



# **Council (Annual Meeting)**

**Wednesday 15 May 2013 at 11.30am**

**Council Chamber, Town Hall,  
Pinstone Street, Sheffield S1 2HH**

**The Press and Public are Welcome to Attend**

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## ANNUAL COUNCIL

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**Wednesday 15 May 2013, at 11.30 am**  
**Council Chamber, Town Hall, Pinstone Street, Sheffield S1 2HH**

**The Press and Public are Welcome to Attend**

### MEMBERS OF THE COUNCIL

THE LORD MAYOR  
THE DEPUTY LORD MAYOR

1	<i>Arbourthorne Ward</i> Julie Dore John Robson Jack Scott	10	<i>Dore &amp; Totley Ward</i> Keith Hill Joe Otten Colin Ross	19	<i>Mosborough Ward</i> David Barker Isobel Bowler Tony Downing
2	<i>Beauchief &amp; Greenhill Ward</i> Simon Clement-Jones Clive Skelton Roy Munn	11	<i>East Ecclesfield Ward</i> Garry Weatherall Steve Wilson Joyce Wright	20	<i>Nether Edge Ward</i> Anders Hanson Qurban Hussain Nikki Bond
3	<i>Beighton Ward</i> Helen Mirfin-Boukouris Chris Rosling-Josephs Ian Saunders	12	<i>Ecclesall Ward</i> Roger Davison Diana Stimely Penny Baker	21	<i>Richmond Ward</i> John Campbell Martin Lawton Lynn Rooney
4	<i>Birley Ward</i> Denise Fox Bryan Lodge Karen McGowan	13	<i>Firth Park Ward</i> Alan Law Chris Weldon Shelia Constance	22	<i>Shiregreen &amp; Brightside Ward</i> Sioned-Mair Richards Peter Price Peter Rippon
5	<i>Broomhill Ward</i> Shaffaq Mohammed Stuart Wattam Jayne Dunn	14	<i>Fulwood Ward</i> Andrew Sangar Sue Alston Cliff Woodcraft	23	<i>Southey Ward</i> Leigh Bramall Tony Damms Gill Furniss
6	<i>Burngreave Ward</i> Jackie Drayton Ibrar Hussain Talib Hussain	15	<i>Gleadless Valley Ward</i> Cate McDonald Tim Rippon Steve Jones	24	<i>Stannington Ward</i> David Baker Vickie Priestley Katie Condliffe
7	<i>Central Ward</i> Jillian Creasy Mohammad Maroof Robert Murphy	16	<i>Graves Park Ward</i> Denise Reaney Ian Auckland Bob McCann	25	<i>Stockbridge &amp; Upper Don Ward</i> Alison Brelsford Philip Wood Richard Crowther
8	<i>Crookes Ward</i> Sylvia Anginotti Geoff Smith Rob Frost	17	<i>Hillsborough Ward</i> Janet Bragg Bob Johnson George Lindars-Hammond	26	<i>Walkley Ward</i> Ben Curran Nikki Sharpe Neale Gibson
9	<i>Darnall Ward</i> Harry Harpham Mazher Iqbal Mary Lea	18	<i>Manor Castle Ward</i> Jenny Armstrong Terry Fox Pat Midgley	27	<i>West Ecclesfield Ward</i> Trevor Bagshaw Alf Meade Adam Hurst
				28	<i>Woodhouse Ward</i> Mick Rooney Jackie Satur Ray Satur

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John Mothersole

Chief Executive

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Contact:

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## **PUBLIC ACCESS TO THE MEETING**

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The Council is composed of 84 Councillors with one-third elected three years in four. Councillors are democratically accountable to the residents of their Ward. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them

All Councillors meet together as the Council. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints the Leader and at its Annual Meeting will appoint Councillors to serve on its Committees. It also appoints representatives to serve on joint bodies and external organisations.

A copy of the agenda and reports is available on the Council's website at [www.sheffield.gov.uk](http://www.sheffield.gov.uk). You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday, or you can ring on telephone no. 2734552. You may not be allowed to see some reports because they contain confidential information. These items are usually marked \* on the agenda.

Members of the public have the right to ask questions or submit petitions to Council meetings. Please see the website or contact Democratic Services for further information.

Council meetings are normally open to the public but sometimes the Council may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

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## **FACILITIES**

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There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

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**COUNCIL AGENDA  
15 MAY 2013**

**Order of Business**

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- 1. APOLOGIES FOR ABSENCE**
- 2. TO ELECT A LORD MAYOR FOR THE ENSUING YEAR**
- 3. TO MOVE A VOTE OF THANKS TO THE RETIRING LORD MAYOR AND CONSORT**
- 4. TO APPOINT A DEPUTY LORD MAYOR FOR THE ENSUING YEAR**

(NB The meeting will adjourn following the appointment of the Deputy Lord Mayor and reconvene at 2.00 p.m.)

- 5. TO ELECT A LEADER OF THE COUNCIL FOR THE ENSUING YEAR**
- 6. TO RECEIVE NOTIFICATION OF CABINET AND CABINET ADVISOR APPOINTMENTS, THE LEADER'S SCHEME OF DELEGATION FOR THE DISCHARGE OF EXECUTIVE FUNCTIONS, AND SHADOW CABINET APPOINTMENTS FOR THE ENSUING YEAR**

Background report of the Chief Executive outlining the constitutional requirements regarding the discharge of Executive functions.

- 7. ESTABLISHMENT OF COUNCIL COMMITTEES IN 2013/14 AND APPOINTMENT OF MEMBERS TO SERVE ON THOSE COMMITTEES**

Report of the Chief Executive.

- 8. APPOINTMENTS TO OTHER COUNCIL PANELS, GROUPS ETC. AND TO EXTERNAL BODIES**

To agree appointments in accordance with details to be circulated at the meeting.

- 9. ARRANGEMENTS FOR COUNCIL MEETINGS**

To agree a programme of meetings of the Council in 2013/14 and, in accordance with Council Procedure Rule 10.2, the formula for the order in which Notices of Motion will be listed on the Council Summons.

- 10. MEMBERS ALLOWANCES 2013/14 AND ONWARD**

To consider a report of the Executive Director, Resources and any recommendations thereon referred by the Cabinet at its meeting held on

8<sup>th</sup> May, 2013.

A handwritten signature in black ink, appearing to read "John Roche", with a long horizontal flourish underneath.

Chief Executive

Dated this 7<sup>th</sup> day of May 2013

**The next ordinary meeting of the Council will be held on 5 June 2013 at the Town Hall**

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## SHEFFIELD CITY COUNCIL Report to Council

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**Report of:** Chief Executive

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**Date:** 15<sup>th</sup> May 2013

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**Subject:** Notification of Cabinet, Shadow Cabinet and Cabinet Adviser Appointments, and the Leader's Scheme of Delegations for the Discharge of Executive Functions

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**Author of Report:** Paul Robinson – Head of Democratic Services (Council and Members)

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**Summary:**

This report outlines the constitutional requirements for the appointment of a Leader of the Council and notification of arrangements for the discharge of Executive functions.

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**Recommendations:**

That the Council:-

- (1) Receives, notes and approves where relevant, the Leader's notification of:-
    - (i) appointment of a Deputy Leader and Cabinet Members including their portfolio areas of responsibility;
    - (ii) appointment of advisors to the Cabinet;
    - (iii) appointment of Cabinet Members to serve on the Cabinet Highways Committee including substitutes; and
    - (iv) the scheme of delegation for the discharge of Executive functions(all to be circulated in a schedule presented at the meeting).
  - (2) Notes the main opposition group's notification of the Leader of the Opposition and approves the appointment of Shadow Cabinet Members (to be circulated in a schedule presented at the meeting).
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**Background Papers:** Constitution of Sheffield City Council

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**Category of Report:** OPEN

## Statutory and Council Policy Checklist

<b>Financial implications</b>
YES – Cleared by Paul Jeffries
<b>Legal implications</b>
YES – Cleared by Lynne Bird
<b>Equality of Opportunity implications</b>
NO
<b>Tackling Health Inequalities implications</b>
NO
<b>Human Rights implications</b>
NO
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community Safety implications</b>
NO
<b>Human Resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
None
<b>Relevant Scrutiny Committee if decision called in</b>
N/A
<b>Is the item a matter which is reserved for approval by the City Council?</b>
Yes
<b>Press release</b>
NO



# **Notification of Cabinet, Shadow Cabinet and Cabinet Adviser Appointments, and the Leader's Scheme of Delegations for the Discharge of Executive Functions**

## **1. INTRODUCTION**

- 1.1 This report outlines the constitutional requirements for the appointment of a Leader of the Council and notification of arrangements for the discharge of Executive functions.

## **2. THE ESTABLISHMENT OF THE EXECUTIVE**

- 2.1 Under the Constitution, the Council at its Annual Meeting is required to appoint a Leader to hold office until the next Annual Meeting. The Executive (Cabinet) shall consist of up to 10 members, including the Leader. The Constitution provides for the Leader to present to the Council's Annual Meeting the names and Wards of the Members he or she has appointed to be members of the Executive, including the Deputy Leader, and in addition, a scheme of delegation for the discharge of Executive functions. The functions of the Executive, including portfolio holder areas of responsibility, are set out in the current Leader's Scheme of Delegation, but are subject to change at the discretion of the Leader.

- 2.2 The Leader may also establish sub-groups consisting of Executive members which can also take decisions. There is currently one established sub-group, the Cabinet Highways Committee, comprising 4 of the Cabinet members, with the remaining Cabinet Members acting as substitutes. The functions delegated to the Committee are described in Schedule 4 of the Leader's Scheme of Delegation and are to:-

"Exercise the Executive functions arising from the Council's roles as the Highways Authority and Road Traffic Authority, including transport and parking matters, where these relate to:-

1. the Capital Programme;
2. policy statements;
3. matters that have drawn objections from members of the public; and
4. schemes with a value in excess of £250,000."

The Leader may establish further sub-groups and delegate functions to them, reporting this to Council at the earliest opportunity.

- 2.3 The Leader has previously delegated some Executive functions to Area Committees (i.e. Community Assemblies) to be exercised within their Ward areas. However, the delegation of those functions has recently been removed from the Leader's Scheme of Delegation in view of the Council's intention to abolish its Community Assemblies as formal decision-making bodies in 2013/14.

- 2.4 The Council does not propose to amend the current and published arrangements in respect of Executive functions adopted by the Council on 7<sup>th</sup> April 2010, with regard to the Strong Leader and Cabinet governance arrangements.
- 2.5 Details of the Leader's notification of appointments of a Deputy Leader; the Cabinet Members (including their portfolio areas of responsibility); advisers to the Cabinet; Cabinet Members to serve on the Cabinet Highways Committee (including substitutes); and the scheme of delegation for the discharge of Executive functions, will be circulated in a schedule presented at the Council meeting.
- 2.6 Details of the main opposition group's notification of the Leader of the Opposition and the appointment of Shadow Cabinet Members, will also be circulated in a schedule presented at the meeting.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no direct financial implications arising from this report. However, the posts of Cabinet Member, Cabinet Adviser and Shadow Cabinet Member attract Special Responsibility Allowances (SRAs) under the Council's Members' Allowances Scheme. Therefore, the appointments to be made by the Leader of the Council and the Leader of the main opposition group will have financial implications.
- 3.2 It should also be noted that the Members' Allowances Scheme is under review and a new Scheme will be approved at the Annual Meeting of the Council. Should any changes be made in respect of these particular SRAs, then this too would impact on the financial implications of the two Leaders' appointments.
- 3.3 The 2013/14 Revenue Budget approved by the Council on 1<sup>st</sup> March, 2013 includes a target saving of £100K on spending on Members' budgets.
- 3.4 The financial implications of the Members' Allowances Scheme to be approved at the Annual Meeting of the Council and of the appointments of Members to positions of Special Responsibility in the Municipal Year 2013/14, will be outlined at the meeting.

### **4. LEGAL IMPLICATIONS**

- 4.1 The legal implications are set out in the body of this report.

### **5. RECOMMENDATIONS**

- 5.1 That the Council receives, notes and approves where relevant, the Leader's

notification of:-

- 5.1.1 appointment of a Deputy Leader and Cabinet Members including their portfolio areas of responsibility;
  - 5.1.2 appointment of advisers to the Cabinet;
  - 5.1.3 appointment of Cabinet Members to serve on the Cabinet Highways Committee including substitutes; and
  - 5.1.4 the scheme of delegation for the discharge of Executive functions;
- (all the above to be circulated in a schedule presented at the meeting).
- 5.2 That the Council notes the main opposition group's notification of the Leader of the Opposition and approves the appointment of Shadow Cabinet Members (to be circulated in a schedule presented at the meeting).

John Mothersole  
Chief Executive

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- (ii) the final adjustments of seats to ensure that each group has the required number of seats overall in comparison to the total number of seats available on all Committees to reflect their composition on the Council as a whole; and
  - (iii) the appointment of Members to Committees to reflect the wishes of the political groups in accordance with the schedule to be circulated at the meeting and including substitutes where appropriate.
- (5) Agrees that the terms of reference of the Committees in 2013/14 be as currently set out in the Constitution, subject to the incorporation of new terms of reference and remit (and, possibly, name) of the Overview and Scrutiny Management Committee, the establishment of the single Planning and Highways Committee, and the abolition of the Community Assemblies (as described in paragraphs 3.1.2, 3.2.2, and 3.5.2 of the report respectively), and gives authority for consequential amendments to be made to the Constitution accordingly; and
- (6) Confers its powers of review and scrutiny of local health services, including the power of referral to the Secretary of State for Health, to the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee, as per the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013.

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**Background Papers:** Constitution of Sheffield City Council

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial implications</b>
YES – Cleared by Paul Jeffries
<b>Legal implications</b>
YES – Cleared by Lynne Bird
<b>Equality of Opportunity implications</b>
NO
<b>Tackling Health Inequalities implications</b>
NO
<b>Human Rights implications</b>
NO
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community Safety implications</b>
NO
<b>Human Resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
None
<b>Relevant Scrutiny Committee if decision called in</b>
N/A
<b>Is the item a matter which is reserved for approval by the City Council?</b>
Yes
<b>Press release</b>
NO

## **Establishment of Council Committees in 2013-14 and Appointment of Members to Serve on those Committees**

### **1. INTRODUCTION**

1.1 This report outlines the requirements set out in the Local Government and Housing Act 1989 to allocate seats on Council Committees to political groups on a politically proportionate basis. It asks Council to agree that the existing terms of reference of all Committees/Sub-Committees and other bodies as specified in the Council's Constitution remain unchanged except with regard to:-

- the Community Assemblies, which are not to be re-established as Area Committees in 2013/14;
- Planning and Highways, where the two area-based committees are to be replaced by a single committee; and
- the Scrutiny and Policy Development Committees, where the Overview and Scrutiny Management Committee is to be given revised terms of reference and remit (and possibly a new name), and where the Council is to confer its new health scrutiny functions to the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee.

1.2 Alternative arrangements in not applying strict political proportionality can be put in place provided Council gives unanimous support without any Member dissenting from that approach.

### **2. POLITICAL BALANCE**

2.1 The political balance requirements of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990 apply, with some limited exceptions, to any committees and sub-committees established under the Constitution. They also apply to the Scrutiny and Policy Development Committees, which are treated as committees for the purposes of the Local Government Act 2000. The allocation of seats on committees must be in the same proportion as the number of members of the group bears to the membership of the Authority as a whole. The political balance rules do not apply to the Executive (Cabinet) or the Shadow Cabinet, nor the Licensing Committee (although past and existing practice has ensured that it is politically balanced). In addition, any formal Area Committees established under the Local Government Act 2000 are similarly exempted.

2.2 The Council has a duty when allocating or reviewing the allocation of seats on committees to give effect so far as is reasonably practicable to the following four principles:-



- (i) all the seats are not allocated to the same political group;
- (ii) the majority of the seats go to the political group in the majority on the full Council;
- (iii) subject to the above two principles, the total number of seats on the ordinary committees of the Authority are allocated to each political group in the same proportion as the group's representation on the full Council; and
- (iv) subject to the above three principles, the number of seats on each committee are allocated to each political group in the same proportion as the group's representation on the Council.

2.3 Following the Fulwood Ward By-Election held on 2<sup>nd</sup> May, 2013, the Council has 3 political groups. The Labour Group has 60 seats, the Liberal Democrat Group has 22 seats and the Green Group has 2 seats. The total number of seats on the Council is 84.

2.4 This means that the percentage allocation is as follows:-

Labour:	$60 \div 84 \times 100 = 71.43\%$
Liberal Democrat:	$22 \div 84 \times 100 = 26.19\%$
Greens:	$2 \div 84 \times 100 = 2.38\%$

2.5 The number of main committee seats are allocated in the same proportion as the group's representation on the Council. For example, on a Committee with 13 seats available for allocation this would be calculated as follows:-

Divide the number of seats available on the Committee between the Groups in the same proportion as the number of seats a Group has on the Council:-

Labour	$60 \div 84 \times 13 = 9.29$
Liberal Democrat	$22 \div 84 \times 13 = 3.40$
Greens	$2 \div 84 \times 13 = 0.31$

This shows that 12 whole seats are allocated, 9 to the Labour Group and 3 to the Liberal Democrat Group. One seat remains for allocation and is awarded on the highest part percentage claim, i.e. to the Liberal Democrat Group (0.40), giving an overall allocation of 9 and 4 seats to the 2 largest groups, being the total of 13 available for allocation.

2.6 This approach is replicated for each individual Committee and Appendix 1 shows an illustrative example of the overall allocation across all politically proportionate Committees based on the Committee sizes in 2012/13 except for the new single Planning Committee (referred to at paragraph 3.2.2) which needs to be established with 13 seats so as to fulfil the political proportionality requirements whilst also providing sufficient seats across the Council's scrutiny, planning and licensing committees to enable each non-executive member of the Council to be appointed to one of those committees in accordance with Council Procedure Rule 25.4 which specifies

that every Member of the Council, except those appointed to the Cabinet, shall be appointed a member of at least one Scrutiny and Policy Development Committee or one Regulatory Committee.

2.7 This illustration also shows that the total number of seats across all politically proportionate Committees is 131. The sizes of any of the Committees is however at the discretion of the Council to vary should it so choose. The basis of the mathematical calculation on differing sized Committees is shown at Appendix 2.

2.8 Applying each group's percentage allocation (set out in paragraph 2.4) to the total number of seats on Committees (131), gives the following results:-

Labour	131 x 71.43%	= 93.57
Liberal Democrat	131 x 26.19%	= 34.31
Greens	131 x 2.38%	= 3.12

This shows that 130 whole seats are allocated, 93 to the Labour Group, 34 to the Liberal Democrats and 3 to the Green Group. One seat remains for allocation and is awarded on the highest part percentage claim, ie to the Labour Group (0.57).

2.9 The closest practical distribution to political groups (after rounding) is therefore 94 : 34 : 3 (Labour: Liberal Democrat : Green).

2.10 There is no requirement for the Cabinet or any Cabinet Committee, Shadow Cabinet or Area Committees to be politically balanced. Neither do the political balance rules apply to the Licensing Committee, but the Council chooses to apply the rules to this Committee. The Council, in establishing its new Standards Committee at its meeting on 4<sup>th</sup> July, 2012, agreed to disapply proportionality to that Committee. Taking into account the allocation detailed in the table in Appendix 1, a number of adjustments (6 seats) are required to ensure political balance on the overall number of seats across all Committees available to each political group. This illustrates that the Liberal Democrat Group has an over allocation of 6 seats and the Labour Group and the Green Group are under represented by 3 seats each, and final adjustment is required. The practical arrangements for making the required adjustments are outlined at the end of Appendix 1. A schedule of nominations from each of the political groups to occupy the requisite number of allocated seats, will be tabled at the meeting.

### **3. THE ESTABLISHMENT OF COMMITTEES/SUB-COMMITTEES UNDER THE CONSTITUTION**

#### **3.1 Scrutiny Committees**

3.1.1 The Constitution provides for the appointment of Scrutiny Committees and they are subject to the rules on political proportionality. In 2012/13, there were 4 Scrutiny and Policy Development Committees (each containing 13 Members), plus the Overview and Scrutiny Management Committee (which

comprised the Chairs and Deputy Chairs of the 4 Committees). The Scrutiny Committee for Children and Young People also includes 2 voting co-opted parent governors and 2 voting co-opted members nominated by each of the local Church of England and Roman Catholic Diocesan Boards. An overview and scrutiny committee of a local authority, or a sub-committee of such a committee, may not include any member of the authority's executive.

3.1.2 The terms of reference and remits of the Scrutiny and Policy Development Committees are set out in Part 3 of the Council's Constitution. It is proposed that existing arrangements be continued, except in relation to the terms of reference and remit, operation, and possibly the name, of the Overview and Scrutiny Management Committee, which is to have the following remit:-

- lead on the scrutiny work planning process;
- lead scrutiny of high level cross-cutting and city-wide issues – appointing joint committees where appropriate;
- scrutinise the use of Council resources – Resources Portfolio, budget monitoring, annual budget setting process; and
- performance monitoring – referring areas of concern to the relevant Scrutiny and Policy Development Committee where appropriate.

Approval is therefore sought for the Constitution to be updated to incorporate the new terms of reference and remit (and, possibly, name) of the Overview and Scrutiny Management Committee, which will still comprise the Chairs and Deputy Chairs of the 4 Scrutiny and Policy Development Committees.

3.1.3 The Health and Social Care Act 2012 has introduced changes to the system of review and scrutiny of the health service. The scope of health scrutiny has been extended to the National Health Service Commissioning Board and clinical commissioning groups and to providers of NHS and public health services commissioned by the Board, CCGs or local authorities. The power to refer service change proposals to the Secretary of State for Health is retained. The Act also confers health scrutiny functions upon local authorities as a corporate entity, rather than directly to an overview and scrutiny committee.

The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013 sets out 3 options that local authorities can choose to take in discharging the health scrutiny function:

- Through a Scrutiny Committee - This would operate in the same way that we currently work in Sheffield;
- Through a Committee or Sub-Committee of Council - This may be appropriate for authorities that have decided to return to the Committee System as a result of the Localism Act 2012, and no longer operate a Scrutiny function; and
- Through a Joint Committee - This may be appropriate in areas where health services are commissioned or provided over an area that

contains more than one local authority.

Sheffield has a well-established mechanism for dealing with health scrutiny – through the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee. It is proposed therefore that the City Council confers its powers of review and scrutiny of local health services, including the power of referral to the Secretary of State for Health, to the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee.

### **3.2 Regulatory Committees**

3.2.1 The Constitution allows for Council side functions to be delegated to Committees, with terms of reference set out in Part 3 of the Constitution, which deliver regulatory responsibilities. In 2012/13, these Committees (and their membership sizes) were as follows:

Planning and Highways City Centre, South and East Committee	(10)
Planning and Highways West and North Committee	(10)
Licensing Committee	(15)
Audit Committee	(6)
<i>(6 Non-Executive Members of the Council, plus 2 non-voting co-opted members each serving a 4-year term of office)</i>	
Admissions Committee	(7)
Senior Officer Employment Committee	(15)
Appeals and Collective Disputes Committee	(15)

It is proposed to retain all these Committees in 2013/14, except in relation to the Planning and Highways Committees (see paragraph 3.2.2 below).

3.2.2 At its meeting on 3<sup>rd</sup> April, 2013, the Council gave approval for the existing two Area Planning and Highways Committees to be combined into a single Planning and Highways Committee for the whole City from May 2013. The two Committees each had 10 seats, but as referred to in paragraph 2.6, the size of the new single Committee needs to be set at a minimum of 13 Members to provide sufficient seats across the Council's scrutiny, planning and licensing committees to enable each non-executive member of the Council to be appointed to one of those committees. Approval is also sought for the Constitution to be updated to reflect the establishment of the single Committee.

3.2.3 The Licensing Committee, set up under the Licensing Act 2003, can have a minimum of 10 and no more than 15 members under the legislation. Whilst technically this Committee is not required to be politically balanced, past practice has ensured that it is. It is proposed that this approach is continued, having a membership of 15.

The appointment of Licensing Sub-Committees to review cases under Section 10 of the Licensing Act 2003, is a statutory function reserved by the Act to the statutory Licensing Committee. Accordingly, it is a matter for the

Licensing Committee to appoint these Sub-Committees and the custom and practice has been for any 3 Members of the Committee to be called to hear individual cases. It is proposed that existing arrangements be continued.

- 3.2.4 The Senior Officer Employment Committee and the Appeals and Collective Disputes Committee, with terms of reference set out in Part 3 of the Constitution, are established as politically proportionate committees of 15 Members. However, built into the terms of reference of both Committees is the facility to establish Sub-Committees to undertake their functions. The custom has been to disapply proportionality to these Sub-Committees and for any 3 Members of the parent Committee to be called to hear individual matters. It is proposed that this approach be continued.

### **3.3 Standards Committee**

- 3.3.1 The Constitution provides for the establishment of a Standards Committee to determine complaints under the Members' Code of Conduct referred to it by the Monitoring Officer, and to promote high standards of Councillor conduct. The composition, role and functions of the Committee are set out in Article 9 of the Constitution, and its terms of reference are set out in Part 3 of the Constitution.

- 3.3.2 The Standards Committee is a committee of Council, without the unique features which were conferred by previous legislation. It currently comprises 8 Members of the City Council drawn from the 2 largest political groups on the Council (with proportionality disappplied and a requirement that one Member from each group is to be present at each meeting), plus 3 independent non-voting lay members. It is proposed that existing arrangements be continued.

### **3.4 Health and Wellbeing Board**

- 3.4.1 The Council has also established a Health and Wellbeing Board in accordance with, and to discharge the statutory functions under, the Health and Social Care Act 2012. The membership and powers and responsibilities of the Board are set out in Article 9 of the Constitution, and the political balance rules do not apply to the Board. It is proposed that existing arrangements be continued.

### **3.5 Area Committees (Community Assemblies)**

- 3.5.1 In the past few years, the Council has established Area Committees (known as Community Assemblies) to undertake Executive and non-Executive functions, with terms of reference set out in Part 3 of the Constitution, and with Procedure Rules set out in Part 4 of the Constitution. Furthermore, the Leader has previously delegated some Executive functions to the Community Assemblies to be exercised within their Ward areas.

- 3.5.2 However, in approving its Revenue Budget for 2013/14, the Council gave notice of its intention to abolish its Community Assemblies as formal decision-making bodies in order to secure budgetary savings required to be

made in 2013/14. In anticipation of this, the delegation of Executive functions to the Community Assemblies has recently been removed from the Leader's Scheme of Delegation. It is therefore proposed not to re-establish the Area Committees (Community Assemblies) in 2013/14 and approval is also sought for the Constitution to be updated accordingly to reflect their abolition.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The posts of Chairs of Community Assemblies and Chairs of Planning and Highways Committees attract Special Responsibility Allowances (SRAs) under the Council's Members' Allowances Scheme. Therefore, the abolition of the Community Assemblies and the move to a single Planning and Highways Committee will have financial implications, as fewer SRAs will be payable in 2013/14 than was paid in 2012/13. The actual amount to be saved, however, will depend on whether or not the Council chooses to introduce, within its Members' Allowances Scheme, a new SRA for a local leadership role for Members in lieu of the Community Assemblies, and if so, the amount of that new allowance.
- 4.2 It should be noted that the Members' Allowances Scheme is under review and a new Scheme will be approved at the Annual Meeting of the Council. Should any changes be made in respect of the SRAs referred to in paragraph 4.1 above, or to any other SRAs linked to the Council's Committees, then these too would have financial implications.
- 4.3 The 2013/14 Revenue Budget approved by the Council on 1<sup>st</sup> March, 2013 includes a target saving of £100K on spending on Members' budgets.
- 4.4 The financial implications of the Members' Allowances Scheme to be approved at the Annual Meeting of the Council and of the appointments of Members to positions of Special Responsibility in the Municipal Year 2013/14, will be outlined at the meeting.

#### **5. LEGAL IMPLICATIONS**

The legal implications are set out in the body of this report.

#### **6. RECOMMENDATIONS**

That the Council:-

- (1) Notes the political proportionality framework and the illustrative example of how this might be applied as set out in the report.
- (2) Considers how it wishes to allocate seats on Committees in light of this illustrative approach.

- (3) Determines whether to continue to disapply proportionality to the Senior Officer Employment Sub-Committees and the Appeals and Collective Disputes Sub-Committees (for the reasons set out in paragraph 3.2.4 of the report), and to the Standards Committee (paragraph 3.3.2);
- (4) Agrees:
  - (i) the sizes of individual Committees to be subject to proportional balance and the initial allocation of seats to political groups on individual Committees before final adjustment;
  - (ii) the final adjustments of seats to ensure that each group has the required number of seats overall in comparison to the total number of seats available on all Committees to reflect their composition on the Council as a whole; and
  - (iii) the appointment of Members to Committees to reflect the wishes of the political groups in accordance with the schedule to be circulated at the meeting and including substitutes where appropriate.
- (5) Agrees that the terms of reference of the Committees in 2013/14 be as currently set out in the Constitution, subject to the incorporation of new terms of reference and remit (and, possibly, name) of the Overview and Scrutiny Management Committee, the establishment of the single Planning and Highways Committee, and the abolition of the Community Assemblies (as described in paragraphs 3.1.2, 3.2.2, and 3.5.2 of the report respectively), and gives authority for consequential amendments to be made to the Constitution accordingly; and
- (6) Confers its powers of review and scrutiny of local health services, including the power of referral to the Secretary of State for Health, to the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee, as per the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013.

John Mothersole  
Chief Executive

**MEMBERSHIP OF NON POLITICALLY PROPORTIONATE  
COUNCIL BODIES 2013/14  
(Schedule of named Councillor appointees to be tabled at the meeting)**

**Executive (Cabinet) (9 in 2012/13)**

Portfolios are at the Leader's discretion and could be subject to change.

The Leader

Executive Members and their Portfolios:

- Business, Skills and Development
- Children, Young People and Families
- Communities and Inclusion
- Culture, Sport and Leisure
- Environment, Recycling and Streetscene
- Finance and Resources
- Health, Care and Independent Living
- Homes and Neighbourhoods

**Cabinet Highways Committee (4 in 2012/13)**

Comprises 4 Members of the Executive and remaining Executive Members act as substitutes.

**Shadow Cabinet (9 in 2012/13)**

Portfolios are at the Opposition Leader's discretion and could be subject to change.

Leader

- Business, Skills and Development
- Children, Young People and Families
- Communities and Inclusion
- Culture, Sport and Leisure
- Environment, Recycling and Streetscene
- Finance and Resources
- Health, Care and Independent Living
- Homes and Neighbourhoods

**Standards Committee (11 in 2012/13)**

Comprises 8 Elected Members and 3 independent non-voting lay members.



### **Licensing Sub-Committees**

Pool of 3 Members drawn from the Licensing Committee which is proportionally balanced.

### **Senior Officer Employment Sub-Committees**

Pool of 3 Members drawn from the Senior Officer Employment Committee which is proportionally balanced.

### **Appeals and Collective Disputes Sub-Committees**

Pools of 3 Members drawn from the Appeals and Collective Disputes Committee which is proportionally balanced.

## **MEMBERSHIP OF POLITICALLY PROPORTIONATE COUNCIL BODIES 2013/14**

### **Scrutiny and Policy Development Committees**

Children, Young People & Family Support S&PD Cttee (13)	
Economic & Environmental Well-being S&PD Cttee (13)	
Healthier Communities & Adult Social Care S&PD Cttee (13)	Pool of Scrutiny Committee Substitutes
Safer & Stronger Communities S&PD Cttee (13)	
Overview & Scrutiny Management Committee ( <i>may be renamed</i> ) (8)	
( <i>Chairs and Deputy Chairs of the 4 Scrutiny Committees</i> )	

### **Regulatory Committees**

Planning and Highways Committee (13)	Pool of Planning Committee Substitutes
Licensing Committee (15)	
Audit Committee (6)	
Admissions Committee (7)	Pool of Admissions Committee Substitutes (Drawn from any member of the Council)
Senior Officer Employment Committee (15)	
Appeals and Collective Disputes Committee (15)	

### Proportional Seat Allocations to Political Groups

Committee	Labour	Lib Dem	Green	Total
CYP&FS Scrutiny Cttee	9	4	0	13
E&EW Scrutiny Cttee	9	4	0	13
HC&ASC Scrutiny Cttee	9	4	0	13
S&SC Scrutiny Cttee	9	4	0	13
Overview and Scrutiny Management Committee ( <i>may be renamed</i> )	4	4	0	8
Planning and Highways Cttee	9	4	0	13
Licensing Cttee	11	4	0	15
Audit Cttee	4	2	0	6
Admissions Cttee	5	2	0	7
Senior Officer Employment Cttee	11	4	0	15
Appeals and Collective Disputes Cttee	11	4	0	15
<b>Total Initial Allocation</b>	<b>91</b>	<b>40</b>	<b>0</b>	<b>131</b>
Overall Political Balance Requirement	94	34	3	131
Adjustments Required	<b>+3</b>	<b>-6</b>	<b>+3</b>	

## **Adjustments Required Under this Illustrative Approach**

1. The Liberal Democrat Group is required to make 6 adjustments, of which 3 seats are to be allocated to the Labour Group and the other 3 seats are to be allocated to the Green Group.
2. The 6 adjustments could be from any 6 Committees, other than the (possibly renamed) Overview and Scrutiny Management Committee, as its membership comprises the Chairs and Deputies of the Scrutiny and Policy Development Committees.
3. Practically, it is necessary for 2 of the 6 required adjustments to come from either the Scrutiny and Policy Development Committees or the Planning or Licensing Committees and allocated to the 2 Green Group Councillors to ensure that they either play a role in holding the Executive to account through the overview and scrutiny process, or participate in a regulatory function, and thereby be represented on committees that meet on a regular basis. This is also consistent with Council Procedure Rule 25.4 which specifies that every Member of the Council, except those appointed to the Cabinet, shall be appointed a member of at least one Scrutiny and Policy Development Committee or one Regulatory Committee.
4. Of the remaining 4 seats selected under 2 and 3 above, 3 of these should firstly be allocated to the Labour Group and the remaining seat is to be allocated to the Green Group.

**CALCULATION OF PROPORTIONAL SEAT ALLOCATION OF COMMITTEES**

% Share of Council	71.43%	26.19%	2.38%
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Number on Committee	Labour	Liberal Democrat	Green
3	2.14	0.79	0.07
4	2.86	1.05	0.10
5	3.57	1.31	0.12
6	4.29	1.57	0.14
7	5.00	1.83	0.17
8	5.71	2.10	0.19
9	6.43	2.36	0.21
10	7.14	2.62	0.24
11	7.86	2.88	0.26
12	8.57	3.14	0.29
13	9.29	3.40	0.31
14	10.00	3.67	0.33
15	10.71	3.93	0.36
16	11.43	4.19	0.38
17	12.14	4.45	0.40
18	12.86	4.71	0.43
19	13.57	4.98	0.45
20	14.29	5.24	0.48
21	15.00	5.50	0.50
22	15.71	5.76	0.52
23	16.43	6.02	0.55
24	17.14	6.29	0.57
25	17.86	6.55	0.60

	<u>Seats</u>	<u>%</u>
Labour	60	71.43
Liberal Democrat	22	26.19
Greens	<u>2</u>	<u>2.38</u>
	84	100%



## SHEFFIELD CITY COUNCIL Cabinet Report

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**Report of:** Executive Director, Resources

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**Date:** 8 May 2013

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**Subject:** Members' Allowances 2013/14 and Onward

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**Author of Report:** Paul Robinson (Head of Democratic Services – Council & Members) Tel:2734029

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**Summary:** To receive the recommendations from the Independent Remuneration Panel so as to provide the Cabinet with the opportunity to make recommendations to the Annual Meeting of the City Council on the Members' Allowances Scheme to be agreed for the Municipal Year 2013/14 and onward.

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**Reasons for Recommendations:** The Council has to agree a Members' Allowances Scheme prior to 1<sup>st</sup> April each year and that Scheme essentially remains in place until 31<sup>st</sup> March the following year. As part of that process, an Independent Remuneration Panel has to consider certain issues and put forward recommendations for the Council to consider. It is for the Council to decide on the Members' Allowances Scheme that is put in place, having regard to the Panel's recommendations.

At its meeting on 1<sup>st</sup> March, 2013 the Council agreed that the Members' Allowances Scheme for 2012/13 be also implemented for 2013/14, pending a review of the Scheme being submitted to the Council's Annual Meeting on 15<sup>th</sup> May 2013.

**Recommendations:** That consideration be given to the recommendations of the Independent Remuneration Panel and that any recommendations arising therefrom be referred for consideration by the City Council at its Annual Meeting to be held on 15<sup>th</sup> May 2013.

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**Background Papers:** Report of the Independent Remuneration Panel on Members' Allowances for 2013/14 and Onward (attached as an Appendix)

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**Category of Report:** OPEN

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## Statutory and Council Policy Checklist

<b>Financial Implications</b>
NO    Cleared by: Paul Jeffries
<b>Legal Implications</b>
YES    Cleared by: Lynne Bird
<b>Equality of Opportunity Implications</b>
NO    Cleared by:
<b>Tackling Health Inequalities Implications</b>
NO
<b>Human rights Implications</b>
NO:
<b>Environmental and Sustainability implications</b>
NO
<b>Economic impact</b>
NO
<b>Community safety implications</b>
NO
<b>Human resources implications</b>
NO
<b>Property implications</b>
NO
<b>Area(s) affected</b>
N/A
<b>Relevant Cabinet Portfolio Leader</b>
Cllr Julie Dore, Leader of the Council
<b>Relevant Scrutiny and Policy Development Committee if decision called in</b>
Overview & Scrutiny Management Committee
<b>Is the item a matter which is reserved for approval by the City Council?</b>
YES
<b>Press release</b>
NO

## **MEMBERS' ALLOWANCES 2013/14 AND ONWARD**

### **1. SUMMARY**

- 1.1 To receive the recommendations from the Independent Remuneration Panel so as to provide the Cabinet with the opportunity to make recommendations to the Annual Meeting of the City Council on the Members' Allowances Scheme to be agreed for the Municipal Year 2013/14 and onward.

### **2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE**

- 2.1 By approving a Members' Allowances Scheme for 2013/14, the Council will be publishing the amounts of allowances to be paid, or made available, to elected Councillors for undertaking duties or responsibilities during the Municipal Year 2013/14.

### **3. OUTCOME AND SUSTAINABILITY**

- 3.1 The Council's Members' Allowances Scheme for 2013/14 was approved only in relation to the period 1<sup>st</sup> April to 15<sup>th</sup> May 2013 (the date of its Annual General Meeting) pending a review of the Scheme to incorporate changes anticipated to be made at that meeting in relation to the Council's decision-making arrangements.
- 3.2 The Scheme has now been reviewed by the Independent Remuneration Panel and recommendations have been put forward for the Council to consider. These recommendations take account of the Council's political composition and financial circumstances, as well as its anticipated revised governance arrangements. The Scheme which will be approved by the Council on 15<sup>th</sup> May will reflect the Council's decision-making arrangements for the Municipal Year 2013/14 and is expected to be in place for two to three years pending the implementation of proposals to be made by the Local Government Boundary Commission for England following its forthcoming review of Sheffield's electoral arrangements.

### **4. BACKGROUND**

- 4.1 Prior to 1<sup>st</sup> April each year, the Council has to agree a Members' Allowances Scheme for the forthcoming financial year. The Council is able to amend its Scheme at any time if it needs or chooses to do so. At least every four years or whenever the Council wishes to amend its Scheme, an Independent Remuneration Panel has to consider the Scheme and make recommendations to the Council. However, it is for the Council to decide on the Members' Allowances Scheme that is put in place, having regard to the Panel's recommendations.



- 4.2 The Independent Remuneration Panel last reviewed the Members' Allowances Scheme in January 2010 (for 2010/11 and onward). The Scheme approved by the Council for 2010/11 has been adopted for each financial year since. In view of the proposed abolition of the Community Assemblies (the Chairs of which are entitled to a Special Responsibility Allowance under the Scheme) in the Municipal Year 2013/14, it was decided to convene the Panel to review the Scheme in anticipation that the Council would wish to amend the Scheme to take account of this change to its decision-making arrangements.
- 4.3 At its meeting on 1<sup>st</sup> March 2013 the Council agreed that the current Scheme be rolled forward from 1<sup>st</sup> April pending a review of the Scheme being submitted to its Annual General Meeting on 15<sup>th</sup> May 2013.

## **5. REVIEW OF THE SCHEME BY THE INDEPENDENT REMUNERATION PANEL**

- 5.1 The Panel met on 14 March 2013 to give specific consideration to, and make recommendations upon –
- The amount of basic allowance;
  - The responsibilities/duties in respect of which special responsibility allowances should be available, and the amount of those allowances; and
  - The annual uplift.
- 5.2 The Panel also gave particular consideration to the Council's proposal to abolish the Community Assemblies as formal decision-making bodies and the potential for the Council to introduce a new local leadership role for Members.
- 5.3 In order to inform its work, the Panel compared the levels of allowances currently paid to Members with that paid in local authorities in other Core Cities and South Yorkshire. It also considered information reported orally by officers on potential changes that the Council may make to its categories of Special Responsibility Allowances (SRAs). These SRA changes would follow changes anticipated to be made to the Council's governance arrangements from the date of its AGM on 15<sup>th</sup> May 2013 and the need to secure financial savings in the Member budgets.
- 5.4 Following consideration of this information, the Panel has produced a report setting out its findings and recommendations in respect of the level of Members' Allowances for 2013/14 and onwards, and its report is attached as an appendix to this report.
- 5.5 In many instances the Panel has endorsed the arrangements in place within the current Members' Allowances Scheme. However, it has made 13 general and specific recommendations that could potentially alter the Scheme. These are set out below for ease of reference:-

1. That the Council gives consideration to the comparatively low levels of

Basic and Special Responsibility allowances generally, but particularly in relation to its Leader and Executive Members, when next amending its Members' Allowances Scheme;

2. That Basic Allowance should incorporate all other payments and expenses (except dependent carers' allowance) which Members may incur as part of their duties;
3. That the role of Community Assembly Chair be removed from the Scheme, and any replacement local community leadership role for which a Special Responsibility Allowance is to be paid should be commensurate with the function/role;
4. That the role of Lead Member for Scrutiny should be formally recognised within the Scheme, but should not attract an allowance above that paid for the role of Scrutiny Committee Chair;
5. That the Council reviews its arrangements for providing Special Responsibility Allowances to opposition groups on the Council;
6. That the Council reviews the level of its allowance for the role of Cabinet Advisor;
7. That the Council gives consideration to the possibility of redistributing the levels of the Special Responsibility Allowances within the Scheme;
8. That no change be made to the level of the allowance paid for the role of Chair of the Planning and Highways Committee at this point;
9. That the responsibilities/duties in respect of which Special Responsibility Allowance should be available, and the rates of those allowances (notwithstanding the recommendations made by the Panel in relation to reviewing the rates), should be as set out in paragraph 4.3.7 (of the Panel's report);
10. That the dependent carers' allowance should not be paid where care is provided by a family member;
11. That the current index for adjusting allowances on an annual basis should be re-applied for the maximum period of four years, and be reviewed for the 2017/18 Scheme;
12. That role descriptions for each of the roles for which Special Responsibility Allowances are paid should be produced and published on the Council's website; and
13. That the Scheme be reviewed again in the light of the proposals to be made by the Local Government Boundary Commission for England following its forthcoming review of Sheffield's electoral arrangements.

5.6 It is not for the Panel to consider the financial implications for the Council of its recommendations, as the final decision on the level of allowances clearly rests with the Council. However, the Panel was mindful of the financial pressures being faced by the Council and the political sensitivities associated with spending on Members' allowances, and for these reasons it chose not to make specific recommendations on the amounts of allowances but to make suggestions for the Council to consider. In view of its suggestions for certain allowances to be reviewed, the Panel did also offer to carry out a further review of the Scheme in 6 months' time if the Council so wishes.

## 6. FINANCIAL IMPLICATIONS

6.1 The financial implications arising are dependent upon the action which the Council takes in response to the issues raised in the report of the Independent Remuneration Panel. However, the 2013/14 budget approved by the City Council on 1<sup>st</sup> March, 2013 includes a target saving of £100K on spending on Members' budgets.

6.2 Set out below are details of the current allowances paid to Members, the amounts of the allowances and the number of posts for which the allowances are paid. These allowances are also subject to National Insurance and Superannuation costs of approximately 20%.

<u>Allowance</u>	<u>Amount of Allowance (£) &amp; No. of Posts</u>	<u>Total Amount per Category of Allowance (£)</u>
Basic Allowance	11, 742.45 x 84	986,365.80
<i>Special Responsibility Allowances:-</i>		
Leader	18,167.68 x 1	18,167.68
Deputy Leader	9,083.86 x 1	9,083.86
Cabinet Members	9,083.86 x 7	63,587.02
Chairs of Scrutiny Committees	7,509.32 x 4	30,037.28
Leader of the largest Group (not forming the Executive)	7,509.32 x 1	7,509.32
Chairs of Community Assemblies	7,509.32 x 7	52,565.24
Cabinet Advisers	5,268.63 x 10	52,686.30
Shadow Cabinet Members	5,268.63 x 8	42,149.04
Chairs of Planning and Highways Committees	5,268.63 x 2	10,537.26
Chair of Licensing Committee	5,268.63 x 1	5,268.63
Deputy Chair of Licensing Committee	3,027.95 x 1	3,027.95
Shadow Cabinet Assistants	3,027.95 x 0	0
Total SRAs		294,619.58

*Pensions Authority*

Member	3,385.22 x 5	16,926.10
Chair	11,207.97 x 1	11,207.97
Vice Chair	5,603.99 x 0	0
Total SRAs & Pensions		322,753.65

6.3 The financial implications of the Scheme to be approved at the Annual General Meeting of the Council on 15<sup>th</sup> May 2013 and of the appointments of Members to positions of Special Responsibility in the Municipal Year 2013/14, will be outlined at that meeting.

## **7. LEGAL IMPLICATIONS**

7.1 It is a requirement of the Local Authorities (Members' Allowances) (England) Regulations 2003 that an Independent Panel on Members' Allowances has to consider certain issues and put forward recommendations for the Council to consider. It is for the Council to decide on the Members' Allowances Scheme that is put in place, having regard to the Panel's recommendations.

## **8. EQUALITY OF OPPORTUNITY IMPLICATIONS**

8.1 The level of allowances agreed for Members may impact on the aim of attracting more members of the public to stand for public office.

## **9. ALTERNATIVE OPTIONS CONSIDERED**

9.1 Although the Council has to approve a scheme for the remainder of 2013/14, it can choose whether to reaffirm the current scheme, or amend it as it sees fit. However, in view of the forthcoming abolition of the Community Assemblies (the Chairs of which are entitled to a Special Responsibility Allowance under the Scheme), retaining the current Scheme is not an option because the Council would need to remove this entitlement from the Scheme at the very least.

9.2 Further options that could be considered by the Council have been suggested by the Independent Remuneration Panel and these are set out in section 5.5 above and outlined in the attached report of the Panel.

## **10. REASONS FOR RECOMMENDATIONS**

10.1 The Council has to agree a Members' Allowances Scheme prior to 1<sup>st</sup> April each year and that Scheme essentially remains in place until 31<sup>st</sup> March the following year. As part of that process, an Independent Remuneration Panel has to consider certain issues and put forward recommendations for the

Council to consider. It is for the Council to decide on the Members' Allowances Scheme that is put in place, having regard to the Panel's recommendations.

- 10.2 At its meeting on 1<sup>st</sup> March, 2013 the Council agreed that the Members' Allowances Scheme for 2012/13 be also implemented for 2013/14, pending a review of the Scheme being submitted to the Council's Annual Meeting on 15<sup>th</sup> May 2013.

## **11. RECOMMENDATIONS**

- 11.1 That consideration be given to the recommendations of the Independent Remuneration Panel and that any recommendations arising therefrom be referred for consideration by the City Council at its Annual Meeting to be held on 15<sup>th</sup> May 2013.



*MEMBERS' ALLOWANCES*

*REPORT OF THE  
INDEPENDENT  
REMUNERATION PANEL*

*2013/14 AND ONWARD*

**March 2013**

## **1. Foreword**

- 1.1 The Local Government Act 2000 and subsequent regulations set out the process to establish and maintain the Members' Allowances Scheme.
- 1.2 Prior to 1 April each year, the Council has to agree a Scheme for the forthcoming financial year. The Council is able to amend its Scheme at any time if it needs or chooses to do so.
- 1.3 An Independent Remuneration Panel has to consider certain issues and put forward recommendations for the Council to consider (see terms of reference – paragraph 2.2). The Panel is required to make recommendations to the Council at least every four years or whenever the Council decides to amend its current Scheme.
- 1.4 It is for the Council to decide on the Members' Allowances Scheme that is put in place having regard to the Panel's recommendations.
- 1.5 The Independent Remuneration Panel first reported to the Council on the issue of the Members' Allowances Scheme in November 2001 and has presented further reports to Council periodically since that date.

## **2. Introduction**

### **2.1 Membership of the Panel**

Although the Panel may operate with 3 members, Sheffield's Panel comprises 4 members, drawn, if possible, from the public, private, and voluntary, community and faith sectors. The membership of the Panel was refreshed early in 2013 and now comprises:-

David Baldwin	-	Former Health Service Executive
Mark Power	-	Group Risk Manager, SIG Plc
Abtisam Mohammed	-	Chairperson, Sheffield BME Network
Lynda Hinxman	-	Sheffield Hallam University

### **2.2 Terms of Reference**

The basic terms of reference of the Panel are to make recommendations as to:-

- (a) the level of Basic Allowance for all Members;
- (b) the categories of special responsibility for which a Special Responsibility Allowance should be paid and the levels of those allowances;

- (c) as to whether Dependant Carers' allowance should be payable to Members and the amount of such an allowance;
- (d) travelling and subsistence allowances; and
- (e) any annual uplift.

### **3. Background and Current Position**

- 3.1 The Panel has considered the issue of the Members' Allowances Scheme on several previous occasions.
- 3.2 Set out at Appendix A to this report are the recommendations made in the Panel's last report dated January 2010.
- 3.3 The Council, having regard to the Panel's recommendations, agreed a Scheme for 2010/11 and onwards at its meeting on 3<sup>rd</sup> March 2010. Set out at Appendix B to this report is the decision made by the Council.
- 3.4 The Scheme approved for 2010/11 has been adopted for each financial year since (i.e. 2011/12 and 2012/13). At its meeting on 1<sup>st</sup> March, 2013, the Council agreed that the Scheme be also implemented for 2013/14, pending a review of the Scheme being submitted to the Council's Annual General Meeting on 15th May, 2013.
- 3.5 The Panel met on 14 March 2013 (apologies were received from Lynda Hinxman) to give specific consideration to, and make recommendations upon:-
  - (a) the amount of basic allowance;
  - (b) the responsibilities/duties in respect of which special responsibility allowance should be available, and the amount of those allowances; and
  - (c) the annual uplift.

On this occasion there was a particular issue to consider, namely the Council's proposal to abolish the Community Assemblies as formal decision-making bodies and the potential for the Council to introduce a new local leadership role for Members.

- 3.6 The Panel has now undertaken further work to (a) compare the levels of allowances currently paid to Members with that paid in local authorities in other Core Cities and South Yorkshire and (b) consider information reported orally by officers on potential changes that the Council may make to its categories of Special Responsibility Allowances (SRAs). These SRA changes would follow changes anticipated to be made to the Council's governance



arrangements from the date of its AGM on 15<sup>th</sup> May 2013 and the need to secure financial savings in the Member budgets.

- 3.7 Having considered all the issues above, the Panel has made findings and recommendations in respect of the level of Members' Allowances for the period 2013/14 and onwards.

#### 4. Findings and Conclusions

- 4.1 **Overview** – The Panel recognises that the level of Basic and Special Responsibility Allowances paid in Sheffield appear to be low in comparison to other Core Cities and neighbouring local authorities. This is particularly the case for the allowance paid to the Leader of the Council. The Panel has recognised this on a consistent basis since 2003 and has previously recommended rates of allowances above the levels paid within Sheffield's Scheme. Although the Council has felt unable to adopt these higher rates for financial reasons, it did adopt a 5% per annum increase on these allowances for 3 years commencing in April 2005. Nevertheless, the allowances remain comparatively low. The Panel is mindful of the increased financial pressures being faced by the Council and the political sensitivities associated with spending on Members' allowances. Although it does not wish on this occasion to make specific recommendations on the levels of allowances, the Panel nevertheless recommends that the Council gives consideration to the comparatively low levels of allowances generally, but particularly in relation to its Leader and Executive Members, when next amending its Members' Allowances Scheme.
- 4.2 **Basic Allowance** – Notwithstanding the comments made in paragraph 4.1 above, the Panel is not advocating a change in the amount of Basic Allowance at the current time. The Panel has previously recommended, and continues to recommend, that the amount of Basic Allowance payable should incorporate all other payments and expenses (excluding dependent carer's allowance) which Members may incur as part of their duties which the Council currently funds or are the subject of separate individual claims (e.g. telephone costs, travel in the City, ICT services and consumables etc). Any rationalisation of these arrangements should be undertaken according to the principle of fairness whilst addressing disadvantage and inconsistency of provision. The Panel also recommends that the Basic Allowance be adjusted according to an annual index increase in accordance with the Panel's previous recommendations, i.e. the average percentage pay award for employees of the Council.
- 4.3 **Special Responsibility Allowances** – The Panel has re-examined the position on Special Responsibility Allowances having specific regard to the proposed abolition of the Community Assemblies, and wish to recommend that the Council reviews

certain duties for which Special Responsibility Allowances are paid and/or the levels of the allowances. Notwithstanding the comments made in paragraph 4.1, the Panel sees no reason to change the current structure and rates of allowances in relation to the payment of Special Responsibility Allowances, except where specifically mentioned below.

- 4.3.1 As regards the Special Responsibility Allowance for the Chairs of Community Assemblies, the Panel notes that the Council plans to abolish the Community Assemblies as decision-making bodies. However, at the time of the Panel's discussions, no replacement local community leadership role for Members had been proposed by the Council, so the Panel were unable to make any recommendations about whether any new role should be recognised as a duty for which a Special Responsibility Allowance should be paid. At the very least, the Panel would expect that the role of Community Assembly Chair be removed from the Scheme. In the event that the Council does introduce a new local community leadership role for Members for which a Special Responsibility Allowance is to be paid, the Panel would expect that the level of the Allowance would be commensurate with the function/role.
- 4.3.2 In January 2010, the Panel had been asked to consider the issue of the Special Responsibility Allowance that should be paid to a Lead Member for Scrutiny and had recommended that a new Band be introduced, between existing Bands A and B1 as an interim measure, pending a further review of the role once it had been established for a period of time. The Panel now notes that the Council had decided not to introduce this new SRA Band, nor specifically recognise the role within the Scheme. In view of the current structure and delivery of the scrutiny function in Sheffield, the Panel is satisfied that the role should not attract an allowance above that paid for the role of Scrutiny Committee Chair, but nevertheless recommends that the role of Lead Member for Scrutiny should be formally recognised within the Scheme.
- 4.3.3 The Panel notes that the roles of Shadow Cabinet Member and Shadow Cabinet Assistant are not roles recognised by a large majority of other Core Cities or neighbouring authorities for the purposes of the payment of Special Responsibility Allowances. It also notes that some authorities allocate Special Responsibility Allowances to opposition groups according to the size of the group, whereas no such formula exists in Sheffield's Scheme. Furthermore, unlike in Sheffield's Scheme (which only recognises the leader of the largest opposition group on the Council), all opposition group leaders and whips are recognised in some authorities' schemes. The Panel recognises the need to adequately support the opposition groups but acknowledges that its roles are that of spokesperson, challenger, scrutineer etc and do not include responsibility for decision-making. For this reason,

the Panel recommends that the Council reviews its arrangements for providing Special Responsibility Allowances to members of opposition groups on the Council.

- 4.3.4 The Panel notes that the role of Cabinet Advisor is paid at the same level as the Chairs of the Regulatory Committees (Planning and Highways Committee and Licensing Committee), yet has no formal decision-making responsibilities unlike the Chairs of those Committees. It also notes that Sheffield pays a relatively high rate of allowance for that role in comparison to other Core Cities and neighbouring authorities, both in actual monetary value and in terms of the differential with the allowances paid to Cabinet Members. For these reasons, the Panel recommends that the Council reviews the level of its allowance for the role of Cabinet Advisor.
- 4.3.5 In view of the comments made by the Panel in paragraph 4.1 in relation to the comparatively low levels of allowances generally, but particularly in relation to its Leader and Executive Members, the Panel recommends that the Council gives consideration to the possibility of redistributing the levels of the Special Responsibility Allowances within the Scheme, particularly if it adopts the recommendations of the Panel to review the positions of Cabinet Advisor, Shadow Cabinet Member and Shadow Cabinet Assistant.
- 4.3.6 The Panel notes the proposal to reduce the number of Planning and Highways Committees from two to one in the 2013/14 Municipal Year, but recommends that no change be made to the level of the allowance paid for the role of Chair of the Planning and Highways Committee at this point.
- 4.3.7 The Panel therefore recommends that the responsibilities/duties in respect of which Special Responsibility Allowance should be available, and the rates of those allowances (notwithstanding the recommendations made by the Panel in relation to reviewing the rates, especially those of the Leader and Executive Members), should be:-

<b>Leader (£18,167.68 pa)</b>
<b>Band A (£9,083.86 pa)</b> Cabinet Members Deputy Leader
<b>Band B1 (£7,509.32 pa)</b> Chairs of Scrutiny and Policy Development Committees Leader of the largest Group (not forming the Executive) Chairs of Community Assemblies – <i>to be removed or reviewed</i>

<p><b>Band B2 (£5,268.63 pa)</b>  Cabinet Advisors – <i>review recommended</i>  Shadow Cabinet Members – <i>review recommended</i>  Chair of Planning and Highways Committee  Chair of Licensing Committee</p>
<p><b>Band C (£3,027.95 pa)</b>  Deputy Chair of Licensing Committee  Shadow Cabinet Assistants – <i>review recommended</i></p>
<p><b>Pensions Authority</b>  Member (£3,385.22 pa)  Chair (£11,207.97 pa)  Vice Chair (£5,603.99 pa)</p>

4.3.8 It is the Panel’s view that, as at present, no Member should receive more than one Special Responsibility Allowance except in relation to the South Yorkshire Pensions Authority.

**4.4 Other Allowances -**

The Panel has again recommended that travel within the City is included in Basic Allowance. However, if the Council is minded to keep travel within the City separate, the Panel recommends that travel should continue to be based on officer rates and paid in respect of the same “approved duties” as currently agreed by the Council (and set out in Schedule 2 to the Scheme).

4.4.1 Subsistence out of the City should continue to be at officer rates, and again paid in respect of the same “approved duties” as currently agreed by the Council. Subsistence within the City should continue to be regarded as incorporated within the Basic and Special Responsibility Allowances.

4.4.2 The Panel continues to recommend that a Dependent Carer’s Allowance should be payable to Members of the Council where appropriate, for the same ‘approved duties’ as for travelling and subsistence, subject to the production of appropriate receipts. The Panel does not recommend any change to the current rate of the allowance but does recommend that the allowance should not be paid where care is provided by a family member. The maximum rate of payment should also continue to be subject to the annual index increase.

4.4.3 The Panel also recommends the continuation of the existing arrangements for the Co-optees’ Allowance, currently £707.98 per annum, plus the application of the annual index increase.

**4.5 Annual Adjustments of Allowances –** As in previous years, the Panel recommends that the index for adjusting allowances on an

annual basis should be the average percentage pay award for employees of the Council, for Basic, Special Responsibility (including the Pensions Authority), Co-optees' and Dependent Carers' Allowances. The index for travelling and subsistence should be the relevant officer rates as agreed by the Council from time to time. The Panel recommends that these indices should be applied for the maximum period of four years, and be reviewed for the 2017/18 Scheme.

- 4.6 **Transparency** – The Panel recommends that role descriptions for each of the roles for which Special Responsibility Allowances are paid should be produced and published on the Council's website.
- 4.7 **Review of Scheme** – In view of the recommendations made by the Panel within this report about reviewing certain Special Responsibility Allowances, the Panel wish to offer their services to carry out a further review of the Members' Allowances Scheme in 6 months' time, if the Council so wishes. If the Scheme is not subject to any revisions in the meantime (which would necessitate the convening of this Panel), the Panel recommends that the Scheme be reviewed in the light of the proposals to be made by the Local Government Boundary Commission for England following its forthcoming review of Sheffield's electoral arrangements.

## 5. Recommendations

- 5.1 In many instances, the Panel has endorsed the arrangements in place within the current Members' Allowances Scheme. Set out below are the recommendations made by the Panel that would potentially alter the Scheme.
- 5.1.1 That the Council gives consideration to the comparatively low levels of Basic and Special Responsibility allowances generally, but particularly in relation to its Leader and Executive Members, when next amending its Members' Allowances Scheme (paragraph 4.1 refers).
- 5.1.2 That Basic Allowance should incorporate all other payments and expenses (except dependent carers' allowance) which Members may incur as part of their duties (paragraph 4.2 refers).
- 5.1.3 That the role of Community Assembly Chair be removed from the Scheme, and any replacement local community leadership role for which a Special Responsibility Allowance is to be paid should be commensurate with the function/role (paragraph 4.3.1 refers).
- 5.1.4 That the role of Lead Member for Scrutiny should be formally recognised within the Scheme, but should not attract an allowance above that paid for the role of Scrutiny Committee Chair (paragraph 4.3.2 refers).

- 5.1.5 That the Council reviews its arrangements for providing Special Responsibility Allowances to opposition groups on the Council (paragraph 4.3.3 refers).
- 5.1.6 That the Council reviews the level of its allowance for the role of Cabinet Advisor (paragraph 4.3.4 refers).
- 5.1.7 That the Council gives consideration to the possibility of redistributing the levels of the Special Responsibility Allowances within the Scheme (paragraph 4.3.5 refers).
- 5.1.8 That no change be made to the level of the allowance paid for the role of Chair of the Planning and Highways Committee at this point (paragraph 4.3.6 refers).
- 5.1.9 That the responsibilities/duties in respect of which Special Responsibility Allowance should be available, and the rates of those allowances (notwithstanding the recommendations made by the Panel in relation to reviewing the rates), should be as set out in paragraph 4.3.7.
- 5.1.10 That the dependent carers' allowance should not be paid where care is provided by a family member (paragraph 4.4.2 refers).
- 5.1.11 That the current index for adjusting allowances on an annual basis should be re-applied for the maximum period of four years, and be reviewed for the 2017/18 Scheme (paragraph 4.5 refers).
- 5.1.12 That role descriptions for each of the roles for which Special Responsibility Allowances are paid should be produced and published on the Council's website (paragraph 4.6 refers).
- 5.1.13 That the Scheme be reviewed again in the light of the proposals to be made by the Local Government Boundary Commission for England following its forthcoming review of Sheffield's electoral arrangements (paragraph 4.7 refers).

David Baldwin  
Former Health  
Service Executive

Mark Power  
Group Risk  
Manager, SIG Plc

Abtisam Mohammed  
Chairperson,  
Sheffield BME  
Network

**March 2013**

**Recommendations of the Independent Panel – January 2010**

- 4.1 **Basic Allowance** - Whilst the Panel is not advocating a change in the Basic Allowance at the current time, we ask that the Council note the Panel's view that the Basic Allowance appears to be low in comparison to other Core Cities and there may be some merit in assessing role profiles and time spent on carrying out Council duties by Members of other Authorities. We have previously recommended, and continue to recommend, that the amount of Basic Allowance payable should incorporate all other payments and expenses (excluding dependent carer's allowance) which Members may incur as part of their duties which were or could be the subject of separate individual claims (e.g. telephones, travel in the City, IT etc). and be adjusted according to an annual index increase in accordance with our previous recommendations i.e the average percentage pay award for employees of the Council.
- 4.2 **Special Responsibility Allowances** – We have re-examined the position on Special Responsibility Allowances having regard to the introduction of the Community Assemblies. We see no reason to change the structure for the payment of Special Responsibility Allowances as agreed by the Council at its meeting held on 4 March 2009 as part of arrangements for the implementation of the Scheme for 2009/10, other than in relation to a Lead Member for Scrutiny, as referred to below.

As regards the Special Responsibility Allowance for the Chairs of Community Assemblies, we are satisfied with the Council's current provision in this respect and note that the Chairs have featured prominently within Member development activities undertaken by the Council over the past 12 months, and have been identified as a key group within the Council's current efforts to enhance the support provided to Members.

As regards the Special Responsibility Allowance for a Lead Member for Scrutiny, we recognise that it is envisaged that the Lead Member will take a leadership role of the Scrutiny function, which will incorporate additional work/duties. However, as the role has not been agreed or defined at the current time, we suggest at this stage, a cautious approach to the determination of the Special Responsibility Allowance. Accordingly, we recommend that a new Band be introduced, between existing Bands A and B1 for the Lead Member for Scrutiny, as an interim measure, pending a further review of the role when we consider the Scheme for 2011/12, with the benefit of the role having been established for a period of time.

We therefore recommend that the responsibilities/duties in respect

of which Special Responsibility Allowance should be available, should be:-

<b>Leader</b>
<b>Band A1</b> Cabinet Members Deputy Leader
<b>Band A2</b> Lead Member for Scrutiny
<b>Band B1</b> Chairs of Scrutiny and Policy Development Boards Leader of the largest Group (not forming the Executive) Chairs of Community Assemblies
<b>Band B2</b> Cabinet Advisors Shadow Cabinet Members Chairs of Planning and Highways Area Boards Chair of Licensing Board
<b>Band C</b> Deputy Chair of Licensing Board Shadow Cabinet Assistants
<b>Pensions Authority</b> Member Chair Vice Chair

- 4.3 **Rates of Allowances** - We have previously recommended, and continue to recommend, that the amount of Special Responsibility Allowance payable should be as set out in our previous reports of August 2003, December 2004, October 2007 and January 2009, plus the annual index increase in accordance with our recommendation as set out in paragraph 4.1 above (the average percentage pay award for employees of the Council).

Had this recommendation been adopted and implemented in full by the Council since 2003, it is calculated that the rates of Special Responsibility Allowance for 2009/10 would currently be as follows (2009/10 pay award to be incorporated – and now with the inclusion of the additional Band we recommended at paragraph 4.2 above in relation to the Lead Member for Scrutiny, and which we recommend should be paid as an interim measure at 10% above Band B1, which includes the Chairs of the Scrutiny and Policy Development Boards):-



<b>Leader</b>	<b>£29,907.17pa</b>
<b>Band A1</b>	<b>£14,953.59 pa</b>
<b>Band A2</b>	<b>£10,965.97 pa</b>
<b>Band B1</b>	<b>£9,969.06 pa</b>
<b>Band B2</b>	<b>£7,526.63 pa</b>
<b>Band C</b>	<b>£5,084.21pa</b>

As at present, no Member should receive more than one Special Responsibility Allowance except in relation to the Pensions Authority.

The rates of Special Responsibility Allowance payable to Members of the Pensions Authority for 2009/10 are currently as follows:-

**Pensions Authority**

<b>Member</b>	<b>£3,351.70 pa</b>
<b>Chair</b>	<b>£11,097.00 pa</b>
<b>Vice Chair</b>	<b>£5,548.50 pa</b>

We note that these rates, which have not been increased in previous years, are now subject to the same annual index increase as the other Special Responsibility Allowances, and we are satisfied with the Council's arrangements in this respect.

We have again recommended that travel within the City is included in Basic Allowance – however, if the Council is minded to keep travel within the City separate, we recommend that travel should continue to be based on officer rates and paid in respect of the same “approved duties” as currently agreed by the Council.

Subsistence Out of the City should continue to be at officer rates, and again paid in respect of the same “approved duties” as currently agreed by the Council.

- 4.4 **Other Allowances** – We continue to recommend that a Dependent Carers' Allowance should be payable to Members of the Council where appropriate, for the same 'approved duties' as for travelling and subsistence, and subject to the production of appropriate receipts. However, we recommend that the Council moves to an hourly rate of payment, of the actual cost up to a maximum of £6.00 per hour, rather than the current 4 hour ½ day sessional rate up to £23.75, to reflect the fact that, on occasions, Members are required to perform approved duties beyond a four hour period. The payment should be made at either (a) a rate which reimburses

the full child care cost to Members, including the individual claimant's liability for income tax and National Insurance contributions or (b) a rate net of income tax and National Insurance contributions which reimburses the full child care cost to Members. The maximum rate of payment should also be subject to the annual index increase in accordance with our previous recommendation as set out in paragraph 4.1 above (the average percentage pay award for employees of the Council).

Attention is again drawn to the need for clear and accountable systems for audit purposes and for Members to be given clear advice regarding the tax implications of such arrangements.

We also recommend the continuation of the existing arrangements in relation to the availability of the Co-optees' Allowance, currently £700.97 per annum (2009/10 pay award to be incorporated), plus the annual index increase in accordance with our previous recommendation as set out in paragraph 4.1 above (the average percentage pay award for employees of the Council).

- 4.5 **Annual Adjustments of Allowances** – As indicated throughout our report, we have recommended that the index for adjusting allowances on an annual basis should be, for Basic, Special Responsibility (including the Pensions Authority), Co-optees' and Dependent Carers' Allowances, the average percentage pay award for employees of the Council. The index for travelling and subsistence should be the relevant officer rate as agreed by the Council from time to time. In our previous report of October 2007, which we reaffirmed in January 2009, we recommended that these indices should be applied for the maximum period of four years, and we still see no reason why they should not be applied for that period and be reviewed for the 2012/13 Scheme.
- 4.6 **Other Issues** – The Panel noted that the Council was actively considering ways of providing better support for all Councillors, including backbenchers, for instance via an integrated casework system, better IT equipment and training, access to secretarial support etc, and expressed its support for those efforts.
- 4.7 Given the current ongoing reviews of Scrutiny, Member Support and Governance arrangements in the Authority, the Panel wish to offer their services to carry out a further review of the Members' Allowances Scheme in 6 months' time, if the Council so wishes.

There are no other peripheral issues upon which the Independent Panel wishes to make recommendations at this time.

RESOLVED: That (a) the Members of the Independent Panel on Members' Allowances be thanked for their report;

(b) having regard to the recommendations contained in the Report of the Independent Panel on Members' Allowances, together with the information contained in the report of the Deputy Chief Executive, now circulated, a Scheme comprising the arrangements approved and adopted by the City Council, at its meeting held on 4<sup>th</sup> March, 2009, in respect of the Schedule of Members' Allowances, be approved and adopted for 2010/11 and onwards; and

(c) (i) it be confirmed that, as regards the annual index-linked increase, in relation to Basic, Special Responsibility (including the Pensions Authority), Co-optees and Dependent Carers Allowances, the annual index shall be the average percentage officer pay award in Sheffield and in relation to travel and subsistence the annual index shall be the relevant officer rates agreed from time to time; such arrangements to be implemented for a period of four years and (ii) however, no annual increase be implemented during 2010/11 in relation to Basic, Special Responsibility (including the Pensions Authority), Co-optees and Dependent Carers Allowances.

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