

Summary Sheet

Council – 12 July 2017

Proposed Amendment – Member Allowances Scheme

Is this a Key Decision and has it been included on the Forward Plan?

Not applicable

Strategic Director Approving Submission of the Report

Shokat Lal, Assistant Chief Executive

Report Author(s)

James McLaughlin, Democratic Services Manager

Ward(s) Affected

All

Summary

Following changes to the terms and conditions of staff in April 2017, Members indicated their support for a similar reduction to be applied to Member Allowances. The Council is required to have regard to the recommendations of the Independent Remuneration Panel in respect of any changes to its Member Allowances Scheme.

The Independent Remuneration Panel has expressed its support for the proposed reduction of 1.15% to be applied to both the basic and special responsibility allowances paid to Members. This report is submitted for the Council to formally determine to amend its Member Allowances Scheme accordingly.

Recommendations

1. That the Basic Allowance for Members be reduced by 1.15% from £11,605 to £11,471, with the reduction to be effective from 1 April 2017
2. That Special Responsibility Allowances be reduced by 1.15%, with the reduction to be effective from 1 April 2017.
3. That Appendix 8 of the Constitution, detailing the Member Allowances Scheme, be updated accordingly.

List of Appendices Included

None

Background Papers

Appendix 8 – Member Allowances Scheme

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Independent Remuneration Panel

Council Approval Required

Yes

Exempt from the Press and Public

No

Proposed Amendment – Member Allowances Scheme

1. Recommendations

- 1.1 That the Basic Allowance for Members be reduced by 1.15% from £11,605 to £11,471, with the reduction to be effective from 1 April 2017.
- 1.2 That Special Responsibility Allowances be reduced by 1.15%, with the reduction to be effective from 1 April 2017.
- 1.3 That Appendix 8 of the Constitution, detailing the Member Allowances Scheme, be updated accordingly.

2. Background

- 2.1 In April 2017, following extensive consultation, the Council implemented a change to the terms and conditions of staff to the effect of an average reduction in salaries by 1.15%, in order to meet a previously agreed budget commitment. In agreeing that change, Members indicated that they wished to reduce Member Allowances, both the basic allowance and special responsibility allowances, by the same amount.
- 2.2 When reviewing a scheme the Council must have regard to the recommendations of its Independent Remuneration Panel. However, it is the responsibility of the Council to determine the scheme having regard to all appropriate matters and the Council is not bound by the recommendations of the Panel.

3. Key Issues

- 3.1 The Independent Remuneration Panel has considered the proposed reduction to both the basic allowance and special responsibility allowances and has indicated its support.
- 3.2 It is recommended that the effective date for the reductions be agreed as 1 April 2017, so as to be commensurate with the reduction in staff salaries which were effective from that date. If this recommendation were agreed by the Council, the deductions would take effect from the August payroll. In view of the effective date being five months before the date of implementation, Members will notice a higher level of deduction from the August payroll.
- 3.2 The effect of reducing by 1.15% will change the basic allowance from £11,605 to £11,471. This is a reduction of £134. The total saving from all 63 councillors will be £8,442.
- 3.3 The effect of reducing 1.15% will change the total spend on special responsibility allowances from £205,740 to £203,374. This would represent a reduction of £2,366 in total. The change in respect of each position with a special responsibility allowance is set out in the table below:-

Role	Current Allowance	Reduced Allowance
Leader of the Council	£26,152	£25,851.25
Deputy Leader of the Council	£14,383	£14,217.60
Cabinet Members and Chair of Overview & Scrutiny Management Board	£13,076	£12,925.63
Chairs of Scrutiny Select Commissions, Planning Board, Licensing Board, Audit Committee	£8,717	£8,616.75
Vice Chairs of Scrutiny Select Commissions, Planning Board, Licensing Board and Audit Committee	£1,234	£1,219.81
Chair of Standards and Ethics Committee	£3,500	£3,459.75
Vice-Chair of Standards and Ethics Committee	£1,750	£1,729.86

3.5 At its annual meeting on 19 May 2017, the Council agreed to abolish Area Assemblies and the associated positions and special responsibility allowances paid with those former positions. The budget for these former positions of £30,506 has been reallocated to support the delivery of the new neighbourhood working model.

4. Options considered and recommended proposal

4.1 The Council must have regard to the recommendations of the Independent Remuneration Panel, but is not bound by their recommendation. The Panel has expressed its support for the proposal. Members are therefore recommended to consider a reduction of 1.15% to be applied to the basic allowance and special responsibility allowances.

5. Consultation

5.1 The Independent Remuneration Panel has been consulted in respect of this proposal and expressed its support for the reduction of 1.15% to be applied to Member Allowances.

6. Timetable and Accountability for Implementing this Decision

6.1 The Council is the accountable body for Member Allowances and, if agreed, the proposal will be implemented immediately after the meeting, with reductions being backdated to April 2017. As referred to in paragraph 3.2 above, the reduction in allowances will be effective from the August payroll.

7. Financial and Procurement Implications

7.1 The proposal to reduce the basic and special responsibility allowances by 1.15% will generate an overall saving of £10,808.

7.2 If Council is minded to agree the proposal, it will have, when combined with the abolition of the allowances for the former Chairs of Area Assemblies, reduced the cost of Member Allowances by £41,314 in the current financial year.

8. Legal Implications

8.1 The proposals within this report are consistent with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003, which require local authorities, before they amend a Members' Allowances Scheme, to have regard to the recommendations of an independent remuneration panel.

9. Human Resources Implications

9.1 There are no Human Resources implications associated with this report.

10. Implications for Children and Young People and Vulnerable Adults

10.1 There are no implications for children and young people and vulnerable adults associated with this report.

11 Equalities and Human Rights Implications

11.1 There are no equalities or human rights implications associated with this report.

12. Implications for Partners and Other Directorates

12.1 There are no implications for partners or other directorates.

13. Risks and Mitigation

13.1 There are no new risks associated with the proposal in this report.

14. Accountable Officer(s)

Shokat Lal, Assistant Chief Executive
James McLaughlin, Democratic Services Manager

Approvals Obtained from:-

	Named Officer	Date
On behalf of Strategic Director of Finance & Customer Services	Judith Badger	04/07/2017
On behalf of Assistant Director of Legal Services	Dermot Pearson	04/07/2017
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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