

## **Meeting of the Council – 12<sup>th</sup> July, 2021**

### **Joint Report of the Chief Executive and the Director of Finance and Legal**

### **Independent Remuneration Panel – Review of the Members' Allowances Scheme**

#### **Purpose of Report**

1. To consider the Members' Allowances Scheme taking account of the report of the Independent Remuneration Panel established in accordance with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003.

#### **Recommendations**

2. That the Members' Allowances Scheme, as attached to this report, be approved and adopted and that the appropriate provision be made in the Council's revenue budget for 2021/22 and future years.

#### **Background**

3. On 21<sup>st</sup> December, 2020, the Council established an Independent Remuneration Panel in line with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003.
4. The Council has a duty to consider recommendations from an Independent Remuneration Panel when reviewing the Members' Allowances Scheme. In addition, the Council has a statutory duty to review the annual indexing arrangements in the Members' Allowances Scheme every 4 years.
5. The last review of the Members' Allowances Scheme took place in 2017 and there is a statutory obligation on the Council to undertake this further review in 2021.
6. To comply with legal obligations, the Independent Remuneration Panel was invited to submit recommendations in advance of the 2021/22 financial year. The report of the Independent Remuneration Panel was submitted to the meeting of the Council on 22<sup>nd</sup> February, 2021 and is available on the [Council's website](#).

7. On 22<sup>nd</sup> February, 2021, the Council resolved:
  - (i) That the report of the Independent Remuneration Panel be received and referred for consideration by the appropriate Scrutiny Committee.
  - (ii) That, subject to (i) above, no changes be made to the provisions of the existing Members' Allowances Scheme to apply from 1<sup>st</sup> April, 2021.
8. To enable full and detailed consideration of the findings of the Independent Remuneration Panel, the report was referred to the Future Council Scrutiny Committee on 9<sup>th</sup> June, 2021. The report and minutes of that meeting are available on the [Council's website](#). The Future Council Scrutiny Committee resolved that the Director of Finance and Legal consider the detailed implications of the comments and observations made by the Scrutiny Committee and, following consultation with both Group Leaders, submit a report to the Council on 12<sup>th</sup> July, 2021.
9. Further consultation has now taken place with both Group Leaders. The revised Members' Allowances Scheme is attached for consideration by the Council. If approved, it is proposed that the revised allowances rates will be implemented with effect from the Annual Council meeting on 20<sup>th</sup> May, 2021. The next inflationary increase will be applied, in accordance with the Scheme, from 1<sup>st</sup> April, 2022.

## **Finance**

10. Provision was made for the continuation of the existing Members' Allowances Scheme, including the annual indexing arrangements, in the draft revenue budget approved by the Council on 1<sup>st</sup> March, 2021. The additional full-year cost of the attached Scheme is £272,790, which will be included within the Council's revenue budget for 2021/22 and future years.

## **Law**

11. This report is to ensure compliance with the Local Government and Housing Act 1989 and the Local Authorities (Members' Allowances) (England) Regulations 2003.
12. The Council's Constitution was adopted under the Local Government Act 2000. Appointing an Independent Remuneration Panel and adopting a Members' Allowances Scheme are functions reserved to the full Council under Article 4 of the Constitution.

## **Risk Management**

13. This report complies with statutory obligations and the requirements of the Constitution concerning the Members' Allowances Scheme. There are no identified material risks relating to the Risk Management Framework.

## **Equality Impact**

14. This report has due regard to the Council's policies on equality and diversity.

## **Human Resources/Organisational Development**

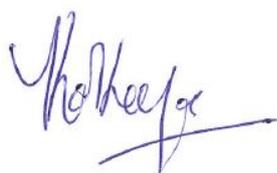
15. There are no additional human resources or organisational development implications.

## **Commercial/Procurement**

16. This report has no commercial impact on the Council's ability to trade or implications relating to compliance with Contract Standing Orders and/or Procurement legislation.

## **Council Priorities**

17. The Members' Allowances Scheme is part of the Council's Constitution and governance arrangements. The Scheme reflects the key roles of all elected Members in the delivery of the Council's duties and priorities including the Borough Vision, Council Plan and Future Council Programme.



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**Kevin O'Keefe**  
**Chief Executive**



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**Iain Newman**  
**Director of Finance and Legal**

# **DUDLEY METROPOLITAN BOROUGH COUNCIL**

## **LOCAL GOVERNMENT AND HOUSING ACT 1989**

### **LOCAL AUTHORITIES (MEMBERS' ALLOWANCES) (ENGLAND) REGULATIONS 2003**

### **LOCAL GOVERNMENT PENSION SCHEME AND DISCRETIONARY COMPENSATION (LOCAL AUTHORITY MEMBERS IN ENGLAND) REGULATIONS 2003**

#### **MEMBERS' ALLOWANCES SCHEME**

##### 1. Effective Date

- 1.1 This Scheme shall be effective from 1<sup>st</sup> April, 2021.
- 1.2 Members may elect to forego any part of their entitlement to an allowance under this Scheme by giving notice in writing to the Director of Finance and Legal.

##### 2. Basic Allowance

- 2.1 Each elected member of the Council will receive an annual basic allowance, to be paid in monthly instalments in arrears. The annual basic allowance shall be £10,737.

##### 3. Telephone Costs and Travel and Subsistence

- 3.1 The costs of telephones are incorporated within the basic allowance.
- 3.2 The cost of travel and subsistence in the West Midlands County area is incorporated into the basic allowance.
- 3.3 Regarding travel outside of the West Midlands County area: -
  - (a) Members are required to travel by standard class public transport wherever practicable, the cost of which shall be reimbursed or paid directly.
  - (b) Where the use of public transport is not practicable, the cost of travel will be reimbursed on the basis of casual user car allowances payable to officers.

- (c) Where members are unable to take main meals in their normal place, the reasonable cost of purchasing a meal and beverage or appropriate refreshments shall be reimbursed, subject to receipts being produced where practicable.

#### 4. Special Responsibility Allowances

- 4.1 The Special Responsibility Allowances payable under this Scheme shall be those set out in Appendix 1 attached. They will be paid in monthly instalments in arrears.
- 4.2 The Special Responsibility Allowances payable to Opposition Party Leaders and Deputy Leaders shall be applicable only where their political group is ten or more elected members in number.

#### 5. Multiple Allowances

- 5.1 Where a Member holds more than one office qualifying for a Special Responsibility Allowance, the Member shall be paid the higher or highest allowance only.

#### 6. Inflation increases

- 6.1 The allowances in this Scheme shall be varied each year in line with the agreed cost of living pay increases for Local Authority staff whose pay award is determined by the National Joint Council.

#### 7. Carer's Allowance

- 7.1 Where an elected member is required to pay a carer in order to attend official Council business, reasonable actual costs of that care will be reimbursed.

#### 8. Absence

- 8.1 All the allowances in this Scheme will be withdrawn where an elected member ceases to be a Councillor for any reason. This includes failure to attend any meetings for six months without their absence being approved by the Council in advance.

#### 9. Processing of Claims

- 9.1 The Director of Finance and Legal will maintain a record of all allowances paid showing the name of the recipient, the amount and the nature of the payment. The record will be available for inspection free of charge by any local government elector for the area of the Borough Council at all reasonable times. Copies of any part of the record may be made.

SPECIAL RESPONSIBILITY ALLOWANCES

	Cabinet/Chair	Deputy/Vice
Leader of the Council	£25,213	
Deputy Leader		£19,940
Cabinet Member	£14,355	
Scrutiny Committees (incl. Audit & Standards)	£9,560	£4,609
Development Control Committee	£11,172	£5,234
Other Committees (Appeals, Licensing & Safety and Taxis)	£9,560	£4,609
Opposition Leaders	£11,290 <sup>1</sup>	£8,919 <sup>1</sup>
Opposition Spokespersons	£6,435 <sup>1</sup>	

1. The Special Responsibility Allowances payable to Opposition Party Leaders, Deputy Leaders and Opposition Spokespersons shall be applicable only where their political group is ten or more elected members in number.