

Council/Committee:	Full Council
Report Title	Members Allowances Scheme 2025/26 - Independent Remuneration Panel Recommendations
Date of Meeting	13 May 2025
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Wards Affected	N/A
Appendices (if any)	1. Report of the Independent Remuneration Panel

1. Executive Summary

- 1.1 On 16 April 2025, the Independent Remuneration Panel met to consider a review of the Members Allowance Scheme in light of benchmarking data from other local authorities, the impact of inflation and the potential changes to committee structures. The Panel also considered proposals to introduce an allowance for Independent Members appointed to the Audit and Risk Assurance Committee and Independent Persons assisting the Monitoring Officer on standards matters and considered the introduction of a parental leave policy for Elected Members.

2. Recommendations

For the reasons set out in the report, it is recommended that Full Council:

- 2.1 Consider the report and recommendations of the Independent Remuneration Panel in respect of the Members Allowance Scheme 2025-26, as set out in Appendix 1.
- 2.2 Following consideration of the recommendations of the Independent Remuneration Panel, Council approve a Scheme of Member Allowances for 2025/26 as set out below, that:

- (1) The decision of the Independent Remuneration Panel in November 2022 in relation to applying an inflationary increase to members' allowances, linked to the local government staff pay award, be reaffirmed for a period of 4 years, however, in recognition of budgetary constraints and fairness, where the national staff award is a flat-rate financial amount, the annual inflationary uplift will be capped at 4% of the Basic Allowance per annum.
- (2) With effect from 1 April 2025, Sandwell's Council's basic member allowance scheme be uplifted from £11,552 to £12,129, incorporating the inflationary indexation in 2.2 (1) above.
- (3) Given the anticipated changes to committee structures post-May 2025, a further meeting be convened of the Independent Remuneration Panel to reassess Special Responsibility Allowances for roles such as Chairs and Vice-Chairs following adoption of the new Council Constitution.
- (4) An allowance of £50 per meeting attended, plus travel costs, be introduced for Independent Members of the Audit and Risk Assurance Committee and Independent Persons supporting standards work, with effect from the new municipal year 2025/26 and will be paid per meeting rather than as a flat fee.
- (5) The Scheme of Members Allowances for 2025/26 be amended in relation to dependent carers and replace the section relating to the care of children at the workplace nursery, as follows only for members whilst undertaking approved duties with the proviso that this is only applicable to meetings attended for the purposes of the Local Government Act 1972:-
 - a) Allowances will be paid in respect of the expenses of a councillor in arranging for the care of their children or a dependant as are necessarily incurred for the purposes of the duties specified in Regulation 7 of the Local Authorities (Members' Allowances) (England) Regulations 2003
 - b) The allowance for childcare shall be the actual costs (supported by receipts) incurred not exceeding the hourly rate for the National Living Wage applicable to the age of the carer.
 - c) The allowance for adult dependants' carers shall be at the Council's own hourly rate for Home Care Assistance for care of other dependants per hour for the time spent, to be paid only on the production of a receipt issued by a professional carer.
 - d) Subject to Council approval, the Monitoring Officer consider exceptional claims for Dependents Carers Allowance on the individual merits of each case. No member may claim for a childcare/dependants' carers' allowance unless details of the arrangements and their proposed cost have been notified in advance to the Chief Executive.

- (6) A further report should be submitted for consideration by the Independent Remuneration Panel in relation to a parental leave policy for elected members.

3. Proposals – Reasons for the recommendations

- 3.1 The Council is required to determine a Scheme for Members' Allowances following consideration of a report of an Independent Remuneration Panel convened in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003.

4. Alternative Options Considered

- 3.2 The Council has a statutory duty to support an independent review of its Members' Allowances scheme. It is considered good practice to reconvene an Independent Remuneration Panel (IRP) periodically ahead of a future fundamental review of the members allowance scheme in part or full.

5. Consultation

- 5.1 The Panel can consult with key members of the Council, for example the Leader, the Deputy Leader, the Leader of the Opposition Group and Chairs of Committees to consider how much time is involved on committee related activities in order to gauge whether the level of allowance is suitable.

6. Financial Implications

- 6.1 Any increase in members allowances and the establishment of an allowance to co-opted independent members and dependents carers will have financial implications for the authority. The current budget does not include provision for the payment of these allowances. Any revisions to the scheme would be incorporated into budget proposals for approval by Council.

7. Legal and Governance Implications

- 7.1 Council is required to consider and approve its scheme of Member Allowances following recommendations by the Independent Remuneration Panel.
- 7.2 There is no legal requirement for the Council to award allowances to the independent member of the Audit and Risk Assurance Governance Committee or to the independent persons assisting with code of conduct work. However, in the case of the former, the Chartered Institute of Public Finance and Accountancy (CIPFA) recommends co-opting an independent person to the council's committee. Some councils have done this and are paying an allowance for this role.

- 7.3 There is no legal requirement for the Council to adopt a parental leave policy for Councillors. However, the introduction of such a policy will help the Council advance equality of opportunity and helps to discharge our public sector equality duty in creating positive impacts for protected groups.
- 7.4 In accordance with s.85 of the Local Government Act 1972, Members of the Council are required to attend a meeting of the Council within a six-month period unless the Council agrees to an extended leave of absence prior to the expiration of that six-month period. Any request for parental leave beyond a six-month period would need to take account of this with either a plan to attend a qualifying meeting during the required time window or a plan to request extended leave.

8. Risks

- 8.1 There are no risks associated with the proposals.

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 The award of allowances to the independent roles may contribute to increasing the diversity and making these roles more accessible.
- 9.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not. The implementation of a parental leave policy for councillors will provide councillors who are elected to public office with appropriate leave in relation to maternity, paternity adoption or other appropriate parenting responsibilities. It is considered that access to such entitlements may contribute towards increasing the diversity of gender, experience, age, and background of those standing for election and local authority groups.

10. Other Relevant Implications

- 10.1 A regular cycle of review of allowances through the Independent Remuneration Panel ensures impartial oversight and assessment of the number and level of allowances payable to Elected Members for their varying responsibilities.

11. Background Documents

- 11.1 Not applicable.

12. How does this deliver the objectives of the Strategic Themes?

12.1 This report will support the delivery of the following Strategic Themes:-

- Growing up in Sandwell
- Living in Sandwell
- Healthy in Sandwell
- Thriving Economy in Sandwell
- One Council One Team Approach.