

Report to Council

12 December 2023

Subject:	Consideration of Special Responsibility Allowance for Shadow Cabinet Members
Director:	Surjit Tour, Director of Law & Governance & Monitoring Officer
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1 Recommendation

- 1.1 That Council considers the recommendation of the Independent Remuneration Panel to introduce a Special Responsibility of Allowance of 10% of the Leader's Allowance to Shadow Cabinet Members, providing the size of the largest opposition group membership equates to at least 5% of the membership size of the controlling political group on the Council and determines whether an allowance should be payable.

2 Reasons for Recommendations

- 2.1 The Independent Remuneration are required to consider and form recommendations to Council on a Scheme of Member Allowances in line with the parameters set out in the 2003 Regulations.

3 How does this deliver objectives of the Corporate Plan?

 	<p>Elected Members are integral to the delivery of the Council's ambition and corporate objectives. The Member Allowance Scheme supports all Councillors in the achievement of all objectives in the corporate plan</p>
 	
 	



4 Context and Key Issues

Report of the Independent Remuneration Panel (IRP)

- 4.1 The Council is required by the Local Authorities (Members' Allowances) (England) Regulations 2003 to undertake periodic reviews of its Scheme of Members' Allowances.
- 4.2 The Independent Remuneration Panel (IRP) must comprise a minimum of three members, none of whom is also a member of the Council or of a committee or sub-committee of the Council; or is disqualified from being a member of the Council by virtue of s80 of the Local Government Act 1972 and s79 and 83(11) of the Local Government Act 2000.
- 4.3 The IRP was convened under the Local Authorities (Members' Allowances) (England) Regulations 2003. These regulations provide for the requirement for all local authorities to maintain an independent remuneration panel to review and provide advice on the Council's members' allowances. The Council, in accordance with the regulations, retains decision making powers and responsibilities to determine the scope and levels of allowances. All Councils are required to convene and seek advice from the IRP before they make any changes to their scheme of allowances and must do so having considered any recommendations from the IRP.

Scope of the Review

- 4.4 A comprehensive review of the Members Allowance Scheme took place in November 2022 with a focus on:-
- Setting the basic allowance
 - Special Responsibility Allowance (SRA)
 - Indexing of the scheme
 - Access to the superannuation scheme
 - DBS (Disclosure Barring Service) checks for elected members
 - ICT related allowances
 - SRA for Opposition Group Leaders
 - Potential for a "shadow cabinet" position and whether, if introduced, they would attract a SRA



Shadow Cabinet Members

- 4.5 In 2022, the Independent Remuneration Panel met with members to seek views on the introduction and operation of a shadow cabinet member role and considered benchmarking data. The Panel subsequently recommended to Council on 23 May 2023 that the issue of formally recognising a shadow cabinet was a matter for Council and should the Council wish to progress this issue, it would be the Panel's recommendation that the roles should be afforded an allowance equivalent to 10% of the Leaders allowance.
- 4.6 The Governance and Constitution Committee met on 21 September 2023 and set up a working group to consider a Shadow Cabinet protocol (see Appendix 1). The protocol was subsequently approved by the Chair of the Committee in October 2023 and was considered by Council on 24 October 2023.

Special Responsibility Allowance (SRAs)

- 4.7 A Special Responsibility Allowance (SRA) is a payment made to a member in recognition of holding a responsibility over and above that of a normal Member, paid monthly, in arrears. Sandwell has determined that a Member can only receive one SRA regardless of the number of positions that person holds.
- 4.8 SRAs are normally calculated as a percentage of the rate of allowance paid to the Leader of the Council. In making recommendations to the Council, the IRP will need to have regard with the following principles:-
- The work of a Member is essentially voluntary in nature;
 - Any scheme of allowances should be fair, transparent and logical;
 - Allowances apply to roles within the Council, not individual Members;
 - Allowances should represent reasonable compensation to Members for expenses they incur, and time they commit, in relation to their role, not remuneration for their work;
 - Members are not paid employees of the Council and their allowances should not be treated as salary;
 - Allowances cannot be used to recognise individual performance, the legislation does not provide for "performance related" allowances; and



- Special responsibility allowances are used to recognise the significant additional responsibilities which attach to some roles, not just the extra time required.

4.9 In recommending SRA and posts that merit an additional allowance, the IRP was mindful of the 2006 statutory guidance (para 72) that states:

“If the majority of Members of a Council receive a special responsibility allowance, the electorate may rightly question whether this was justified. Local Authorities will wish to consider very carefully the additional roles of Members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a Special Responsibility Allowance”.

4.10 The Independent Remuneration Panel met on 6 November 2023 to consider whether any SRA should be applied to the shadow cabinet member roles. The Panel considered the:-

- Shadow Cabinet Protocol which provided clarity on the role of shadow cabinet members;
- benchmarking data of other local authorities which identified whether other local authorities had a shadow cabinet and whether there was an allowance attached to the role.

4.11 The Panel was of the view that a Special Responsibility Allowance should be payable to Shadow Cabinet Members, to be set at 10% of the Leader’s Allowance (i.e. £2,858.40), where the size of the majority opposition group remains at 5% and above of the size of the controlling group. The Council is now requested to consider the recommendation of the IRP and determine whether an allowance should be payable to Shadow Cabinet Members.



5 Implications

Resources:	Member allowances are funded from within existing budgets. Any revisions to the scheme would be incorporated into budget proposals for approval by Council in March 2024
Legal and Governance:	The Council has a statutory duty to support and independent review of its members allowance scheme
Risk:	There are no risks associated with the proposal.
Equality:	The Member Allowance Scheme aims to support all who undertake the role of councillor.
Health and Wellbeing:	None associated with this report
Social Value:	None associated with this report
Climate Change:	None associated with this report
Corporate Parenting:	None associated with this report

6 Appendices

Appendix 1 - Shadow Cabinet Protocol

7. Background Papers

[Council Report 23 May 2023](#)

[IRP report November 2022](#)

