

## **Rotherham Metropolitan Borough Council**

### **REPORT OF THE INDEPENDENT REMUNERATION PANEL**

**April, 2015**

#### **Present;**

Rev. David Bliss (Vicar of Rotherham)  
Mr. Andrew Denniff (Barnsley and Rotherham Chamber of Commerce)  
Mr. Stuart Walls (Voluntary Action Rotherham Trustee)

Mrs. Jacqueline Collins, Director of Legal and Democratic Services  
Mrs. Angela Harwood,, Legal and Democratic Services  
Mrs. Debbie Pons, Clerk, Legal and Democratic Services

## **1. INTRODUCTION**

The Local Authorities (Members Allowances) (England) Regulations, 2003 require an Independent Panel to review remuneration and pensions for Elected Members of Local Authorities at least every four years.

The Panel met on 16th and 28th April 2015, to consider and review the Council's Members' Allowances Scheme and to recommend to Council allowances in respect of basic allowances, special responsibility allowances, travel and subsistence allowances, carers allowances and new provisions relating to independent persons.

## **2. MEMBERS' ALLOWANCES SCHEME**

The Panel were asked to consider and review the Council's Members' Allowances Scheme and to make any recommendations for change or amendment. Council must have regard to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

An overview of the Scheme was provided with an explanation as to how the figures contained within Appendix 3 were determined. Panel Members expressed their thanks and appreciation to all those involved in the formulation of the documentation presented for consideration.

The Panel considered each area in turn:-

### **Basic Allowance**

Consideration was given to the present basic allowance of £12,130, and comparisons were made with the current allowances in South Yorkshire authorities. The Panel discussed the role of councillors, the number of councillors per ward and the number of wards.

The proposal put forward was for the South Yorkshire average of £11,605 to be applied, and this was unanimously accepted.

### **Leader of the Council**

Consideration was given to the present special responsibility allowance for the Leader of the Council as being £32,170 and noted that when compared to the South Yorkshire average this was the highest amount paid.

The Panel recognised the importance of the role, but believed Rotherham had to demonstrate to the public its commitment to getting the Council back on track and suggested the allowance should be marginally higher than Barnsley.

The Panel, therefore, suggested that the allowance for the Leader be averaged and the figure should reflect the average plus an additional £1,000. The figure of £26,152, the Panel believed, reflected the importance of the role in Rotherham, but compared favourably with South Yorkshire neighbouring authorities.

#### Cabinet Members

Consideration was given to the current Cabinet Member allowance of £16,083. It was suggested that the role of a Cabinet Member should reflect that of the allowance paid to the Leader and considered that the allowance should be half that of the leader. A figure of £13,076 was agreed unanimously.

#### Deputy Leader

The Panel recognised the importance of the Deputy Leader and believed s/he should receive a slightly increased allowance to that of Cabinet Members.

The Panel agreed that account should be taken of the figure proposed for the Cabinet Member above and that a 10% increase of that figure should then be added to the allowance for the Deputy Leader.

A figure of £14,383 was proposed and agreed unanimously.

#### The Mayor

The Panel carried out a detailed analysis of the allowance provided to the Mayor, and considered the role to be one of the most important in the Borough, being the visible civic representative of the Council.

The Panel were unanimous in their view that as the Mayor had the civic lead the allowance should not be reduced in any way. It was agreed unanimously that the Mayor's allowance should remain as it is in the current scheme at £10,647.

#### Deputy Mayor

The Panel were in unanimous agreement that the Deputy Mayor's allowance remain unchanged and as it was in the current scheme at £3,564.

#### Leader of the Opposition

The Panel considered the present allowance of £10,723 and compared this to the South Yorkshire average and considered information about the role and duties envisaged.

On this basis it was suggested that this be apportioned logically and believed this should be one third of that of the Leader of the Council.

The Panel, therefore, agreed unanimously that this figure should be £8,717.

#### Chairman of the Overview and Scrutiny Management Board

The Panel was concerned at the reduction proposed to the South Yorkshire average and considered the role to be equally as important as that of a Cabinet Member given the role involved challenging and questioning the executive.

It was suggested that this allowance be uplifted to reflect the importance of the role and the Panel unanimously agreed the amount should be the same as a Cabinet Member of £13,076.

#### Chairmen of Audit, Licensing, Planning and Scrutiny Select Commissions

The Panel noted the various amounts put forward for each of the Chairmen, again based on the South Yorkshire average.

The Panel believed these amounts should be the same figure for all of the Chairmen and suggested, as they had for the Leader of the Opposition, that this figure should be proportional and one third of the allowance for the Leader of the Council.

The Panel unanimously agreed that the allowance payable to Chairmen of the above bodies should be £8,717 as they were key functions within the Council.

#### Area Assembly Chairmen

The Panel recognised the community functions related to Area Assemblies across the borough, but believed, as they were not decision making bodies, that the allowance should reflect the position.

The Panel unanimously suggested that this be proportionate to 50% of a Chairmen's allowance of £8,717, giving a proposed allowance of £4,358.

#### Chairman and Vice-Chairman of the Standards Committee

In relation to the allowance for the Chairman, the Panel received information on the status of the Standards Committee and the challenges and demands it deals with.

The Panel unanimously agreed that the current allowances should remain as it is, at £3,500, due to the high profile status of the Committee.

With respect to the Vice Chairman, the Panel believed the role to be slightly different to other roles and on this basis unanimously agreed that the allowance paid to the Vice-Chairman of the Standards Committee be 50% of the allowance paid to the Chairman, the amount being £1,750.

#### Vice-Chairmen of Audit, Licensing, Planning and Scrutiny Select Commissions

The Panel were comfortable for all other Vice-Chairmen allowances of £1,234 to remain as they are in the current scheme and were in unanimous agreement there be no change.

#### Standards Committee Independent Person

The Panel discussed information about the role of the Independent Person and the recruitment process involved.

The role was important and the Panel believed the current allowance paid was appropriate and agreed unanimously that this remain at £710.

#### Pensions Authority

The Panel noted the allowances within the current scheme which were set by the Pensions Board Remuneration Panel.

#### South Yorkshire Police and Crime Panel

The Panel noted Rotherham was the host authority for the South Yorkshire Police and Crime Panel, and heard information about the role of the Panel, grant awarded, the frequency of meetings and the figure of £920 allowance for expenses.

The figure of £920 was issued in the initial guidance from the Home Office and was now subject to review.

The Panel were unanimous in their view that the current allowance of £920 was a fair figure and were not minded to alter this in any way.

#### Cabinet Adviser

The Panel referred to comments in the Independent Remuneration Panel's report of 2011 and subsequent reports. The Panel unanimously agreed that no allowance be paid.

#### Travel and Subsistence

The Panel undertook a detailed examination of allowances for travel and subsistence outside the Borough and welcomed the inclusion of all costs for travel and subsistence within the Borough in the basic allowance. They were also mindful that the allowances had not increased for two years.

Clarification was sought on various matters including subsistence allocation, procurement arrangements for accommodation, frequency of meetings outside the borough and the moratorium on overseas travel.

The Panel having carefully looked at the details about mileage allowance recommended that this be increased to the current HMRC rate and that any future increase be in line with the HMRC scheme.

The Panel reviewed the arrangements relating to the allowances and travel and subsistence arrangements for all Co-opted Members and did not consider any change was required.

### Carer's Allowance

The Panel considered in detail the allowance available to Councillors who were carers and expressed some surprise that the current allowance was less than the minimum wage. However, the Panel was unanimous in its decision that the allowance should be the actual cost (to be supported by written evidence) up to a maximum equivalent to the minimum wage.

### Dismissal of Senior Officers

The Panel referred to the briefing note they had received on the new regulations relating to the dismissal of Senior Officers. The regulations provide for two Independent Persons to be invited to sit on a Panel and an allowance is payable, up to the equivalent amount paid to the Independent Persons on the Standards Committee (currently £710 p.a.).

The Panel was advised that the current two Independent Persons had accepted invitations to sit on the Independent Panel and consideration was now required as to what remuneration, if any, should be payable.

The Panel took note of the guidance in the briefing note and were in unanimous agreement that a retainer figure of £250p.a. be paid to the Independent Persons. If they were called to sit on a Panel they should then receive £250 (per case, not per meeting) up to a maximum payment of £710 p.a..

### Inflation

The Panel gave some consideration as to whether there was a need to add a factor for inflation in the future, either the Retail Price Index or matching the Local Government Salary Award.

Having considered the current rate of inflation, it was proposed that the current amounts payable under the scheme remain in place for the next two years. After this period the basic and special responsibility allowances shall be reviewed in line with the Retail Price Index, as this is the less volatile indicator.

### Overseas Allowance

The Panel noted the moratorium on overseas spend and which was only allowed in exceptional circumstances.

The Panel suggested, however, that all overseas spend be evidenced with receipts and this was agreed unanimously.

### Recommendation

The Panel recommend that:

1. The basic allowance be set at £11,605.
2. The special responsibility allowances be set at the amounts outlined in the report.

3. The carers allowance be set in the terms outlined in the report.
4. The mileage rate for travel outside the borough be set at the HMRC rate and only increased when the HMRC rate is increased and in the same amount.
5. All other travel and subsistence rates remain at the same level and remain at this level until the annual meeting of Council 2017 when they may be increased in line with the retail price index.

**Rev David Bliss**  
**Mr Andrew Deniff**  
**Mr Stuart Walls**

**Independent Remuneration Panel**  
**28<sup>th</sup> April 2015**