

Report of:	Executive Member Finance and Governance Director of Legal & Governance Services
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Submitted to:	Council
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Date:	25 May 2022
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Title:	Members' Scheme of Allowances
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Report for:	Decision
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Status:	Public
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Strategic priority:	All
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Key decision:	No
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Why:	Not applicable
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Urgent:	No
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Why:	Not applicable
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Executive summary

Following its 2022 review of Members' allowances, the Independent Panel on Members' Remuneration recommend no change to the Scheme of Allowances for the 2022/2023 municipal year.

The Council is asked to consider the Panel's recommendations and either accept or reject them. If, after having due regard of the Panel's recommendations, the Council reject the Panel's proposals it will need to create its own Scheme of Allowances.

Purpose

1. To provide Members with the opportunity to consider the proposals of the Independent Panel on Members' Remuneration and adopt the Scheme of Allowances.

Background and relevant information

2. The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis and to have due regard to the recommendations of the Independent Panel on Members Remuneration.
3. Members Allowances are reviewed by the Independent Panel on Members' Remuneration annually, and undergo a full review every four years. The Panel carried out a full review in early 2018 and submitted their recommendations to Council for agreement.
4. In 2018 the Panel made recommendations that the Basic Allowance be increased incrementally, for a four year period in order to bring it in line with the average Basic Allowance of other Tees Valley authorities. It was also recommended that the Basic Allowance should continue to be increased in line with any inflationary staff pay awards.
5. It was recommended that; the multiplier for working out the level of SRA's was also to be suspended for a four year period; that the level of Special Responsibility Allowances be reduced by 14% and that no inflationary increase be applied. They also determined that they would review the Deputy Mayor's allowance after six months once further evidence of the remit of the role could be considered.
6. The Council approved those proposals in October 2019.
7. The Council are still required to publish an Annual Scheme of Allowances and therefore the Independent Panel still conduct an annual review to address any issues that have arisen or significant changes to roles receiving a Special Responsibility Allowance.
8. At its meeting on 24 March 2021 Council decided to freeze Members' remuneration at 2020/2021 levels.
9. Following the resignation of a Panel member in 2021, a recruitment drive was undertaken which resulted in the appointment of a new Panel member on 18th March 2022.
10. The Panel met on 25 April 2022 to carry out its annual review and proposed a Scheme of Allowances for 2022/2023. They considered two representations from Councillors, comparative SRA information provided by Democratic Services and wider socioeconomic factors.
11. Having considered all of the above the Panel determined that no changes were required for the Scheme of Allowances 2022/23. The Panel also felt it would be

prudent to carry out its “full” quadrennial review after the local elections of 2023 to account for any potential governance changes.

What decision(s) are being recommended?

12. That Council consider the recommendations proposed by the Independent Panel on Members’ Remuneration outlined in their report at Appendix 1.
13. Council adopt the proposed Members Scheme of Allowances for 2022/23 (Appendix 2).

Rationale for the recommended decision(s)

14. The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis.
15. The allowances should reflect the level of work, time and commitment of the role of Councillor and to provide a reasoned approach the impact the recommendations will have on the Council.

Other potential decision(s) and why these have not been recommended

16. The panel considered resubmitting their previous recommendations to Council as there was still a clear divide in the basic allowances. However, the Panel agreed that these were exceptional times and that in the current economic climate they could not justify proposing increases at this time. However, it should be revisited when the full review takes place in 2023.
17. The Council could reject the Panel’s recommendations and propose its own Scheme of Allowances having had due regard to the recommendations of the Independent Panel on Members Remuneration.

Impact(s) of the recommended decision(s)

Legal

18. The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis and to have due regard to the recommendations of the Independent Panel on Members Remuneration.

Strategic priorities and risks

19. The relevant risks this decision would influence are cited below, with an explanation as to why they are relevant and how it would affect each risk.

Risk No	Risk Description	Impact
O8-054	Failure to adhere to Local Code of Corporate Governance and deliver	By providing the appropriate information regarding the make-up of the Executive and the Scheme of Delegation, the Mayor is

	governance improvements outlined in the Annual Governance Statement.	complying with the requirements of the Constitution and the Council is demonstrating that good governance is in place and so this would have a positive impact on this risk.
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Human Rights, Equality and Data Protection

20. The subject of this report is not a policy, strategy, function or service that is new or being revised. It is considered that an equality impact assessment is not required.

Financial

21. The Basic Allowance will remain at of £7,608 and will continue be paid in equal monthly instalments and SRAs will remain at their previous levels.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
<p>If Council agree the Panel's recommendations, Payroll will be advised accordingly.</p> <p>If Council reject the Panel's recommendations any subsequent Scheme of Allowances will be communicated to payroll.</p>	Head of Democratic Services	31 May 2022

Appendices

1	IRP Report to Council
2	Members' Scheme of Allowances 2022-2023

Background papers

Body	Report title	Date
	The Local Authorities (Members' Allowances) (England) Regulations 2003	

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