

REPORT TO COUNCIL

16 July 2019

Subject:	Independent Remuneration Panel Review on Members' Allowances Scheme
Director:	Director of Law and Governance and Monitoring Officer – Surjit Tour
Contribution towards Vision 2030:	
Contact Officer(s):	<p>Phil Challoner, Civic and Member Services Manager Phil_challoner@sandwell.gov.uk 0121-569-3381</p> <p>Suky Suthi-Nagra Democratic Services Manager Suky_suthinagra@sandwell.gov.uk 0121-569-3479</p>

DECISION RECOMMENDATIONS

That Council:

1. Considers the following recommendations of the Independent Remuneration Panel (IRP);
 - a) that pending further information relating to the role of the Deputy Mayor to include the reasons why the Special Responsibility Allowance (SRA) was ceased in 2014/15 and, subject to further consideration as part of the governance review of the Constitution, a further report be submitted to the IRP to determine whether a SRA should be payable to the Deputy Mayor;
 - b) that having considered the proposed role description for the Cabinet Advisor (set out in Appendix 2) and the need for better alignment to the Vision 2030 with clearer accountability and support to the Executive, the role of Member Champion should be replaced by the

role of Cabinet Advisor with the SRA remaining at 33.3% of the Leader's Allowance;

- c) that having considered the changes in the role and remit of the Chair of the Budget and Corporate Scrutiny Management Board, and the removal of the responsibility of the West Midlands Combined Authority liaison work and the oversight and coordination of Scrutiny Board work, the SRA for this role should be amended from 60% of the Leader's Allowance to 33.3% of the Leader's Allowance in line with the SRA of all other Scrutiny Chairs;

2. That having taken into consideration the recommendations of the Panel, determine:-

- a) the revised Schedule of Members' Allowances in respect of Sandwell MBC for the municipal year 2019/20 as set out in Appendix 3;
- b) approve the following role description for the Cabinet Advisor as set out in Appendix 2 and authorise the Director Law and Governance and Monitoring Officer to amend the Council's Constitution, its Parts and Articles, in accordance with Article 15 of the Constitution to include the role description for the Cabinet Advisor for the areas of responsibility set out below:-

Adult Social Care and Health;
Housing;
Children and Young People;
Transport and Community Cohesion;
Community and Neighbourhoods;
Community Wealth Building;

- c) that the SRA for the Deputy Mayor be reviewed as part of the governance review and the findings of the review be reported back to the IRP;
- d) that any outcomes from the scrutiny review in respect of scrutiny roles and responsibilities be considered by the IRP.

1. **PURPOSE OF THE REPORT**

- 1.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2001, as amended, the Council must invite independent representatives of Sandwell, to form a Panel to make recommendations on a suitable remuneration scheme for elected Members.

- 1.2 The Panel has the function of providing the Council with advice on its Members' Allowances Scheme and the nature and level of allowances to be paid. The Council must have regard to this advice when reviewing or amending its Scheme.
- 1.3 It is recommended that the Panel carry out a fundamental review of the Scheme at least every four years and an annual 'light touch' review is recommended.
- 1.4 This year the Panel comprised of Mr Stewart Towe (Chair), Ashley Saville-Boss and Ms Sylvia Parkin. Stewart is the former Chairman of the Black Country Local Enterprise Partnership Board and remains Chairman and Managing Director of Hadley Group, an Engineering Group, with its Head Office and fourth manufacturing site in the borough of Sandwell. Ashley Savell-Boss has over 30 years of experience in Funeral Directing, has served as a school Governor for almost 30 years and now chairs the multi academy trust 'Shireland Collegiate Academy Trust' based in Smethwick. Sylvia is a Deputy Lieutenant and a Lieutenancy ambassador for Sandwell. She was the Regional Employer Engagement Officer for the Wm RFCA and negotiated with Employers on the terms and conditions for Employment of Reserve Military Personnel.
- 1.5 The Panel met on 11 July 2019 to explore the following:-
- the role and responsibility of Cabinet Advisor;
 - the role and responsibility of Chair of Budget and Corporate Scrutiny Management Board;
 - the role and responsibility of Deputy Mayor.
- 1.6 The findings of the IRP are set out in Appendix 1.

2 IMPLICATION FOR SANDWELL'S VISION 2030

- 2.1 This process incorporates all of Sandwell's ambitions as the role of elected Members, as leaders and decision-makers, underpins the Council's future vision.

3 BACKGROUND AND MAIN CONSIDERATIONS

The Panel have made recommendations to the authority about specific roles and responsibilities, for which a Special Responsibility Allowance (SRA) may be payable and the rate of such.

4 THE CURRENT POSITION

4.1 It is recommended that an Independent Remuneration Panel carry out a fundamental review of the Members Allowances Scheme at least every four years. The last fundamental review took place in mid-2017 and was reported to full Council on 17 October 2017. The Terms of Reference for the Panel included:

- To make recommendations to the authority as to the amount of basic allowance, which should be payable to elected Members; and
- To make recommendations to the authority about roles and responsibilities, for which a Special Responsibility Allowance (SRA) may be payable and the rate of such.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

5.1 The Panel consulted the Leader of the Council on proposals relating to the role of Cabinet Advisor.

6 ALTERNATIVE OPTIONS

6.1 The Council must engage and support a Panel in independently reviewing its Members' Allowances Scheme; any failure to follow the legislative guidance would place the Council at risk of legal challenge.

7 STRATEGIC RESOURCE IMPLICATIONS

7.1 Member's Allowances are already funded from within existing budgets;

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 The Council has a statutory duty to support an independent review of its Members' Allowances scheme.

9. EQUALITY IMPACT ASSESSMENT

9.1 An equality impact assessment is not required for this proposal.

10. DATA PROTECTION IMPACT ASSESSMENT

10.1 All governance information policies have been complied with during this review and subsequent production of the report.

11. CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There is no requirement to engage crime and disorder policies or risk assessment methods as a result of this report.

12. SUSTAINABILITY OF PROPOSALS

12.1 The proposals contained within this report relate to the Members' Allowances Scheme, which will continue to operate in accordance with legislative requirements.

13. IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

13.1 There is no effect on Council owned or managed assets.

14 Appendix

Appendix 1 – Report of the Independent Remuneration Panel – 11 July 2019

Appendix 2 – Role Description Cabinet Advisor

Appendix 3 – Proposed Schedule of Member Allowances 2019/20

Surjit Tour

Director of Law and Governance and Monitoring Officer