore, though it is not a decisive consideration by itself, that the Basic Allowance for Members of the West Midlands Fire Authority is a little below the average Basic Allowance paid in the other Authorities considered by this review.

26. I have also considered the expectations placed on Members in the urban Fire Authorities. No clear picture emerges from around the country on the relationship between the level of Basic Allowance and the roles, responsibilities and time commitment placed upon Members. For example:

- Avon Fire Authority met 8 times in 2017, including 3 extraordinary meetings. No other meetings involving all Members of the Authority. All but a handful of members of the Authority were also Members or Chairs of the Committees of the Authority, most of which met 3 or 4 times a year;
- Humberside Fire Authority met 9 times in 2017/18, including the AGM. The Appointments Committee met 3 times during the same period and the Appeals Committee twice. The Governance Committee met 7 times but the membership of the Committee comprises 7 independent co-opted members, appointed by the Fire Authority;
- Merseyside Fire Authority met 6 times in 2017. The 18 Members of the Authority were all appointed to Committees of the Authority;
- The Tyne and Wear Fire Authority met 10 times in 2017. Nearly all Members were also appointed to one or more of the Governance, HR and Policy Committees, each of which met 3 times during the same period;
- The South Yorkshire Fire Authority met 10 times in 2017, including the AGM. Nearly all of the 12 Members of the Authority were also members of

¹ Increased from £1,848 following an independent review of allowances in September 2017

² 2017/18 figures

³ 2018/19 figures

⁴ The independent reviewer suggested that an increase in the basic allowance to £3,814 would be justified but recommended the lower figure of £3,464, May 2018

⁵ Those considered were Derbyshire, Hampshire, Lancashire, Nottinghamshire and Royal Berkshire

Committees of the Authority, most of which met twice a year, apart from the Audit and Governance Committee which met 6 times in 2017

- The West Yorkshire Fire Authority met 4 times in 2017/18. All Members of the Full Authority were either also Chairs, Vice Chairs or Members of Committees of the Authority, most of which met 4 times a year although the Executive Committee met on an almost monthly basis.

27. By comparison, the full West Midlands Fire Authority met 5 times during 2017. All Members of the Authority are also Members of the Policy Planning Forum, that met 7 times between September 2017 and June 2018. All Members of the Authority are involved, as Members, Chairs or Vice Chairs, in Committees. During 2017/18, the Scrutiny Committee met 6 times and the Audit Committee 7 times. The Governance and Transformation Committee is scheduled to meet 6 times between October 2018 and June 2019 and the Appointments, Standards and Appeals Committee will meet as and when required.

28. I draw the conclusion that the work expected of Members of the West Midlands Fire Authority at least bears comparison with and is likely to be higher than that expected of Members of Fire Authorities in other parts of the country.

29. In South Yorkshire, the independent reviewer helpfully set out the following variables as the means of arriving at the recommended revised Basic Allowance:

- a. An assessment of the time required to undertake the roles of the ordinary Member of the Authority. This was assessed at about 22 hours per month, or 36 days a year;
- b. Public Service: the recognition that being a Member involves an element of public service and remuneration is not necessarily on a par with equivalent professional roles. The appropriate rate of remuneration for a Member in South Yorkshire was judged to be the equivalent of the daily salary for a 'competent' firefighter;
- c. Rate of remuneration: assessing the worth of Members' time. This was calculated on the basis of 36 days (variable a) multiplied by the daily rate for a 'competent' firefighter (variable b) – resulting in a possible revised annual Basic Allowance of £3,814, although in the event the recommendation was to increase the Basic Allowance by the annual percentage salary increase applicable to competent firefighters.

30. This is an interesting methodology. There are no records of the time input, expected or actual, of a Member of the West Midlands Fire Authority but I would expect them to be at least comparable to those in South Yorkshire.

Using the same methodology in the West Midlands would result in the following calculation:

Daily salary for a fully competent firefighter, based on an annual salary of £29,638 (£113.99 a day) x 36 = £4,103.

- 31. I recommend, as part of a package of changes to allowances, that the Basic Allowance be increased to £4,100, backdated to June 2018.**

Special Responsibility Allowances

Chair and Vice Chair of the Authority

32. The Chair of the West Midlands Fire Authority currently receives an allowance of £24,500. Following the abolition of the London and Greater Manchester Fire Authorities,⁶ where the Fire Service is run under the Mayoral model, this is, unsurprisingly given the scale of the West Midlands Fire Service, the highest allowance paid to the Chair of any Fire Authority in the country. Elsewhere in the country⁷ the allowances paid range from £22,884 to £8,773. By further way of comparison, the allowances paid to Leaders of the constituent councils of the West Midlands range from £21,968 to £50,000.

33. Despite the increased workload of the Chair in leading the political aspects of the possible move of the Fire Authority to the Mayoral Combined Authority, neither the Chair nor the Vice Chair would wish to see increases in their allowances.

- 34. I recommend that the Chair's allowance should remain unchanged at £24,500.**

35. The current allowance for the Vice Chair has been set at 50% of the Chair's SRA. The 2006 Statutory Guidance suggests that other Special Responsibility Allowances are set as a ratio of the Chair's or Leader's SRA. Of the sample of 11 other Fire Authorities reviewed, the ratio of the Vice Chair's to Chair's SRA is over 70% in 3 Authorities; 50-60% in 6 Authorities and 20-25% in 2 Authorities.

⁶ The allowance paid to the Chair of the Greater Manchester Fire Authority had been a touch over £30,000 and that in London was £26,000.

⁷ Based on a sample of 11 other urban and county based Fire Authorities

36. **The ratio currently used in the West Midlands to arrive at the allowance paid to the Vice-Chair is, therefore, consistent with practice elsewhere in the country. I recommend that the 50% ratio remains unchanged and that, therefore, the allowance payable to the Vice-Chair remains unchanged at £12,250.**

Chairs and Vice Chairs of the Audit and Risk, Governance & Transformation and Scrutiny Committees and the Joint Consultative Panel.

37. The Chairs of the Audit and Risk, Governance and Transformation and Scrutiny Committees and the Joint Consultative Panel currently receive an allowance of £8,575 a year. This is a ratio of 35% of the allowance payable to the Chair of the Authority.
38. The Vice Chairs of the Governance and Transformation and the Scrutiny Committees currently receive an allowance of £6,575 (or a ratio of just over 75% compared to the Chair of the relevant Committee) and the Vice Chairs of the Audit and Risk Committee and the Joint Consultative Panel £3,975 (or a ratio of just over 45% compared to the Chair of the relevant Committee or Panel).
39. The first consideration is whether the level of allowances payable to the Chairs of these Committees, set at a ratio of 35% of the allowance payable to the Chair of the Authority, is reasonable. A consideration of the allowances paid to the Chairs of Committees in other Fire Authorities shows that the highest ratio paid, in comparison with the Chair of the Authority, is 50%. In another Authority, 37.5% is the standard ratio. In other cases, the allowances are set at a ratio of less than 35%. **I conclude that the 35% ratio is reasonable but that it should not be increased. The allowances payable to the Chairs of these Committees and Panel should remain, therefore, at £8,575.**
40. The second consideration is whether the ratio of Vice Chairs' allowances, at 75% for some Committees and 45% for others, is reasonable. Benchmarking of other Fire Authorities is more difficult at this level. Where figures are readily available, it is not uncommon for the Vice Chair to receive an allowance that is 50% of that of the Chair – and, indeed, that is the ratio used for the Chair and Vice Chair of the West Midlands Fire Authority. In one Authority, however, the level of allowance payable to the Vice Chairs of Committees is set at 66.6% of that payable to Chairs. **I conclude that the level of allowances paid to Vice Chairs, while high, is not unreasonable.**
41. I see no reason, however, either in terms of the frequency of meetings of the Audit and Risk Committee, or in the importance of the work of that Committee,

compared to other Committees, why the Vice Chair of that Committee should receive a lower allowance than that received by the Governance and Transformation and Scrutiny Committees.

42. **I recommend, therefore, that the levels of allowance for the Vice Chairs of the Governance and Transformation and Scrutiny Committees should remain unchanged at £6,575, that the allowance receivable by the Vice Chair of the Audit and Risk Committee should increase to £6,575 (backdated to June 2018) and that payable to Vice Chair of the Joint Consultative Panel should remain at £3,975.**

Chair and Vice Chair of the Appeals, Standards and Appointments Committee

43. The Chair of the newly created Appeals, Standards and Appointments Committee, amalgamating previously separate Committees currently receives an allowance of £8,575 – the same level as that paid to other Committee Chairs. The Vice Chair receives an allowance of £3,975 – or just over 45% of the allowance payable to the Chair. In contrast to the other Committees, that typically will meet 6 times or more during the current year, the Appeals, Standards and Appointments Committee will meet as and when required.
44. The issues considered by the Committee will often be complex and important to the organisation. The way the discussions are managed by the Chair and, as necessary, by the Vice Chair will be of critical importance to the way in which sometimes difficult decisions are made. That said, it is not straightforward to justify that the Chair of a Committee which might meet just once in a year receives an allowance at the same level of a Committee which meets 6 times or more. **I recommend that the Chair of the Committee receives an allowance at the level of the Vice Chairs of the other Committees – at £6,575 - and the Vice Chair, as now, at around 45% of that level – or, £3,000. If, however, the Committee meets 4 times or more a year the allowances payable in that year should revert to the levels payable to the Chair and Vice Chair of the Audit and Risk Committee. These changes should be backdated to June 2018.**

Members of the Scrutiny Committee

45. It is unusual for Members of a Committee, other than the Chair and Vice Chair to receive an allowance. Members of the Scrutiny Committee in the West Midlands Fire Authority receive an allowance of £4,900 a year. No Members of any other Committee receive such an allowance in the West Midlands. Nor could I readily see that allowances are paid to Members of any other

Committee (other than the Chair and Vice Chair) in any other part of the country.

46. Scrutiny is undoubtedly a vitally important function in the effective governance of any politically led organisation. It is entirely appropriate that the Chair and Vice Chair of the Authority receive the allowances that they do. It is interesting, however, that the other Members of the Committee receive, in some cases, more than the Vice Chairs of other Committees and Panels.

47. In addition to the Chair and Vice Chair of the Committee, there are currently 5 other members of the Committee. Under 'the one SRA rule' (see below), 3 of these 5 members are either Chairs or Vice Chairs of other Committees. If the recommendations set out in this review were to be accepted, 2 members of the Scrutiny Panel would be adversely affected by a reduction in or abolition of the allowance payable to Scrutiny Committee Members. **However, I do not see a compelling case for the continuation of the allowance for members of the Committee and recommend that it should be abolished, as soon as practicable after the November meeting of the Authority.**

Other Allowances

48. In one or two local authorities in the West Midlands allowances are paid for IT and stationery. This has not been in the case hitherto in the West Midlands Fire Authority and I see no reason to introduce such allowances now. I take the view that the Basic Allowance should cover any minor IT and other expenses associated with the responsibilities of being a Member of the Fire Authority.

The 1 Special Responsibility Allowance convention

49. There is nothing in statute to prevent Members receiving two or more Special Responsibility Allowances. Indeed, they may do so in a very small number of Fire Authorities elsewhere in the country. But the West Midlands has adopted the convention, as is the case with the vast majority of other Fire Authorities, that regardless of the number of remunerated posts a Member holds they only receive one Special Responsibility Allowance. For example, if a Member was a Chair of one Committee and Vice Chair of another, he or she would only receive the allowance payable as Chair of the Committee. This is a valuable convention in aiding public transparency. **It was not suggested to me**

during the course of review that the convention should be changed and I am happy to re-affirm that it should be maintained.

Co-Optees and Independent Members

50. At present, the West Midlands Fire Authority has 2 co-optees⁸ as Members of the Full Authority (and, therefore, on the Policy Planning Forum) and 2 independent Members⁹: 1 on the Audit Committee and 1 on the Appointments, Standards and Appeals Committee (in respect of Standards only).
51. Only the independent member of the Audit Committee receives an annual allowance, to the amount of £350 (or 10% of the Basic Allowance payable to Members of the Authority). His role is set out as assisting members of the Committee in providing independent assurance of the adequacy of the Authority's risk management framework and associated control environment, independent scrutiny of the Authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and overseeing the Authority's financial reporting process.
52. The payments made to co-optees and independent Members in other Authorities varies significantly. In some, no payment is made. In some, payments are made for each meeting attended.¹⁰ And in others, annual payments are made. These range from £243 in Avon to £1648 in Tyne and Wear. The review of Members' Allowances in South Yorkshire set out the calculation by which it was recommended to pay the 3 independent Members of its Audit and Governance Committee an annual allowance of £447 a year each. In brief, the 6 annual meetings of the Committee were assessed as requiring 4 days work a year, with the daily rate being calculated on the basis of a competent firefighter's salary.
53. There is an attractive argument for consistency in uprating the basic allowance paid to Members and the annual allowance paid to the independent member to the Audit and Risk Committee. **I therefore recommend that the allowance for the independent member of the Audit and Risk Committee should be maintained at 10% of the level of the Basic Allowance paid to Members of the Authority.**
54. The question then arises whether other co-optees or independent members should be paid for their time. I do not find that it follows that they should. The role of the independent member of the Audit and Risk Committee is set out in

⁸ Professor Simon Brake and Sarah Middleton

⁹ Ray Tomkinson is the independent member of the ASA Committee and Mr M Ager is the independent member of the Audit and Risk Committee

¹⁰ For example, £50 per meeting in Merseyside and £140 per meeting in Royal Berkshire.

a detail that does not apply to the other roles. The Audit and Risk Committee meets 6 times a year, where meetings relating to standards are called as and when necessary. **An annual allowance for the independent member of the Appointments, Standards and Appeals Committee would not, therefore, be appropriate, although the Authority may wish to consider introducing a payment for each meeting of the Standards Committee attended by the independent member. An allowance in the range of £50-100 a meeting would be reasonable.**

55. The roles of the co-opted members of the full Authority are different to those of independent members contributing to particular Committees. They bring valuable experience and expertise from the wider private and public sectors and the wider context of the West Midlands. But I see no compelling reason why the role should now receive an allowance when it has not in the past.

Backdating

56. Any changes in allowances should be backdated to 25 June 2018, the date upon which the new arrangements commenced following the Annual General Meeting of the Authority held on that date, save for the abolition of the allowance for members of the Scrutiny Committee which should apply, if agreed at the meeting of the Authority, as soon as practicable thereafter.

Travel and Subsistence

57. During the year ended 31 March 2018, £606.50 was paid to Members of the Authority in relation to travel expenses. No payments at all were made for subsistence expenses. In the previous year £613.01 was paid in travel expenses and £102.74 for subsistence. These amounts are less than those paid in other urban fire authority areas.¹¹
58. Travel and subsistence expenses are payable when Members of the Authority are on approved duties. The approved duties are set out in a Schedule to the Constitution and cover:
- A meeting of the Authority or of any Committee or sub-Committee of the Authority;

¹¹ For example, the combined figure for T&S payments to Members of the Greater Manchester Fire Authority in 2016/17 was £5,778.93; the figure for South Yorkshire was £1,768; for Merseyside £4,246.99 (17/18 figures); and West Yorkshire £2,646.75 (17/18 figures)

- A meeting of any other body to which the Authority or any Committee or Sub-Committee of the Authority makes appointments. Or nominations, or any Committee or Sub-Committee of such a body;
- Any other meeting, the holding of which is authorised in advance by the Authority, or a Committee or Sub-Committee of the Authority, or a joint Committee of the Authority or one or more other Committees or a Sub-Committee of such a joint Committee provided that members of at least two political groups have been invited to attend;
- A meeting of any association of authorities of which the Authority is a member;
- Attendance as an appointed representative of the Authority, or of a Committee or Sub-Committee, at a conference, seminar or authorised meeting or visit or at any other meeting authorised by the Authority.

59. The list of approved duties for which T&S is payable are broadly in line with those in place in other Fire Authorities. Some other Authorities have a slightly longer list of approved duties than does the West Midlands. However, I have received no representations to change the current schedule of approved duties, which is fit for purpose. **I recommend no change is made.**

60. Travel expenses may only be claimed by elected Members for journeys outside the West Midlands but within the United Kingdom. Over time, the same restraint has come to govern the treatment of subsistence allowances. This is consistent with some other Fire Authorities, such as that in West Yorkshire. Members of the Authority to whom I spoke were firmly of the view that the Basic Allowance should cover incidental travel and subsistence associated with carrying out their duties in the West Midlands. **I recommend no change to the schedule of approved duties and to the fact that they should only be claimed when carrying out duties beyond the West Midlands.**

61. Despite the fact that T&S allowances have not been uprated for inflation for some time, given the low level of claims made, **I further recommend that no increase is made at this time.** For completeness, however, I do set out my considerations, below.

62. If a change were to be made, there would be 2 main options to consider:

- i) To link the rates to a national benchmark, such as the HMRC approved rates;
or
- ii) To link the rates for Authority Members to those payable to staff.

Travel

63. In the West Midlands, as is the case in other Fire Authorities, the policy is that the actual cost of public transport used by members will be reimbursed by the Authority where such costs are reasonably and necessarily incurred in connection with approved duties. As a general rule, standard class tickets should be purchased. I endorse this policy.

64. The current rates payable by the Authority for cars are as follows:

- Not exceeding 999cc – 34.6 pence per mile
- 1000 - 1199cc – 39.5 pence per mile
- Over 1199cc – 45 pence per mile

65. After 10,000 business miles, the rate becomes 25 pence per mile. Where passengers are taken, a supplement of 5.0 pence per mile is payable (up to 4 passengers). Where applicable, reasonable car parking fees and congestion charges may be claimed.

66. The HMRC approved rates are as follows:

	First 10,000 business miles	Each business mile over 10,000
Cars and Vans	45p	25p
Motor Cycles	24p	24p
Bicycles	20p	20p

67. 5p per passenger per business mile is also payable for carrying fellow employees in a car or van on journeys which are also work journeys for them.

68. The same rates are currently payable to staff of the Fire Service who are casual (that is, non-essential) car users.

69. The advantage of adopting the HMRC (or staff) rate is that it allows for automatic uprating, as and when changes are made to the wider scheme – rather than Members of the Authority being asked to approve (or refuse) changes to their own scale of allowances. It also explicitly makes allowance for motor cycles and bicycles.

Subsistence

70. Similar considerations apply to subsistence allowances. Given that only a little over £100 has been claimed over the past 2 years, there is no pressing need for change.

71. In common with other Fire Authorities and Local Authorities, the West Midlands Fire Authority pays subsistence to Members of the Authority on

approved duties. As is normal, Members are only permitted to claim allowances for actual expenditure reasonably incurred in connection with approved duties, up to maximum rates.

72. At the time of this review, the following maximum rates apply in the West Midlands:

- (i) Breakfast allowance £4.92
- (ii) Lunch allowance £6.77
- (iii) Tea allowance £2.67
- (iv) Evening meal allowance £8.38

73. Members who undertake duties involving an overnight stay should, wherever possible, ensure that their accommodation is pre-booked by officers in accordance with the Authority's normal administrative arrangements. If members book their own accommodation, this is subject to a maximum level of reimbursement as specified below of £79.82 per night or £91.04 in London.

74. A comparison of 6 other authorities, a mix of predominantly urban and county areas, suggests that these rates compare favourably, from the perspective of value for the public purse, with those elsewhere.¹²

75. The HMRC benchmark rates are as follows:

- Up to £5 for breakfast;
- Up to £5 for one meal and at least 5 hours qualifying travel;
- Up to £10 for one or more meals and at least 10 hours qualifying travel;
- Up to £15 for a late evening meal.

76. The breakfast and late evening meal rates are expected to be used exceptionally. Benchmark scale rate payments must be limited to 3 meal rates on one day or 24 hour period. HMRC has not set a benchmark rate for overnight subsistence.

77. The maximum rates applicable to staff of the Fire Service are currently as follows:

- Breakfast up to £6.90;
- Lunch up to £9.50;
- Dinner up to £15.50.

¹² The range of rates for breakfast is from £5.57 to £9.01 with an average of £6.69. For lunch the figures are £7.70 to £13.55 with an average of £9.42. For tea, £3.04 to £5.64, with an average of £4.20. For dinner, £9.54 to £16.92, with an average of £11.71. For overnight stays outside London the range is from £75.31 to £120.42 with an average of £96.36 and inside London and approved conferences it is £87.12 to £136.40 with an average of £110.40.

78. If a change were to be made to Members' travel and subsistence rates, aligning them to staff rates would be my preferred option. **However, given the low level of claims made I do not recommend this course of action; there is no pressing need to make this change now.**

Carers

79. A Dependents' Carers Allowance is payable to those elected members and independent members of the Fire Authority who incur expenditure for the care of their children or other dependants whilst undertaking particular approved duties. The amount of the dependants' carers allowances payable in respect of approved duties will be the actual costs incurred up to a total annual maximum amount of 10% of elected members' basic allowance (so, currently, set at a maximum of £350 a year).
80. The published figures for the Authority show that no payments were made to Members for the Carers' Allowance for the year ended 31 March 2018.
81. Some Fire Authorities make no provision for a Carers' Allowance. Others, a minority, do so by paying a maximum hourly rate. The rates payable are typically the same, or show minimal variation, between dependent children and adults, although one Authority allows claims of up to £10.40 per hour for dependents compared to up to £5.80 for childcare.
82. There is no compelling reason to move from the system currently adopted by the Authority (10% of the basic allowance) to those used by other Authorities – or to cancel the allowance. **I recommend that the Carers' Allowance continues to be set at a maximum of 10% of the basic allowance.**

Scheme of Delegations

83. I have reviewed the scheme of delegations to officers. The scheme is as one would expect to find and, indeed, is very similarly structured to that found in the Mersey Fire Authority. No representations have been made about the operation of the Scheme of Delegations in the West Midlands **and I do not recommend any change to the scheme.**

Terms of Reference of the Committees

84. The Committee structure of the Authority is set out at Appendix 1. The Governance and Transformation Committee has been established this year, specifically to advise the Authority on the issues that will arise from the possible transition to the Mayoral West Midlands Combined Authority. The Policy Planning Forum is also relatively unusual, when compared to the Committee structures in other Fire Authorities, but it clearly serves an important role in the deliberations of the West Midlands. The Audit and Risk, Scrutiny, and Appeals, Standards and Appointments Committees and the Joint Consultative Panel and Pensions Board are all common functions of other Fire Authorities, although sometimes the grouping of responsibilities in other Authorities is slightly different to that in the West Midlands. That is immaterial; the structure is sensible.
85. There are, however, 2 issues worth highlighting in this review. The first is that, in some other Fire Authorities, the terms of reference of the Audit and Risk Committee contain a provision for the Committee to review any issue referred to it by the Chief Fire Officer, Section 151 officer or Secretary of the Fire Authority. No such provision exists in the West Midlands. The second is that in some other Fire Authorities there is a specific role for a Scrutiny or other Committee to review information relating to the Service's performance targets and other data; I could not see that such a responsibility exists clearly for any Committee in the West Midlands. **I recommend that it would be worth the Authority giving consideration as to whether clarifying Committee responsibilities in relating to either or both of these two issues would be useful.**

Appendix 1

