

Standards Committee – 30th April 2009

Joint Report of the Interim Director of Finance and the Interim Director of Law and Property

Members' Allowances Scheme

Purpose of Report

1. To consider a report from the Members' Allowances Independent Panel.

Background

2. The last major review of Members' Allowances was undertaken by the Independent Panel in 2003. Some changes to the Scheme have been made subsequently (e.g. to reflect the responsibilities for liquor licensing). The current Members' Allowances Scheme was approved by the Council at its meeting on 24th July 2006.
3. When considering any amendments to the Scheme, the Council must have regard to the recommendations made by the Members' Allowances Independent Panel, which continue to be appointed jointly by Dudley MBC, Sandwell MBC and Wolverhampton City Council.
4. The Independent Panel were asked to undertake a further review in early 2007 and having been advised that:-
 - (a) a detailed review of responsibilities, workloads and time commitments was unlikely to reveal any significant differences from the detailed review carried out as part of the 2003 report,
 - (b) real term increases in Members' Allowances levels were unlikely to be politically acceptable,

concluded there should not be any changes in the existing levels of Members' Allowances, other than annual inflation increases linked to Local Authority Staff pay increases.

5. The Independent Panel's report was considered at a meeting of the Council's Standards Committee on 28th June 2007, but the Committee was unable to make any recommendations to the Cabinet for consideration by the Council. This means that the levels of allowances have not been increased for inflation since 2006/07. As a result of this impasse, the Panel were asked to undertake the current review of Dudley Members' Allowances.

6. The report of the Independent Panel is attached at Appendix 1. Their recommendations are, with effect from 1st April 2009, that:-

- a basic allowance of £9,300 per year (to include the costs of telephone and travel and subsistence in the West Midlands County Area) be paid to all councillors;
- in accordance with the Council's Constitution, the following positions be deemed as carrying additional special responsibility and in addition to the basic allowance, officer holders receive the following maximum payment:-

| Lead/Chair | Lead/Chair | Deputy/Vice |
|---|------------|-------------|
| Leader | 23,250 | - |
| Deputy Leader | - | 11,625 |
| Cabinet Member | 6,975 | |
| Select Committee Chair (including Audit Committee) | 4,650 | 1,550 |
| Area Committee Chair | 4,650 | 1,550 |
| Development Control Committee Chair | 6,975 | 2,325 |
| Other Committees Chair | 4,650 | 1,550 |
| Opposition Group Leader | 4,650 | 1,550 |

- where a Member holds more than one office qualifying for a special responsibility allowance, that Member should be paid the higher allowance plus one half of the second (or next highest) allowance;
- the proposed basic and special responsibility allowance should be varied with effect from 1st April 2010 until 1st April 2013, in line with agreed pay increases for Local Authority staff;
- for travel outside the County areas, Members should be required to travel by public transport wherever possible, the costs of which should be reimbursed or paid directly;
- where public transport is not available, the mileage rates applicable for officers travel should be used;
- where Members are unable to take main meals in their normal place, the reasonable costs of purchasing a meal and beverage or appropriate refreshments should be reimbursed;
- consideration is given to the provision of a suitable mobile communication device (Blackberry type) to all Members who request such;
- membership of the Local Government Scheme be made available for all Members and both basic and special responsibility allowances should be pensionable;

- where any elected Member is required to pay a carer in order to attend official Council business, the reasonable actual cost of that care should be reimbursed;
- no allowances be paid to Co-opted and Appointed Members;
- no allowance should be paid to any councillor who is suspended from office or has been absent for more than three months without good cause.

Finance

7. There has been no inflationary up-lift of Members Allowances since 2006/07. The budget provision for Members Allowances in 2009/10 is £739,000 (being basic allowances of £575,000 and Additional Allowances of £164,000). The recommended increase to Members Allowances represents an annual increase of approximately 8% p.a. for the period 2006/07 to 2009/10. This is higher than the budget would support and will cost an additional £125,000 (approximately) for which there is no budget provision.

Law

8. The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the arrangements for setting Members' Allowances or amending an existing scheme. In making an amendment to the existing scheme, the Council must have regard to the recommendations of a local Independent Remuneration Panel and any amendments to the Scheme must be publicised in accordance with Regulation 16.

Equality Impact

9. This report complies fully with the Council's policies on equality and diversity and there are no implications for services to children and young people.

Recommendation

10. It is recommended that the Standards Committee consider the recommendations of the Independent Panel and submit a recommendation to the Cabinet and Council.



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List of Background Papers - None