

# **ANNUAL REPORT 2023/24**

## **Independent Remuneration Panel**

### **FOREWORD**

This report of the Independent Remuneration Panel sets out our conclusions and recommendations on members' allowances for the period 1 April 2023 to 31 March 2024 for the consideration of Staffordshire County Council (the County Council).

The Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2001 to provide advice and recommendations to the County Council on amounts to be paid under its members' allowances scheme. Members of the Panel are appointed by the County Council and are independent members of the community. The County Council is required to have regard to our recommendations in deciding what to pay councillors. Additionally, the County Council must also publish our recommendations and conclusions, together with the approved scheme.

### **PANEL MEMBERSHIP**

- **Christina Robotham** (A retired Staffordshire Headteacher)
- **Anthony Styles** (A retired Police Officer)
- **William Read** (A retired Emergency Planning Officer)
- **Eddie Barnett** (A retired Police Officer)
- **Adrian Bowen** (A retired Project Manager)

### **TERMS OF REFERENCE**

The Panel is required to gather information, to hear and consider evidence and to make recommendations to the County Council on:

- the amount of basic allowance to be paid to members
- those positions that should receive special responsibility allowances (SRAs), and the level of those allowances
- travel, subsistence and certain other allowances

The full terms of reference of the Panel are set out in **Appendix A**.

### **The Process we have followed**

We met on seven occasions from May 2022 until the conclusion of our review of members' allowances in February 2023.

In the report of the IRP for 2022/23, we made a commitment to review the allowances paid to the Chairmen and Vice-Chairman of the County Council. We

also intended to review the difference in allowance paid to the Chairperson of the Health and Care Overview and Scrutiny Committee and other Chairmen.

We also proposed to fully investigate the allowances paid to elected members of the Opposition.

During our review we were also minded of the basic allowance applicable to elected members. Our attention was also directed to the use of Toll Roads by elected members.

We considered a range of information in respect of allowances paid in comparable local authorities and the remuneration offered to elected members by other authorities varies considerably.

12 local authorities were used in the comparison exercise. These LAs were taken from the CIPFA 'nearest neighbour' benchmarking data. Local Authorities are grouped together on a series of socio-economic datasets. The 12 LAs were:

- Cumbria
- Derbyshire
- Gloucestershire
- Lancashire
- Lincolnshire
- Norfolk
- Nottinghamshire
- Somerset
- Suffolk
- Warwickshire
- West Sussex
- Worcestershire

We met with:

- Leader of the Council
- Leader of the Opposition
- Deputy Leader of the Opposition
- Chairperson and Vice-Chairpersons of the Health and Care Overview and Scrutiny Committees
- Chairman and Vice-Chairman of the County Council

## **Introduction**

Our prime role has been to assess and recommend the allowances to be made available to elected members.

In formulating our recommendations, we have borne in mind:

- that the successful delivery of the various roles of members depends on a sense of corporate social responsibility and public service and that members are motivated to a significant extent by a sense of public good.

- the current economic climate and the continuing substantial financial constraints on the services which the County Council provides.

Nevertheless, those who decide to stand for election should not be required to make unreasonable sacrifices in their private lives. In this context, we continue to recognise that there is a substantial gap between the level of financial remuneration provided nationally to elected councillors and the commitment they are expected, or believe that they need to make, both in terms of time and responsibility, to fulfil the increasingly demanding roles in public life.

## **Proposals considered and recommendations**

In preparation for our report this year, several common themes or issues were brought to our attention. These included:

- Basic allowance applicable to elected members
- Civic and Chairman and Vice-Chairman of the Council allowances
- Healthy Communities Overview and Scrutiny Committee Chairperson and Vice-Chairpersons Special Responsibility Allowances (SRAs)
- Opposition Member SRAs
- Use of Toll Roads by elected members

### Pay award applicable to elected members – hereon in referred to as the basic allowance

In October 2022, employers agreed with the unions a pay increase to local government officers of £1925. In line with normal practice, the Special Responsibility Allowances are due to be increased in line with the employee pay award for 22-23. This is usually a percentage figure.

The matter was complex this year as the pay award is a flat sum rather than a percentage rise. The Independent Remuneration Panel (IRP) considered the increase and consulted with the Leader of the Council and the Leader of the Opposition.

At the request of the IRP, analysis was undertaken on what the £1925 pay award would be in percentage terms when using the average pay of staff at SCC. The table below identifies the effect of an average pay increase on the basic allowance for members.

<b>Increase of...</b>	<b>Commentary</b>	<b>Increase £</b>	<b>New Basic Allowance</b>
3.49	If % increase of average Salary grade is applied	£ 347.52	£ 10,305.13

To place this in some context, the £1925 equates to a pay increase of 10.5% for an officer on the lowest pay grade (SCP1). For, an officer on the highest pay grade (SCP67) the pay award equates to an increase of 2.09%.

The Member Allowance Scheme states that the employee pay award is automatically applied to members. Therefore, there is no formal recommendation

to be made by the IRP or decision to be made by members. This increase will be applied from 1 April 2023.

### Healthy Communities Overview and Scrutiny Committee Chairperson and Vice-Chairpersons

We are aware that the Chairperson of the Health and Care Overview and Scrutiny Committee receives a higher remuneration than other Overview and Scrutiny Chairpersons and we previously highlighted our intention to review this as part of our investigations this year.

We interviewed the Chairperson and Vice Chairpersons of the Committee. We appreciate the amount of work that is involved and are satisfied that the relatively small higher remuneration is appropriate and so make no proposals for change.

### Opposition Roles

We noted that following the election in 2021, there had been a reduction in the number of the opposition to four Members with two Special Responsibility positions for the Leader and Deputy Leader. This has since increased to five members in the Labour group following the By-election in the Biddulph North Division.

Questions have been raised previously in respect of the responsibilities of the role of the Opposition Leader and the Opposition Deputy Leader and allowances paid. We interviewed both the Opposition Leader and the Opposition Deputy Leader and nothing was raised with the Panel to conclude that the expectation of the roles by the Authority had changed, irrespective of the reduction in number of opposition group members. Thus, our view is that the current level of the allowances should remain at the same level.

### Chairman / Vice-Chairman of the County Council

We previously highlighted our intention to review this as part of our investigations this year. As part of our research, we compared allowances of Chairmen and Vice Chairmen of 12 local authorities. These LAs were taken from the CIPFA 'nearest neighbour' benchmarking data. The results of this benchmarking are shown below.

As can be seen from the table above, the allowance paid to the Chairman of the SCC is the third highest in the benchmarking group. It can also be seen that the Chairman's allowance is considerably higher for the two average figures.

The panel recognised the tremendous work undertaken by the Chairman and Vice Chairman on behalf of the Council and for residents and businesses of Staffordshire. The panel also understands that the allowance received by the Chairman and VC is used to cover a range of activities associated with the role.

	2022/23			
Local Authority	Chairman of the Council	Vice-Chairman of the Council		Proportion Ch / VCh
Cumbria	£ 5,631.73	£ 2,131.04		38%
Derbyshire	£ 9,414.00	£ 3,768.00		40%
Gloucestershire	£ 9,570.00	£ 2,860.00		30%
Lancashire	£ 16,735.00	£ 8,368.00		50%
Lincolnshire	£ 13,498.40	£ 4,499.55		33%
Norfolk	£ 13,792.00	£ 2,586.00		19%
Nottinghamshire	£ 18,637.31	£ 8,945.91		48%
Somerset	£ 11,160.00	£ 2,480.00		22%
Suffolk	£ 13,968.66	£ 4,469.97		32%
Warwickshire	£ 6,046.00	£ 3,025.00		50%
West Sussex	£ 20,746.00	£ 8,791.00		42%
Worcestershire	£ 14,233.00	£ 3,223.00		23%
<i>Staffordshire</i>	<i>£ 18,857.83</i>	<i>£ 8,275.26</i>		<i>44%</i>
Average (incl. SCC)	£ 13,253.07	£ 4,878.67		37%
Average (excl. SCC)	£ 12,786.01	£ 4,595.62		36%
Are SCC Above / Below Average?	Above	Above		
% Difference between SCC and Average	47%	80%		

Rather than reduce the Chairman's allowance to bring it more in line with other local authorities (as per the findings above), our recommendation is that the allowance for the Chairmen of the Council is frozen for the next four years.

In so far as the Vice Chairman's allowance is concerned, there are two issues that the IRP particularly focussed on. Firstly, it can be seen that from the benchmarking group, Staffordshire allowance is fourth highest. This will be as a direct result of the second factor considered i.e. that the VC is paid a proportion of the allowance paid to the Chairman. For SCC, this is a value of 44%.

We also recommend to reduce the allowance awarded to the Vice-Chairman of the Council so that it equates to 35% of the amount awarded to the Chairman (in line with all other Chair/VC proportions as recommended and agreed in last year's report).

#### Use of Toll Roads by Elected Members

During our deliberations this year, we were made aware of an issue relating to members' use of Toll Roads and how this could be claimed for. We established that there was already a set of guidelines and general acceptance from members on claiming for the use of Roll Roads. These are as follows:

- Claims will be paid for journeys TO Stafford/County Buildings for officially convened meetings commencing at or before 10am
- Claims will be paid for RETURN journeys only where the official meeting finishes after 4pm
- Members wishing to claim Toll Road fees will be expected to become tag holders at no cost to the County Council and will be required to provide a print-off of their monthly invoice/receipts to demonstrate that the journey took place.
- Other necessary M6 Toll journeys will be considered on an individual basis. Advice should be sought from Member and Democratic Services in advance of the journey being made.

The panel were satisfied with these guidelines and therefore recommend that these *rules* are formally included in the Members Allowance Scheme as part of the Constitution.

### **Meetings Allowance**

We recommend that the “meeting allowance” paid to Appointed Members (i.e. faith and parent representatives on the Prosperous Staffordshire Select Committee or any independent members / persons serving the County Council), be increased by the same percentage as that made to other allowance in line with the NJC Pay award, this is currently unknown and will apply from April 2023.

### **Carers/Dependents Allowance**

We had no issues raised with us in respect of these allowances and so make no proposals for change.

### **Recruitment of Independent Remuneration Panel Members**

Two of the serving members of the IRP have completed their four-year term. County Council are recommended to request that the Audit and Standards Committee convene a Special Panel for the purpose of recruitment of new Independent Remuneration Panel Members.

### **Next year**

Next year we intend to:

1. Review Travel and Subsistence allowances paid to elected members.
2. Review basic allowance for members to compare how SCC fares with other local authorities after the pay award has been settled.
3. Review SRAs of Cabinet Members and Chairpersons of Regulatory Committees.

As always, the Panel invite comments and input from County Councillors on our future programme.

**CHAIRPERSON and Members of the  
Independent Remuneration Panel on Members' Allowances**

## Appendix A

### TERMS OF REFERENCE

1. To meet annually, on agreed dates prior to the commencement of the County Council's financial year, and at such other times as required on agreed dates, as the County Council propose to amend, revoke or replace their Members' Allowance Scheme.

2. In their considerations, to have particular regard to (i) the previous reports and recommendations of the Independent Remuneration Panel (ii) the DETR's Guidance on Members' Allowances; (iii) the relevant Regulations referred to in the Guidance and those Regulations made in respect of the provision of pensions and pensionable remuneration for certain members of local authorities (iv) information submitted by the Chief Executive; and (v) such other information commissioned by the Panel, through the Chief Executive relevant to the Panel's Terms of Reference.

3. To make recommendations to the County Council as to the amount of basic allowances that should be payable to its elected members.

4. To make recommendations to the County Council about the categories of members who should receive a special responsibility allowance and as to the amount of such an allowance.

5. To make recommendations as to whether the County Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined.

6. To make recommendations to the County Council on which of their members, by designation, should be entitled to pensionable remuneration.

**Quote from Constitution:** As of 1 April 2014 new councillors will not be able to join the Local Government Pension Scheme. Any members who have joined the scheme before 31 March 2014 will be allowed to continue their membership for their **current** term of office (renewal on re-election will not be permitted).

7. To make recommendations to the County Council on travel and subsistence allowances for members and the level, or levels, of "meetings allowance" for appointed and co-opted members of County Council Committees.

8. To note, in their considerations and recommendations, that the County Council must have due regard to the recommendations of the Panel in any decision to maintain, amend, revoke or replace their Members' Allowance Scheme, but that ultimately, the determination of the Scheme is a matter for the County Council.

9. To note that the Panel's reports and recommendations, as made from time to time, will be publicised, as soon as reasonably practicable, in at least one local newspaper, be made available for inspection by the public at County Buildings and be published on the County Council's website.

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