

A Review
Of
Special Responsibility Allowances
For
Cabinet Support Members
For
East Staffordshire Borough Council

A Supplementary Report

By the

Independent Remuneration Panel

Simon Chapman
Dr Declan Hall (Chair)
Shaid Hussain
Paul Laffey

July 2019

East Staffordshire Borough Council

Supplementary Report

By the

Independent Remuneration Panel

July 2019

The Regulatory Context

1. This supplementary report contains the recommendations arising out of the independent review, carried out in July 2019, of Special Responsibility Allowances (SRAs) for the new posts of two Cabinet Support Members for East Staffordshire Borough Council by the Council's statutory Independent Remuneration Panel ('IRP' or 'Panel'). It also lays out the deliberations of the Panel so as to show elected Members, Officers and the public the rationale for the Panel's recommendations.
2. The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) (the 2003 Regulations). These regulations, arising out of the relevant provisions in the Local Government Act 2000, require all local authorities to maintain an independent remuneration panel to review and provide advice on the Council's Members Allowances. This is in the context whereby the Council retains powers to determine the scope and levels of Members' Allowances.
3. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their Members' allowances schemes and they must 'pay regard' to the Panel's recommendations before setting a new or amended members' allowances scheme.
4. As the Council is asking for a change to its current scheme the Panel, in this particular instance, has been reconvened under the 2003 Regulations (paragraph 19. 1) which states:

Before an authoritymakes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel.

Terms of Reference

5. In this particular case the terms of reference are very specific namely to

- a) consider whether there should be a Special Responsibility Allowance (SRA) for the two new posts of Cabinet Support Members and if so the amount of this allowance;
- b) If appropriate, the date from when such an SRA should be paid.

The Panel

6. The East Staffordshire Borough Council Independent Remuneration Panel was reconvened, constituting of the following:

Simon Chapman

- Managing Director of a local business and resident of the Borough. Simon is also Vice President of the Burton-on-Trent Chamber of Commerce and past Chair of the local Roundtable

Declan Hall PhD (Chair)

- A former academic at the Institute of Local Government, the University of Birmingham and now independent consultant specialising in members' allowances and who was appointed by the Council as Chair of the Panel

Shaid Hussain

- A local businessman and a resident of the Borough. Shaid is also a volunteer for Staffordshire police, active in local community groups and a former a school governor of a local school

Paul Laffey

- Chief Executive of Burton & District YMCA and a resident of the Borough. Paul is also on the National Board of YMCA England and Wales YMCA and a Trustee of South Derbyshire Council of Voluntary Services (CVS)

7. The Panel was supported by Andrea Davies, Principal Democratic Services Officer.

Process and Methodology

8. The Panel carried out this Supplementary Review as a "virtual" Panel as it was asked only to consider one specific category of new SRAs rather than carry out a full review of the Members' Allowances scheme, as it had done in its previous review of February 2019. As such, to physically convene the Panel would incur disproportionate costs or inputs on the part of the Council and Panel in relation to the results required and would not be an efficient use of Council resources; thus the use of a virtual Panel in this instance would be more appropriate.
9. Consequently, the Chair of the Panel took a lead in the review in that there was a telephone conversation with the Chief Executive (Andy O'Brien) to discuss the proposed new posts of 2 Cabinet Support Members and place their duties and roles in context. The Chair of the Panel, after considering the issues raised, then

took the lead in formulating recommendations and writing the first draft of the report for comment and further amendment by other Panel members. When all Panel members agreed on the recommendations it was only then that the report would be submitted to the Council for approval.

The Panel's Recommendations

10. The Leader of the Council is proposing to establish two new Cabinet Support posts for the following Deputy Leaders/Portfolio Holders
 - Environment and Housing
 - Regeneration and Planning Policy
11. Not only are these the larger portfolios they also have an enhanced resonance, particularly as homelessness is now a larger priority in the national agenda and regeneration is a Council priority. In addition, it is intended that the two new posts form part of a succession planning process for Members who may wish to step up to the full executive, providing them with the relevant skills, capacity and insight beforehand.
12. On the other hand the Panel has always been cognisant of the 2006 Statutory Guidance (paragraph 72) which warns that

If the majority of Members of a council receive an SRA the local electorate might rightly question whether this was justified
13. In the Panel's last full review (February 2019) the total number of recommended SRAs was 14, out of 39 Members (see Appendix 1 for scope and number of recommended SRAs). In particular, the recommended SRAs for the Deputy Leaders related to when there were six. Since then there has been a reduction in the number of Deputy Leaders by two, with the full Executive now made up of the Leader and four Deputy Leaders. Thus recommending two additional SRAs at this stage would not contravene statutory advice nor would such a recommendation result in any more SRAs payable than the number arising out of the February 2019 recommendations.
14. Just as importantly for the Panel, considering its remit as the means by which the Members' Allowances payable are publically scrutinised, a recommended SRA for the two new posts of Executive Support Members would not exceed the financial envelope arising out of the February 2019 recommendations.
15. The intention to appoint two Cabinet Support Members at a lesser responsibility and commitment eases the burden of the two larger portfolio holders. It also helps to provide for succession planning.
16. Consequently, the Panel is content in recommending an SRA for the two proposed Cabinet Support Members.
17. The subsequent consideration for the Panel is to consider the level of SRA payable to the two Cabinet Support Members. Without experience of the role this is a difficult judgement to make and as such the Panel has if anything erred on

the side of caution. It has decided that the level of SRA recommended should be half of that paid to full Deputy Leaders (£8,144), which equates to £4,072. In effect two Cabinet Support Members are equivalent to a full Deputy Leader/Portfolio Holder.

18. **The Panel recommends that the two new posts of Cabinet Support Members are paid an SRA of £4,072*.**

Implementation

19. **The Panel further recommends that SRAs for the two posts of Cabinet Support Members are paid from the date the posts are appointed to.**

**amount is inclusive of indexation for the year 2019/20*

Appendix 1

Categories, Numbers and Levels of SRAs recommended February 2019 Review

Post	Special Responsibility Allowance (SRA)	Number of SRAs Recommended
Leader	£17,566	1
Deputy Leaders	£7,984	6
Chairs of Scrutiny Committees	£3,513	2
Chair of Planning	£6,707	1
Chair Licensing	£5,855	1
Chair of Standards	£1,404	1
Leader (Main) Opposition Group	£7,984	1
Leader (Minority) Opposition Group (with at least 4 Members)	£958	1