

**REPORT BY TORRIDGE DISTRICT
COUNCIL INDEPENDENT
REMUNERATION PANEL**

November 2019

TORRIDGE DISTRICT COUNCIL: INDEPENDENT REMUNERATION PANEL

REPORT ON MEMBERS' ALLOWANCES 2019/20

Introduction

1. The Local Government Act 2000 requires local authorities to make a Scheme of Allowances over which they can exercise local discretion as to the amounts being paid. Local authorities must also establish and maintain an independent Panel to make recommendations. Torrridge District Council agreed to the appointment of the Panel members:
 - Jeremy Filmer-Bennet: former Chief Executive, Devon & Cornwall Business Council
 - Bryony Houlden (Chair): Chief Executive of South West Councils
 - Jane Maynard: President of the Bideford Bay Chamber of Commerce
2. The Panel met on 25th March and again on 4th September, they also corresponded by email. The Panel was provided with the most recent Panel report and a copy of the current Members Allowances' Scheme. They also had available benchmarking data from other local authorities.
3. Officer support was provided by Jenny Wallace, Head of Paid Service and Jon Walter, Governance Manager. They provided the Panel with an overview of the Council.

Consultation

4. At the Panel meeting officers reported that there had been no specific comments from Members about the scheme and any wish to see particular change but it was felt helpful to send out a questionnaire which was done after the local elections which saw 18 new Members elected. 26 out of 36 Members completed the questionnaire.

Summary of Findings

5. The Panel's recommendations are:
 - The Basic Allowance become 'fully inclusive' and set at £5,100
 - The Allowance should be updated annually on the basis of any percentage increase agreed for NJC Local Government Staff.
 - Members should only be entitled to claim one SRA and less than 50% of roles should attract a SRA;

- The Leader's Allowance should be set at 2.35 x the Basic Allowance at £11,985
- The Deputy Leader's Allowance should be set at 1x the Basic Allowance at £5,100
- The Chairs of Council, Community and Resources, Overview and Scrutiny (internal and external) and Chair of Plans should be set at 1x the Basic Allowance at £5,100
- The Chairs of Audit and Governance and Licensing should be set at 0.5 x the Basic Allowance at £2,550
- The balance between Chairing roles and the level of responsibility and accountability to be reviewed in more detail in the future
- Vice Chairs Community Resources; Overview and Scrutiny (internal and external); Plans; Audit and Governance and Vice Chair of Licensing should not receive an allowance, but the expectation would be that Chairs would share their allowances if they were asking the Vice to step into the role regularly
- The Chairs and Vice Chairs roles to be fully reviewed in future deliberations by the Panel
- Carers Allowance: cost of care will be reimbursed, up to a maximum level of the national Living Wage currently £8.21 ph. The Carers allowance be subject to more detailed review in future Panel deliberations which might also look at policies on parental leave which some Councils are considering.
- Travel and Subsistence to continue on the current arrangements in line with the officers T and S scheme

SCHEME OF ALLOWANCES

The Basic Allowance

6. The Basic Allowance is intended to recognise the time commitment of all Councillors, including such inevitable calls upon their time as meetings with officers and constituents, and attendance at group meetings, Parish and Town Councils and other outside bodies. Paid at a flat rate, the Basic Allowance is also intended to cover costs such as telephone calls, postage, travel costs of journeys not eligible for separate payment, and other incidental expenses of the job. The Basic Allowance is currently £4660.47
7. In addition, Members choosing electronic access can claim a second allowance of £360. This replaced the provision of laptops and phone/broadband lines.
8. The previous Panel did not recommend this separate allowance but instead, in 2012, recommended an increased basic allowance which would be 'fully inclusive' and set at £5,000. This has not been introduced and the separate allowance has

continued. Taking the two allowances together the current payment to each member is a maximum of £5,020.47.

9. The Panel asked in the questionnaire whether Members agreed that technology expenses should be included within the Basic Allowance. There were mixed views: but the majority wanted to see it continue as a separate allowance although some of the rationale was interesting given the allowance is for technology yet in part it seems to be being used to print out hard copies
10. The Panel have re-considered this issue. They believe that it would be administratively simpler – and therefore potentially represent a saving, albeit very small – if it was incorporated into the Basic Allowance. The Panel is mindful that there wasn't a strong appetite amongst Members to incorporate this payment but the Panel's view is that this would be appropriate in light of the administrative simplification and also thinking about transparency for the public in having only one allowance and, given the use of the allowance for printing hard copies, the Panel hopes it will steer Members to follow best practice being adopted elsewhere on paperless meetings. Providing iPads to Members is key to support this approach. The Panel are therefore again recommending that the Basic Allowance should be all inclusive and are therefore recommending an increase in the Allowance to take this into account.
11. In considering the Basic Allowance for 2018/19 the Panel has looked at benchmarking data from across Devon district councils. The average for the Districts is £4,880 with the lowest payers £4,370 (West Devon) and the highest Teignbridge (£5,489).
12. The Panel is mindful of financial pressures and the climate of austerity but believes it is important not to fall far behind other authorities which could then require a substantial increase in later years. The Panel is also mindful of ensuring that the remuneration is not a barrier to people becoming councillors and can be helpful in encouraging a Council which is more reflective of the age, gender and ethnic balance of the general population of the District.
13. **The Panel recommends the new Basic Allowance should be fully inclusive and set at £5,100**
14. **The Panel recommends in future years the Allowance should be tied to any percentage increase agreed for NJC Local Government Staff.**

Special Responsibility Allowances (SRA)

15. SRAs may be paid to those members of the Council who have ***“significant additional responsibilities”*** over and above the generally accepted duties of a Councillor.
16. The Panel remains of the view and **recommends that Members should be restricted to claiming only one SRA. The Panel also remains of the view that SRAs should be paid to less than 50% of the 36 Councillors otherwise detracting from the ‘special’ nature of these allowances**

17. The Panel has considered the previous Panel report; results of the questionnaire and benchmarking information in reaching the recommendations on SRAs set out below.

Leader

18. The Panel sees the Leader as playing a key role and believe it important that the remuneration reflects this position. They noted that the current allowance of £10,974.48 is 2.35x the current Basic. They also note that Leaders in other Devon Districts are in receipt of SRAs between £19,212 (Teignbridge) and £8,484 (W Devon) with the average £14,406. The Panel supports the maintenance of the multiplier which should be based on the new fully inclusive Basic Allowance.

19. The Panel recommends a multiplier of 2.35 is applied to the new Basic Allowance giving an allowance of £11,985

Deputy Leader

20. The Panel notes that the Deputy Leader Allowance is currently just below 1x Basic Allowance £4,389.78

21. The Panel recommends that the Allowance should be set at a multiplier of 1 at £5,100

Chairing roles:

Chair of Council, Chair of Community and Resources, Chair of Overview and Scrutiny (internal and external) and Chair of Plans Allowances

22. Currently these all receive the same allowance which is set just below 1x Basic Allowance at £4,389.78

23. The Panel recommends that the Allowance should be set at a multiplier of 1 at £5,100

Chair of Audit and Governance and Chair of Licensing

24. Currently these all receive half the allowance of the other Chairing roles at £2,194

25. The Panel recommends that the Allowance should be set at a multiplier of 0.5 at £2,550

26. Overall the Panel only had limited evidence about the Chairing roles. They did pick up some evidence that the Chair of Plans may be a more onerous role – but the evidence was not conclusive, and the Panel would wish to revisit the balance between Chairing roles and the level of responsibility and accountability in more detail in the future.

27. The Panel did pick up the view that Chairs might sometimes be asking Vice Chairs to regularly step in. **The Panel recommends that Chairs be encouraged to share their allowance if they are asking their Vice Chair to take on significantly more responsibility in their absence.**

Vice Chair roles:

Vice Chair of Community Resources; Vice Chair of Overview and Scrutiny (internal and external); Vice Chair of Plans; Vice Chair of Licensing and Vice Chair of Audit and Governance

28. Currently these all receive an allowance of either £658.50 or £329.19. The Panel picked up evidence that some Members did not support the ongoing payment of these small allowances and that the level of work, responsibility and accountability might not be much more onerous than for other members of the relevant committees. On balance the Panel agrees with this view but would wish to revisit in more detail in the future.
29. **The Panel recommends that Vice Chairs should not receive an allowance, but this be reviewed in more depth in future.**

Carers' Allowance

30. The Panel considers the Carers' Allowance to be an important part of the offer to Members. They see it as helpful in encouraging a broader base of the population to stand for election and as such **recommends it continues in current form rising in line with the National Living Wage but be subject to more detailed review in future Panel deliberations which might also look at policies on parental leave which some Councils are considering.**

Travel and subsistence allowances

31. The Panel does not suggest any changes and recommends that the existing levels be maintained in line with the officer scheme.

Cost

32. It is not the role of the Panel to take budgetary considerations into account although as noted above they were mindful of the economic climate and the pressure on local authority budgets. The Panel notes if the recommendations are accepted in full that savings delivered by the removal of Vice Chair allowances will help meet the increase in the Basic and other allowances which the Panel deem appropriate.

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