

# Governance and Ethics Committee

25 February 2022

<b>Report title</b>	Report of the Independent Remuneration Panel	
<b>Cabinet member with lead responsibility</b>	Councillor Paula Brookfield Cabinet Member for Governance and Equalities	
<b>Accountable director</b>	David Pattison, Chief Operating Officer	
<b>Originating service</b>	Governance	
<b>Accountable employee</b>	David Pattison	Chief Operating Officer
	Tel	01902 550320
	Email	David.pattison@wolverhampton.gov.uk
<b>Report to be considered by</b>	Council	2 March 2022

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## Recommendation for decision:

The Governance and Ethics Committee recommends that Council:

1. Consider the report of the Independent Remuneration Panel and approve, reject or approve alternative proposals for the recommendations made by the Panel as detailed in Appendix 1.
2. Delegate authority to the Monitoring Officer to amend the Scheme of Councillor Allowances according to the decisions taken by Council for inclusion in the Council's Constitution.

## **1.0 Purpose**

- 1.1 To consider the report of the Independent Remuneration Panel attached as Appendix 1 on a review of Councillor's Allowances and make recommendations to Council.

## **2.0 Background**

- 2.1 All local councils are required by The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to establish and maintain an Independent Remuneration Panel to make recommendations on the level of basic and special responsibility allowances and associated matters that are paid to Councillors.
- 2.2 Where a local authority scheme provides for increasing allowances by an index, this can only operate for maximum period of four years and a further review is required before any further index can be applied.
- 2.3 The previous report of the Panel was considered by Council on 31 January 2018.
- 2.4 In carrying out its review the Panel was keen to ensure that the review was comprehensive and encompassed all aspects of the allowances scheme. The Panel endeavoured to carry out the review in an impartial manner and to base its conclusions and recommendations on the evidence they received. Throughout the review the aim of the Panel has been to produce an allowances scheme that is fair and equitable and which is appropriate for the needs of this Council.
- 2.5 The Panel has used a range of sources of evidence and in particular considered the allowances paid to Councillors of the Black Country, West Midlands Metropolitan Councils and fifteen similar sized councils in this Councils CiPFA family group.

## **3.0 Recommendations from the Independent Remuneration Panel**

- 3.1 A Panel was appointed by Council to review the Councillor' Allowances Scheme. The Panel Members appointed were:
- Mr Miceal Barden – Dean of the Faculty of Social Sciences, Wolverhampton University
  - Mrs Sylvia Parkin– Formerly Deputy Lieutenant
  - Reverend David Wright – The Rector of St. Peters Church Wolverhampton (Chair)
- 3.2 The Panel carried out its review in January 2022 in accordance with the provisions of the Regulations.

The Panel reviewed the Council's scheme of Councillor 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.
- Decide whether the level of allowances are to be determined according to an index and if so which and for how long.
- Review of Dependent Carer's Allowance.
- Review Travelling and Subsistence Allowances.
- Review Co-optees Allowances.

3.3 The Panel has made a detailed report of its work, attached at Appendix 1, and made recommendations.

3.4 The decision to approve these recommendations is the Council's. The Council must have regard to the recommendations made by the Independent Remuneration Panel before it proposes any changes to the current Councillor Allowances Scheme. The Council should consider each of these recommendations individually and decide whether each recommendation should be approved or rejected. The Council is not bound by the decisions of the Panel and may reject any of the proposals made, but the Council should have regard to the implications of such decisions and alternative provisions can be put forward and agreed.

## **5.0 Financial implications**

5.1 A comparison of the current and proposed scheme of councillors' allowances has been undertaken assuming in each case that all Special Responsibility Allowances are paid. On that basis the additional cost of the proposed scheme, inclusive of employer's national insurance contributions, is estimated to be just over £80,000. In the event that this proposal is approved the additional cost will be funded from corporate reserves in the first year if it cannot be met from corporate budgets. Thereafter the budget set aside for all members allowances would be uplifted as part of the 2023-2024 budget setting process and Medium Term Financial Strategy preparation.

[GE/10022022/E]

## **6.0 Legal implications**

6.1 Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require the Council to review members' allowances at least once every four years for the purpose of agreeing how it will index link its scheme of allowances. The Council must have regard to the recommendations made by the IRP and determine whether and how these are implemented. The Council must also have regard to the recommendations made by the IRP before it amends any part of the current Councillor' Allowances Scheme. [SZ/02022022/P]

## **7.0 Equalities implications**

- 7.1 There are no equalities implications arising from the recommendations of this report. The Members Allowances Scheme incorporates an allowance for dependent carers allowance which 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.

## **8.0 Any Other Implications**

- 8.1 There are no other implications arising from this report.

## **9.0 Schedule of background papers**

- 9.1 The following papers were relied upon as part of this review:

Local Authorities (Members' Allowances) (England) Regulations 2003  
City of Wolverhampton Council Constitution Scheme of Councillor Allowances  
Benchmarking information for neighbouring authorities and family authorities

## **10.0 Appendices**

- 10.1 Appendix 1- Report from the Independent Remuneration Panel
- 10.2 Appendix 2 – Benchmarking Data
- 10.3 Appendix 3 – Councillor Allowances Survey
- 10.4 Appendix 4 – Role Profiles