

**Independent Remuneration Panel for Worcestershire
District Councils**

Annual Report and Recommendations for 2011-12

Redditch Borough Council

December 2010

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Recommendations

The Independent Remuneration Panel recommends to Redditch Borough Council the following:

- (i) That the Basic Allowance for 2011/2012 remains unchanged from those recommended for 2010/11 as set out in Appendix 1.**
- (ii) That the Special Responsibility Allowances for 2011/2012 remain unchanged from those recommended for 2010/11 in terms of sums paid, but that allowances are not paid to Vice-Chairmen of Committees;**
- (iii) That travel and subsistence allowances for 2011/12 continue to be paid in accordance with the HMRC mileage allowance.**
- (iv) That the Dependent Carer's Allowance remains unchanged.**

Basic Allowance 2011/12

Calculation of Basic Allowance

This is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

In calculating the recommended Basic Allowance, the Panel has previously used the average hourly earnings for the West Midlands from the Annual Survey of Hours and Earnings (ASHE) based on place of residence, produced by the Office for National Statistics.

In 2009 the Panel reviewed the figure for weekly average hours and whilst this may be considered to be on the low side, is of the opinion that as a guide and a base figure it does produce allowances which are comparable to national figures for allowances for other similar authorities. The average Basic Allowance for shire districts taken from the 2008 IDEA survey of members' allowances being £4,194 compared to the Panel's recommendation in its 2008 report of £4,200. Therefore, the Panel saw no reason to alter the basis of the calculation.

The Panel acknowledges that many Councillors work for long hours on behalf of their communities, sometimes in excess of what might reasonably be expected. However, when arriving at the figure for the Basic Allowance we have applied a discount of 40% to recognise that an element of what Councillors do is public service.

The Panel, in view of the severe wider economic situation, considers that its overriding duty is to arrive at recommendations that are fair and reasonable. The Panel must always be aware of its responsibility to command public confidence in its decisions. For this reason the Panel considers that there should be no increase in the basic allowance for 2011/12.

The Panel noted that Redditch Borough Council has accepted the recommendations of its Independent Remuneration Panel in the last two years, whilst agreeing not to take the increases. The amounts of allowances shown in the appendix to this report takes account of this and shows the recommended amounts rather than what has been paid to Councillors.

Special Responsibility Allowances (SRA) 2011/12

General Calculation of SRAs

Appendix 1 to this report sets out the allowances for 2011/12. The Panel considers that because of the exceptional circumstances this year there is no justification for recommending an increase to these. The Panel will be reviewing the level of Special Responsibility Allowances during 2011.

The Panel considered requests from the Council that a Special Responsibility Allowance be introduced for two positions: Chair of the Audit and Governance Committee and Chair of the Crime and Disorder Panel.

Chair of Audit and Governance Committee – from the evidence presented to the Panel about the frequency of meetings of this Committee we recommend that there is sufficient additional responsibility and workload to justify a Special Responsibility Allowance at 0.25 of the basic allowance.

Chair of the Crime and Disorder Panel – the Panel was not convinced that the workload and responsibility justify a Special Responsibility allowance for this post. However, the Panel acknowledged that the Panel has not operated for long. We will consider the workload and review this position during 2011.

Vice-Chairmen – the Panel has previously been reluctant to recommend Special Responsibility Allowances for Vice-Chairmen unless it receives evidence of the position incurring significant additional responsibility above other members of the relevant Committee. We did not consider on the evidence we received that this was the case. We are therefore not recommending that allowances continue to be paid for Vice-Chairmen of Committees.

If there is a significant call on a Vice-Chairman then our view is that it is a matter for the Council whether they receive any payment. For example, if a Chairman is unable to act for a period of time and the Vice-Chairman takes on their responsibilities, then the Chairman may consider foregoing a proportional element of their special responsibility allowance to pay the Vice-Chairman.

Deputy Leader of the Council – the Panel considered the role of the Deputy Leader at Redditch very carefully. Generally, we consider that the work of a Deputy Leader does not involve substantial additional responsibility to that of the role of a cabinet member and we considered recommending that the Special Responsibility Allowance is reduced to the same as that for a cabinet member. However, in the case of Redditch we are satisfied that the Deputy Leader has portfolio responsibilities and for this reason recommend that the Special Responsibility allowance continues. We recognise that the formal position may be changing with the implementation of the Local Government and Public Involvement in Health Act from May 2011.

Group Leaders – the Panel noted the amounts currently set for leaders of the opposition and of the political groups. The Panel was concerned at the payment of fixed fees. We favour the approach of payments on a per head basis, which allows for any changes to Group membership during the year.

Due to time constraints preventing detailed research into these payments, the Panel is not recommending changes to them in 2011-12. However, we will review them in more detail during the forthcoming year.

Mileage and Expenses 2011/12

The Panel notes that Redditch Borough Council currently uses the HMRC rate of 40p per mile for payment of mileage for Councillors and recommends that this continues.

Allowances to Parish Councils

The Panel notes its continuing role as Independent Remuneration Panel for Parish Councils within the Districts covered.

The Independent Remuneration Panel

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel (IRP). The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with the other 5 District Councils in Worcestershire, the decision having been taken during 2010 to follow the principle previously established by having a joint Panel in the South of the County. Separate Annual Reports have been prepared for each Council.

Initially the South Worcestershire Panel has carried out the work for the 6 Districts, while the Councils reviewed the size and operation of the Panel. The members of the Panel have been:

- Rob Key, the Chair of the Panel – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He is an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.
- Elaine Bell, JP, DipCrim – Elaine has been a Magistrate for 14 years, Day Chair of Adult and Family Courts; Chair of the Bench Training & Development Committee; past member of the Magistrates Advisory Panel (interviewing and selecting for appointment to the Bench). She is also a Governor of the Lloyds Educational Foundation; Member of the Sytchampton School Appeals Panel; Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.
- Bill Simpson – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies. He served as a magistrate for 9 years until retirement. He is Chairman of several charities including *Thrive* between 2001 and 2008.
- Reverend Prebendary Michael Vockins OBE – Mike is Honorary Curate of three rural parishes, Rural Dean of Ledbury and one of the original members of the Independent Remuneration Panel. He is former Chief Executive of

Worcestershire County Cricket Club and currently Secretary of a sporting charity.

- Mel Nock OBE, BA Joint Hons, Dip IPD – Mel is currently Vice-Chair of the Lucy Faithfull Foundation and Chair of the Governance, Finance and General Purposes Committee. He is Executive Chair of EIL Malvern. Previously Mel was Chairman of a GKN division and Regional Director with a Regional Health Authority moving on to become Assistant Managing Director. Mel established his own HR consultancy in the 1990's specialising in remuneration and organisational change. He has also served as a member of the Lord Lieutenant's (South Worcestershire) Advisory Committee on the appointment of magistrates.

The Panel could not begin work on this year's report until the end of the summer. We appreciate that this has meant we have not been able to review each Council in as much detail as we would like. Our early understanding of the current situation across the Worcestershire Districts shows some differences between the level of allowances paid for similar roles. We have not been able to investigate the detail behind this in the time available to us this year. We have agreed that we will begin our research for our next Annual Report early in 2011 so that we can undertake an in depth review and complete our proposals by December in order to tie in with each Council's budget-making process.

The Panel has been advised and assisted by:

- Steve Taylor from Worcester City Council, who retired during the year, and was replaced by Chris Watkins;
- Sheena Jones from Wychavon District Council;
- Joanne Lowman from Malvern Hills District Council;
- Karen Firth from Bromsgrove District Council;
- Penelope Williams and Diana Glendenning from Wyre Forest District Council;
- Steve Skinner and Trish Buckley from Redditch Borough Council.

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

Rob Key

Chairman of Independent Remuneration Panel

Redditch Borough Council – Allowance Recommendations 2011-12

Appendix 1

-	Multiplier of Basic Allowance	Recommendations for 2010/11 and unchanged for 2011/12	Actual for 2010/11 (unchanged since 2008)
Basic Allowance:		3,350 ¹	3,219
Special Responsibility Allowances:			
Leader/Chair of the Executive Committee	2	6,697	6,438
Deputy Leader/Vice-Chair of Executive Committee	1.4	4,687	4,506
Portfolio Holders/Executive Co Members (includes Exec Panel Chair role, includes Leader & Deputy as portfolio holders)	0.46	1,560	1,500
Other Executive Committee Members who are not portfolio holders (ie other political parties)	0.32	1,072	1,030
Chair of Executive Panel (if not a portfolio holder)	0.4	1,340	1,288
Chair of Overview and Scrutiny	0.6	2,009	1,931
Overview and Scrutiny members	0.32	1,072	1030
Chair of Audit and Governance Committee	0.25	838	none
Chair of Planning Committee	0.96	3,214	3,090

¹ This figure takes into account a public service discount of 40%

-	Multiplier of Basic Allowance	Recommendations for 2010/11 and unchanged for 2011/12	Actual for 2010/11 (unchanged since 2008)
Chair of Licensing Committee	0.4	1,340	1,288
Independent Chair of Standards Committee	0.078	261	266 258
Independent Member of Standards Committee	0.06 0.03	202 101	103 100
Leaders of "Minority" Groups	0.62 0.31	2,080 1040	1,000
Representative on Local Government Association and General Assembly	0.08	269	258
Representative on Local Government Association Rural Commission	0.08	269	258
Representative on Local Government Urban Commission	0.08	269	258
Representative on West Midlands Leaders Board (being wound up)	0.08	269	258

Please note: at this point in time, the multiplier for the 2010/11 & 2011/12 column is only indicative. The Joint IRP will be considering this in the forthcoming year and aims to set standard multipliers.