

REPORT OF THE INDEPENDENT REMUNERATION PANEL 2021

1. INTRODUCTION

1.1 The Independent Remuneration Panel met on 18 November 2020 and received oral representation from:

Andy Begley, Chief Executive.

Councillor Peter Nutting, Leader.

Councillor Ann Hartley, Chair of the Council.

Councillor Gwilym Butler, Portfolio Holder.

Councillor Claire Wild, Chair of Performance Management Scrutiny Committee.

Councillor Tom Biggins, Chair of the Pensions Committee.

Councillor Roger Evans, Liberal Democrat Group Leader.

1.2 Councillors Nutting, Biggins and Evans also provided written submissions.

1.3 The Panel also considered written submissions from:

Councillor David Turner.

Councillor Ruth Houghton.

Councillor Paul Wynn.

Councillor Joyce Barrow.

Councillor David Evans, Chair of Planning Committee (South).

Councillor Robert Tindall.

Councillor Heather Kidd.

Councillor Brian Williams.

1.4 In addition, The Panel referred to the following documents:

Shropshire Council Constitution Part 9 – Role and Expectations.

Guidance on Consolidated Regulations for Local Authority Allowances [pub. 2003]

The Local Authorities (Members Allowances) (England) Regulations 2003 [Statutory Instrument 2003 No. 1021]

Councillors' Census 2013 [LGA] giving a breakdown of weekly hours worked in England.

CIPFA Benchmarking for Shropshire Council 2016/17.

1.5 The Panel obtained a breakdown of the number of Full Council and Sub-Committee meetings for 2018 and 2019 and the attendance of Councillors at training events in 2017.

2. MEMBERS BASIC ALLOWANCE

2.1 Recommendation.

The Basic Allowance be increased to 12,000.00 per annum.

2.2 Reasoning.

There was representation from some Councillors of a need to increase the basic allowance, particularly in view of the reduction in allowance from that received in 2009, but this was not a universal opinion.

Some Councillors suggested an increase in the basic allowance would attract younger, and more diverse, candidates for election. There was also comments on the higher "workload" experienced by Councillors representing rural areas compared with urban areas. The Panel understands that the Basic Allowance is an amount that will be paid to every elected Councillor and there is no ability to vary that according to any differences arising from the peculiarities of the constituency that a Councillor represents.

The Panel referred to the CIPFA Benchmarking table for Shropshire Council dated 2017/18 and noted that, at that time, the Basic Allowance was above the median level for the group but not at the top of the range.

The Panel concluded that an increase at this time was justified and the proposed increase remains within the "spread" of allowances shown in the CIPFA Benchmarking table.

3. SPECIAL RESPONSIBILITY ALLOWANCES.

The Special Responsibility Allowance is stated as a proportion of the Basic Allowance. The Panel decided to continue this method.

3.1 Comment on the roles of Chairman of the Council and Speaker of the Council.

The Panel understands that the Speaker is responsible for chairing full Council meetings and the Chairman is the civic head of the Council. They each serve as a deputy to the other. The Panel felt that this was an unusual arrangement and, initially, somewhat confusing. The Council may wish to regularise the arrangement.

3.2 Chairman of the Council

Recommendation

The Special Responsibility Allowance for the Civic Head of the Council (the Chairman) be reduced from 0.75 to 0.25

Reasoning.

The panel considered that the existing Special Responsibility Allowance is not commensurate with the role when compared to the other roles attracting a Special Responsibility Allowance.

3.3 Speaker of the Council.

Recommendation.

The Special Responsibility Allowance for whoever chairs the Full Council Meetings (The Speaker) be reduced from 0.75 to 0.5

Reasoning.

The Panel considered that the existing Special Responsibility Allowance was not commensurate with the role, particularly when compared to the other Roles attracting a Special Responsibility Allowance.

3.4 Leader of the Council

Recommendation.

The Special responsibility Allowance be increased from 2.0 to 2.25

Reasoning.

The majority of Councillors who expressed a view considered that the level of responsibility of the Leader had increased significantly. The panel noted that the CIPFA comparison placed the Leader significantly below the median level for the group.

3.5 Deputy Leader of the Council.

Recommendation.

The Special Responsibility Allowance be increased from 1.25 to 1.5

Reasoning

As for the Leader, there has been an increase in the level of responsibility and the CIPFA comparison was significantly below the median.

3.6 Executive Members (Portfolio Holders)

Recommendation.

The Special responsibility Allowance remain at 1.0

Reasoning.

The level of responsibility remains unchanged.

3.7 Deputy Portfolio Holders

Recommendation

The Special responsibility Allowance of 0.5 be reduced to 0.25

Reasoning

A Deputy Portfolio Holder has an advisory and supporting role to the Portfolio Holder; is not a member of the Cabinet and does not exercise any executive responsibility. Shropshire Council Constitution states that such appointments are at the discretion of the Leader of the Council.

3.8 Opposition Group Leader(s) (with, at least, 10% of the membership of the Council.)

Recommendation.

That the Special responsibility Allowance remain at 0.5

Reasoning

The level of responsibility remains unchanged.

3.9 Chairman of Scrutiny Committee(s)

Recommendation

That the level of the Special Responsibility Allowance remain at 1.0

Reasoning

The role description for the Chair suggests a significant level of responsibility in addition to chairing the Committee.

3.10 Chairman of Area Planning Committee(s)

Recommendation.

That the level of Special Responsibility Allowance be increased from 0.5 to 0.75

Reasoning

A number of Councillors informed the Panel that the “workload” of the Planning Committees had increased since the number of Planning Committees was reduced from three to two with a consequential rise in the number of meetings for both remaining committees.

3.11 Vice Chairman of Area Planning Committee(s)**Recommendation.**

That the level of Special Responsibility Allowance be increased from 0.125 to 0.25

Reasoning

The increase in Committee meetings, as referred to above.

3.12 Chairman of Strategic Licensing Committee**Recommendation**

That the level of Special Responsibility Allowance remain at 0.25

Reasoning

The panel consider this to be commensurate with the responsibility of the role.

3.13 Chairman of the Licensing Sub-Committee/ Vice-Chairman of the Strategic Licensing Committee.**Recommendation**

That the level of Special Responsibility Allowance of 0.25 be reduced to 0.125

Reasoning

The Panel understands that there has been a significant reduction in the workload of this sub-committee.

3.14 Chairman of Audit Committee**Recommendation**

That the level of the Special Responsibility Allowance be reduced from 0.5 to 0.3

Reasoning

There does not appear to be a written Role Description for the Chairman of the Audit Committee and so the Panel are relying on verbal information. The Panel understand that the role is primarily a review function and consider that the Special responsibility Allowance should be reduced.

3.15 Chairman of Pensions Committee or Vice-Chairman of pensions Committee

Recommendation

That the Special Responsibility Allowance for the Chairman remain at 0.25 but that the Special responsibility Allowance for the Vice-Chairman be discontinued.

Reasoning

The Panel understands that this committee is a joint committee for Shropshire Council and Telford and Wrekin Council. The Chairman is traditionally from one Authority and the Vice-Chairman from the other Authority.

The Panel concluded that the role of Vice-Chairman did not warrant a Special responsibility Allowance.

4. Child and Dependent Carers Allowance.

4.1 The following is extracted from the document setting out the Shropshire Council – Members Allowances Scheme.

“5. Child and Dependant Carers’ Allowance

A child care allowance of up to £6.19 per hour (wef 01/10/12), subject to a maximum of £2,500 per member per annum, will be paid towards the costs of child care, on evidence being supplied of the amount claimed having been incurred in employing a carer to look after a child or dependant who is a member of the councillor’s family and living with the councillor and who cannot be left alone.”

4.2 Recommendation

That the allowance of “up to £6.19 per hour” should be amended to “up to the National Living Wage hourly rate or the actual cost, whichever is lower”, and the “maximum of £2,500 per member per annum” be increased to a “maximum of £3,500 per member per annum.”

The Panel understands that, from April 2021, the National Living Wage for those 23 years and over will be £8.91 per hour.

4.3 Reasoning

Several Councillors referred to the desirability of younger and more diverse candidates seeking election to the Council. The Panel considers that the existing allowance is too low and could inhibit those with caring responsibilities from undertaking Council duties.

5. Travelling and Subsistence Allowances

The Panel does not make any recommendations. The Panel understands that “mileage” allowances are subject to HMRC guidance in respect of tax liability.

6. Comment on Training Provision for Councillors

The Panel were provided with a spreadsheet showing attendance at training sessions by Councillors in 2017 as part of understanding the range of activities undertaken by Councillors.

The Panel suggest that the Council give consideration to designating certain training as “Essential Training” which Councillors are required to undertake as a condition of receiving the full Basic Allowance.

7. Recommendations.

7.1 That the Basic Allowance be increased to £12000.00

7.2 That the Special Responsibility Allowance multiplier for the Chairman of the Council (Civic Head) be reduced from 0.75 to 0.25

7.3 That the Special Responsibility Allowance multiplier for the Speaker (Chair of Full Council Meetings) be reduced from 0.75 to 0.5

7.4 That the Special Responsibility Allowance multiplier for the Leader of the Council be increased from 2.0 to 2.25

7.5 That the Special Responsibility Allowance multiplier for the Deputy Leader of the Council be increased from 1.25 to 1.5

7.6 That the Special Responsibility Allowance multiplier for Executive Members (Portfolio Holders) remain at 1.0

7.7 That the Special Responsibility Allowance multiplier for Deputy Portfolio Holders be reduced from 0.5 to 0.25

7.8 That the Special Responsibility Allowance multiplier for Opposition Group Leader(s) remain at 0.5

7.9 That the Special Responsibility Allowance multiplier for Chairman of Scrutiny Committee(s) remain at 1.0

7.10 That the Special Responsibility Allowance multiplier for Chairman of Area Planning Committee(s) be increased from 0.5 to 0.75

7.11 That the Special Responsibility Allowance multiplier for Vice Chairman of Area Planning Committee(s) be increased from 0.125 to 0.25

7.12 That the Special Responsibility Allowance multiplier for Chairman of Strategic Licensing Committee remain at 0.25

7.13 That the Special Responsibility Allowance multiplier for Chairman of the Licensing Sub-Committee/Vice Chairman of the Strategic Licensing Committee be reduced from 0.25 to 0.125

7.14 That the Special Responsibility Allowance multiplier for Chairman of Audit Committee be reduced from 0.5 to 0.3

7.15 That the Special Responsibility Allowance multiplier for Chairman of Pensions Committee remain unchanged at 0.25.

7.16 That the Special Responsibility Allowance multiplier for Vice Chairman of Pensions Committee be discontinued.

7.17 That the Child and Dependent Carers Allowance be amended as follows:

That the allowance of “up to £6.19 per hour” should be amended to “up to the National Living Wage hourly rate or the actual cost, whichever is lower”, and the “maximum of £2,500 per member per annum” be increased to a “maximum of £3,500 per member per annum.”

7.18 The Panel makes no recommendation with regard to Travel and Subsistence Allowances.

Stephen Donkersley (Chairman)

Richard Garnett

Timothy Griffiths JP