

Report to: **Council**

Date: **19 December 2023**

Title: **Scheme of Members' Allowances – Review**

Portfolio Area: **Leader – Cllr Mandy Ewings**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Immediately following this meeting and backdated to 9 May 2023**

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RECOMMENDATION

That the Council RESOLVES that the recommendations of the Independent Panel on Members' Allowances (as presented at paragraph 3 below) be agreed and that the revised draft Scheme of Members Allowances (as shown at presented Appendix C) be adopted with immediate effect, with any consequent increases in Allowances being backdated to 9 May 2023.

1. Executive summary

- 1.1 The Council's Scheme of Members' Allowances was last reviewed by its Independent Panel on 15 November 2022 with a series of recommendations on a revised Scheme then being considered by Full Council on 22 November 2022;
- 1.2 As part of this process, the Panel had requested that *'a more detailed review be carried out in 2023, particularly as this will be after the May 2023 Local Elections when any changes to Member roles and responsibilities can be taken into account. The Panel also requested that officers produce an Allowances Survey for the completion of all Members in advance of the next Panel meeting in the Autumn of 2023'*;
- 1.3 This report presents the recommendations of the Panel review.

2. Background

- 2.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, it is a requirement that any changes to a Council's Scheme of Members' Allowances are considered initially by an Independent Panel appointed for that purpose which in turn then makes recommendations to the Council;
- 2.2 Prior to the Panel meeting, all Members were given the opportunity to make representations on the current Scheme of Members' Allowances via a Member Survey. 11 responses were subsequently received and these are collated at Appendix A;
- 2.3 The Council's Independent Remuneration Panel subsequently met on 23 November 2023 and was attended by all four Panel Members:
 - Bryony Houlden (South West Councils' Chief Executive) (Chairman);
 - Cllr Paul Ward (Town/Parish Council Representative);
 - Karen Nolan (Community and Voluntary Sector Representative); and
 - Janna Sanders (Business/Commercial Sector Representative).

As a basis for its deliberations, the Panel considered a report that asked it to focus on the following specific questions:

- Should the Basic Allowance be increased?
 - Should the Basic Allowance be re-aligned to a prescribed index?
 - Should the current list of roles entitled to claim a Special Responsibility Allowance (SRA) be amended?
 - Should any of the multipliers applied to the SRAs be amended?
- 2.4 In addition, the Panel also considered the current Scheme of Members' Allowances (as set out at Appendix B); comparative benchmarking information (as detailed at Appendix C) and received verbal submissions from Cllrs Oxborough and Renders (NB. meeting apologies were received from Cllrs Ewings and Jory). The Panel was also supported at its meeting by the Head of Democratic Services and the Democratic Services Senior Case Manager.

3. Panel Recommendations

3.1 Basic Allowance

- 3.1.1 In discussion, the Panel acknowledged that, with the exception of East Devon District Council, the current Basic Allowance (£4,893 per annum) was the lowest in the county. It was noted that this was attributed to the Council effectively penalising itself by historically not always accepting the Panel's recommended increases to the Basic Allowance;
- 3.1.2 The Panel calculated that, based upon the benchmarking information, the mean average for the Basic Allowance across the other Devon District Councils was currently set at £5,645 per annum. Whilst there was some support expressed amongst the

Panel for the Basic Allowance to be increased to this mean average, the majority view was that the Council should retain the aspiration to do so, but that an increase of 15.6% was excessive and was unlikely to be supported by the Borough Council;

3.1.3 The Panel was concerned that the Basic Allowance should not get even more out of kilter with other local authorities and was minded to recommend an increase. Having ruled out an increase in line with the mean average, the Panel considered the following alternatives:

- To reaffirm the previous recommendation of a 5% increase (from £4,893 to £5,138 per annum);
- To recommend an increase in line with the mean average of the staff pay award (6%), resulting in an increase from £4,893 to £5,187; or
- To propose an increase aligned to the Consumer Price Index (4.6% at October 2023), amounting to a £225 increase (from £4,893 to £5,118 per annum);

3.1.4 Panel representatives reiterated that their medium-term aspiration should be for the Basic Allowance to catch up with the mean average for Devon Districts and, coupled with the wish to align to the staff pay award, therefore **RECOMMENDED** that:

'With effect from 9 May 2023, the Basic Allowance be increased by 6% for both 2023/24 (from £4,893 to £5,187) and 2023/24 (from £5,187 to £5,498), with the Panel being reconvened in late 2024 to review the Scheme and specifically the merits of re-aligning the Basic Allowance to a Prescribed Index for the forthcoming years.'

3.2 **Special Responsibility Allowances**

Based upon the feedback from the Member Survey on Special Responsibility Allowances (SRAs), the Panel focused on four particularly pertinent issues:

1. *The principal of whether Committee Vice-Chairs (and, in particular, the Vice-Chair of the Development Management & Licensing Committee) should be in receipt of an SRA;*
2. *Whether or not the 8 Development Management & Licensing Committee Members (excluding the Committee Chair and Vice-Chair) should be in receipt of an SRA;*
3. *Whether or not Political Group Leaders should continue to be able to receive an SRA; and*
4. *The Civic Allowance SRA.*

3.2.1 **Committee Vice-Chairs**

Through the comments in the Survey and the views of Cllrs Oxborough and Renders at the meeting, the Panel noted that a

strong case had been made for the Vice-Chair of both the Development Management & Licensing (DM&L) and Audit & Governance (A&G) Committees to be entitled to claim an SRA;

3.2.2 In respect of the Vice-Chair of the DM&L Committee, the Panel was minded to **RECOMMEND** *that the role should be entitled to claim an SRA at 0.3 x the Basic Allowance;*

3.2.3 With regard to the Vice-Chair of the A&G Committee role, the Panel was grateful for the presentation that had been given by Cllr Oxborough. Whilst all representatives were sympathetic with the views given, they also noted that, in the benchmarking information, no other neighbouring local authority had provision for the role to be in receipt of an SRA. Furthermore, the feedback received had made minimal reference to the Overview & Scrutiny (O&S) Committee Vice-Chair role and the view was expressed that, if an SRA was to be paid, then these roles were so comparable that it should be payable to both;

3.2.4 In conclusion, the Panel wished to **RECOMMEND** *that the Vice-Chairman of the A&G Committee should not be entitled to claim an SRA at this time. However, this position (and the Vice-Chair of the O&S Committee role) should be both reviewed by the Panel again in twelve months' time with both postholders being invited to attend the Panel meeting.*

3.2.5 **Development Management & Licensing Committee Members**
The Panel recognised that there were a number of challenges for Members in being able to put the necessary time towards serving on the Development Management & Licensing Committee.

This had resulted in the request being made for the Panel to consider recommending that the Scheme include provision for all Members of the Development Management & Licensing Committee to be in receipt of an SRA.

In debate, it became apparent that the Panel was divided in its opinion on this matter. Whilst some representatives were supportive of the proposal, others highlighted that SRAs were, by definition, deemed to be 'Special' responsibilities. The Panel also questioned whether the role merited an SRA when it was not recommending payment of one for the Vice-Chairs of the A&G and O&S Committees. As a result, the payment of a further 8 additional SRAs would lead to the Scheme having provision for payment of 22 SRAs. When considering that this, in theory, could see 22 out of the 31 Members being able to claim an SRA this, as a principle, did not sit comfortably with some of the Panel representatives.

The Panel therefore **RECOMMENDED** *that a Special Responsibility Allowance should not be payable to DM&L Committee Members and that, at the time of the next Panel review, the Committee Chairman, Vice Chairman and some Committee Members be invited*

to attend to make representations on the workload of the Committee.'

3.2.6 Political Group Leaders

Representatives highlighted the division in views expressed in the Member Survey as to whether or not Political Group Leaders should be entitled to continue to be in receipt of an SRA. In conclusion, the Panel felt that the principle should be retained but the multiplier should be reduced. It was therefore **RECOMMENDED** by the Panel that: *the SRA Political Group Leader multiplier should be reduced to 1 x the Basic Allowance / 31 x size of Group.'*

3.2.7 Civic Allowance

Given that the Member feedback was silent on the matter of the Civic Allowance, the Panel **RECOMMENDED** that the Civic Allowances be retained at:

- Mayor: £3,000 per annum; and
- Deputy Mayor: £825 per annum.

4. Options available and consideration of risk

- 4.1 In ultimately making a decision, the Council must pay due regard to the recommendations of its Independent Remuneration Panel. However, the Council does have the discretion to reach an alternative view on some (or all) of the Panel's recommendations if it so wishes.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Local Authorities (Members' Allowances) (England) Regulations 2003. The Council has a statutory requirement to adopt a Scheme of Members Allowances and to consider the recommendations of its Independent Panel in doing so.
Financial implications to include reference to value for money	Y	If all of the Panel recommendations are approved by the Council, then there will be an overall increase in cost of Members' Allowances to the Council of £14,844. It is proposed that the additional cost is met from the annual inflation provision within the Medium Term Financial Strategy.

Risk	Y	The risk implications are set out at Section 4 above.
Supporting Corporate Strategy	Y	Council Theme – <i>Efficient and Effective Council</i>
Consultation & Engagement Strategy	Y	All Members have been consulted (and invited to submit their comments) as part of this Review.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	N/A
Climate Change & Biodiversity	N	N/A
Safeguarding	N	N/A
Community Safety, Crime and Disorder	N	N/A
Health, Safety and Wellbeing	N	N/A
Other implications	N	None

Appendices:

A: Collated Member Survey responses;

B: The Current Scheme of Members' Allowances;

C: Members' Allowances – Benchmarking Information

D: The Updated Scheme of Members' Allowances (assuming all of the Panel recommendations were to be approved).

Background Documents:

The report considered by the Panel; and

The Council Constitution