

I. INTRODUCTION

The Regulatory Context

- 1.1. The Independent Remuneration Panel (IRP) is convened under the Local Authorities (Councillors' Allowances) England Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692 ['the Regulations']).
- 1.2. The Regulations require all local authorities to set up and maintain an advisory IRP to review and provide advice about the allowances to be paid to Councillors. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Councillors' Allowances Scheme.

2. Panel

2.1. Plymouth City Council's Independent Remuneration Panel Members are:

Duncan Currall	Retired
Bryony Houlden	Bryony Houlden is Chief Executive of South West Councils.
Jane Hopkinson	Jane Hopkinson is former University Secretary of the University of Plymouth and current Independent Trustee of the University of Plymouth Students' Union

2.2. Members of the Panel may have some contact with the Council. In the interest of openness and transparency their links, where they occur, are stated below:

- **Bryony Houlden** is Chief Executive of South West Councils, a Councillor organisation of the 33 local authorities across the South West including Plymouth City Council.

2.3 The formal Terms of Reference of the Panel are attached as Appendix I.

3. Objective of the Review

3.1. The Panel was asked to undertake a full review of Councillors' allowances, informed by benchmarking and other relevant information and specifically to consider –

- allowances paid to the Lord Mayor and Deputy Lord Mayor (particularly in reference to costs);
- the list of approved duties and training allowances;
- whether co-optees should receive remuneration;

- levels of payment to Leaders of Minority Groups and any associated thresholds; and
- facilities for Minority Groups and Independent Councillors

4. SUMMARY OF RECOMMENDATIONS

4.1. The IRP has undertaken a review of the Plymouth City Council Councillors' Allowances Scheme and makes the following recommendations for amendments.

1	There are no changes to the Basic Councillors' Allowance and that this will continue to rise in line with staff pay awards. As pay awards currently being negotiated refer to a single consolidated addition to NJC pay points, the Panel recommends that basic allowances should increase in line with the equivalent percentage increase to the mid-point of the pay spine (pay point 22).
2	Excluding payments to Other Minority Group Leaders (recommendation 6 below), there are no changes to the Special Responsibility Allowances which will increase in line with staff pay awards (as above).
3	The travel allowance for Councillors should remain the same as the locally agreed rates payable to Council staff, and that they be changed as and when the staff rates are changed.
4	The list of approved duties is applicable to both Travel and Subsistence Allowance and Dependent Carers Allowances and Councillors undertaking approved duties may claim Travel, Subsistence and Dependent carers allowance unless remuneration and/or expenses are provided by the body to which the approved duty relates.
5	An annual stipend of £1500 is provided to Co-opted Members on Committees convened under the Local Government Act 1972.
6	Special Responsibility Allowances for Other Minority Group Leaders (excluding the largest opposition group) will be payable based on the number of members in the group. For groups of fewer than five members, the Leader of the grouping will receive an annual SRA of £1000, increasing by £1000 for every five additional Councillors
7	Facilities (group rooms etc) are offered to all Councillors. Groups with less than 5 members will share facilities with similar sized groups and non-aligned independent Councillors.
8	That an expenses fund not exceeding £2000 be established in the Lord Mayor's office to cover necessary out of pocket expenses incurred by the Deputy Lord Mayor in the event that they are in receipt of a Special Responsibility Allowance for another role and are therefore unable to claim the Deputy Lord Mayor's allowance. Any claims from the fund will be on receipt.

5. METHODOLOGY AND APPROACH

5.1. The Panel considered the following as part of the review:

- Comparative evidence of Councillors' Allowances from 14 of the Council's 'family group', (statistical neighbours as defined by Chartered Institute of Public Finance and Accountancy (CIPFA)).

- Evidence from eight 'local/coastal' comparator Councils;
- An anonymised analysis of responses to a questionnaire devised and circulated on behalf of the Panel to all Councillors;
- Interviews with a range of Councillors.

5.2. The CIPFA family group of councils included:

Bournemouth	Portsmouth
Bristol	Swindon
Brighton and Hove	North East Lincolnshire
Medway	Warrington
Southampton	Stoke-on-Trent
Southend-on-Sea	Telford and Wrekin
Derby	York

5.3. The local/coastal comparator group included:

Bristol	Hull
Cornwall	Poole
Devon County	Swansea
Exeter	Torbay

5.4. Twenty seven Councillors responded to the questionnaire, representing 47% of Councillors. The Panel was pleased to note that this was higher than responses received in previous reviews.

5.5. The Panel met virtually on four occasions to receive and distil the evidence. It has undertaken to preserve the confidentiality of responses to the questionnaire and of interviews (evidence from which is non-attributable to individuals). Such evidence is therefore not subject to public examination.

5.6. Thanks are due to all Councillors who responded to the questionnaire and to those who gave up their time to meet with the Panel.

5.7. The following findings and recommendations follow the order of the Panel's Terms of Reference.

6. FINDINGS AND RECOMMENDATIONS

Recommendation 1:

Basic Allowance

- 6.1. The Panel noted that there is no nationally set level of remuneration for the basic allowance for Councillors. It is therefore the responsibility of each Council to establish its own level on recommendation of its Independent Remuneration Panel. The system in operation in Plymouth has been in place for a number of reviews and was used as the baseline for this review.
- 6.2. Responses from Councillors to the Panel's questionnaire reported an average of between 20 and 30 hours spent on Council business, with Councillors suggesting that between 1-20 hours should be unremunerated. This is broadly in line with evidence from a 2022 Local Government Association Census of Councillors where the average time spent on Council business was 22 hours a week.
- 6.3. The additional benchmarking demonstrated the current basic allowance for Plymouth Councillors remains in the second quartile, (just below the average) within its local/coastal comparators and in the second quartile of the CIPFA family group (just below average).
- 6.4. After considering the benchmarking evidence, responses to the questionnaire, and interviews, the Panel concluded that the evidence does not suggest an adjustment to the basic allowance is required. The Panel recognised that budgetary constraints and continued pressure on local authority budgets weigh against a departure from the current provision, save for an index-linked cost of living uplift which has been the established principle for a number of years. As pay awards currently being negotiated refer to a single consolidated addition to NJC pay points, the Panel recommends that basic allowances should increase in line with the equivalent percentage increase to the mid-point of the pay spine (pay point 22).

Recommendation 2

Special Responsibility Allowances (SRA)

- 6.5. The Panel noted 28 individual roles which are in receipt of a SRA. In undertaking the review it focused solely on those areas which it had been asked specifically to consider or which had been identified within the evidence as requiring specific attention.

Leadership of Minority Groups

- 6.6. Since the last review a number of groups comprising two Councillors had formed. The Leader of any Minority Group, irrespective of size, is, under the current scheme, entitled to a SRA of £6,000. The Panel had been asked to review the level of payment and its considerations are detailed in Recommendation 6.

Vice-Chairs of Planning, Licensing Committees and Scrutiny Committees

- 6.7. Some members raised a potential issue of consistency regarding remuneration of the Vice-Chairs of the above committees. The Panel had not received any evidence that the special

responsibilities had significantly changed since they were last reviewed in 2019 and it has not therefore made a recommendation for change at this time.

Recommendation 3:

Travel and Subsistence Scheme

6.8. The Panel noted that Councillors are subject to the same travel and subsistence policy as Council staff, as determined by the 'Plymouth Book', and that the basic allowance includes provision for such expenses. The Panel considered there was no substantive evidence to deviate from this position.

Recommendation 4

Approved Duties

- 6.9. The Panel wished formally to confirm that the list of approved duties within the scheme is applicable to claims for travel and subsistence allowance and for dependent carers' allowance.
- 6.10. However, the Panel is aware that a number of appointments made to outside bodies by the Council, and appointments undertaken by invitation through virtue of being a Councillor may be supported by remuneration and/or payment of expenses from those bodies.
- 6.11. The Panel therefore recommends that Councillors undertaking approved duties should be able to claim travel, subsistence and dependent carers' allowance unless remuneration and/or expenses are provided by the body to which the approved duty relates.

Recommendation 5

Co-opted Members

- 6.12. A co-opted member is not a councillor of the authority but is a member of a committee who has been invited to join to provide specific relevant expertise. The current scheme does not provide an allowance for co-opted members although they may claim travel and subsistence expenses in order that they are not out of pocket as a result of undertaking work on behalf of the Council.
- 6.13. The Panel understands that co-opted members do not normally have any further commitment to the Council other than attending meetings, on average, between four and six times per year. However, the Panel was aware of difficulties in recruitment of co-opted members and considered it appropriate that such members should be offered recompense for the use of their time and skills.
- 6.14. The Panel therefore considers that co-opted members of committees convened under the Local Government Act 1972 should receive an annual payment of £1,500 as remuneration for their time and technical expertise.

Recommendation 6

Payments to Other Minority Group Leaders

- 6.15. Since the last review a number of Minority Groups comprising two councillors had formed. The Leader of a Minority Group of any size is currently entitled to a special responsibility allowance of £5,984.
- 6.16. The Panel considered a significant number of representations about this situation through both interviews and the Councillors' questionnaire. The Panel acknowledges that leading a small group does involve additional responsibilities. It also recognises that an active opposition is a necessary requirement for a functioning democracy, and that small groups can and do contribute effectively.
- 6.17. However, the Panel further recognised that when the allowance for Minority Group Leaders was established, it was not envisaged that groups might be so small. The Panel was not of the opinion that the current level of allowances accurately reflected the increase in responsibility of leading small groups.
- 6.18. Having considered the approach of other local authorities, where payments are set against thresholds relating to the size of groups, the Panel considered a similar approach should be implemented at Plymouth.
- 6.19. The Panel considered that payments should be linked to the size of the group, rather than being paid on a per member basis.
- 6.20. The Panel considers that £1000 is a reasonable level of Special Responsibility Allowance for a Leader of a group of fewer than 5. Such an allowance reflects the additional responsibility of managing group members and other responsibilities such as briefings with officers etc.
- 6.21. It was the view of the Panel that the allowance should rise by £1000 for every 5 additional members of a group.
- 6.22. The Panel wish to include within the scheme that the allowances for other minority leaders are fixed at the start of the municipal year (excluding the year of implementation of the amended scheme), and may not be changed within the year irrespective of movements within the year unless group membership falls below the statutory minimum (2).

Recommendation 7

Facilities

- 6.23. The Panel recognises the need for all councillors to be supported in undertaking their role. It noted the provision of IT to all members and the provision of offices within the Council House to political groups.
- 6.24. The Panel recognised that previous allowance schemes have not formally covered the allocation of office space, and consequently makes the following recommendation to ensure that all elected councillors have the opportunity to use space within the Council House.
- 6.25. The Panel recommends that facilities (group rooms etc) are offered to all Councillors. Groups with membership of less than 5 should share facilities with similar sized groups and non-aligned independent Councillors.

Recommendation 8

Costs of the Deputy Lord Mayor

6.26. Following feedback from councillors both in the questionnaire and through interviews, the Panel recommends that an expenses fund is established in the Lord Mayor's office. The fund will cover necessary out-of-pocket expenses incurred by the Deputy Lord Mayor in the event that they are in receipt of a Special Responsibility Allowance for another role and are therefore unable to claim the Deputy Lord Mayor's allowance. The fund should not exceed £2000.

7. Implementation of an amended Scheme of Allowances

7.1. The Panel recommends that the new scheme of allowances to be agreed by the Council be implemented with effect from 1 October 2023.

Appendix I

Independent Remuneration Panel Terms of Reference

1. Functions

- 1.1. The Panel carries out the Council's responsibilities under the Local Authorities (Members Allowances) Regulation 2003 as amended to convene an Independent Panel to make recommendations to the Council about the level of Members Allowances.

2. Specific Responsibilities

- 2.1. Overall, to recommend the level of allowances to be paid to Members, including special responsibility allowances, pension rights for elected Members and allowances payable to co-opted members.

- 2.2. The Panel will recommend:

- 2.2.1. The amount of basic allowance that should be payable to elected Members;
- 2.2.2. The categories of Members who should receive special responsibility allowances and the amount of such an allowance;
- 2.2.3. The travel and subsistence scheme, the amount of the allowance and how it should be paid;
- 2.2.4. The payment of an allowance for co-opted members and the amount of that allowance;
- 2.2.5. The payment of an allowance in respect of arranging for the care of Members' children and other dependants, the amount of this allowance and the means by which it should be determined;
- 2.2.6. Whether the allowances should be backdated to the beginning of the municipal year;
- 2.2.7. Whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run.

Comparator Information

CIPFA Family Comparators												
Role	Basic	Leader	Deputy	Cabinet	Scrutiny Chairs	Licensing	Taxi Licensing	Planning	Audit	Chair / Mayor	Leader of Opposition	Leader of Minority Opposition
Bristol	15169	£86,439	£28,281	£26,105	£7,174	£150 x2 sessions up to £550 for max 10 sessions	N/A	£7,174	£7,174	N/A	N/A	£14,345
Southampton	13900	£27,800	£13,900	£13,900	£3,475	£6,950	N/A	£6,950	£6,950	N/A	N/A	£4,633
Bournemouth (BCP)	13543	£29,339	£19,559	£19,559	£8,125	Chair - £10,834 Vice Chair - £2,709	N/A	£10,834	£10,834	Chair £10,834 Vice Chair £5,418	N/A	£3,251
Brighton and Hove	13002	£32,505	£19,503	Chairs of Policy Committees £9,752	£4,876	£975	N/A	£975	£4,876	10,168	£11,377	£6,501
Portsmouth	12365	£22,262	N/A	£8,658	£3,092	£4,329	N/A	£4,329	?	£8,658	£7,421	5 or more = £3,710. 2 to 4 = £2,474
Derby	12145	£36,436	£27,327	£18,218	£9,108	£9,109	N/A	£9,109	£6,376	£9,108	N/A	£9,108
Stoke-on-Trent	12000	£36,000	With portfolio = £18,000. Without = £6,000	£12,000	£9,000	£6,000	N/A	£9,000	£6,000	£9,000	N/A	N/A
Plymouth	11,969	£35906	£25264	£23932	£11969	£11969	£11969	£11969	£11969	£16,627	£11969	£5984
Medway	11474	£34,422	£22,948	£17,211	£11,474	Day rate (3 hours) £44.13	N/A	£13,769	£8,032	Mayor - £14,343 Deputy - £6,885	£13,769	£6,885

York	11282	£33,842	£23,689	£20,307	£6,770	£8,461	£8,461	£10,806	£8,461	£3,384	£15,229	£6,770
Telford and Wrekin	10420	£32,660	£20,572	£15,628	£8,652	£10,419	N/A	£10,419	£8,682	?	N/A	£17,874 split equally amongst group leaders
Southend-on-Sea	9963	£34,870	£17,868	£12,453	£7,472	£5,978	N/A	£9,963	£2,491	£14,944	£9,963	£2,491
Swindon	8940	£26,820	£16,539	£13,410	£6,705	£6,705	N/A	£6,705	£6,705	£10,000	If Chair of Scrutiny - £13,410, if not £6,705	£2,235
Warrington	8775	£20,015	£15,012	£10,008	£8,506	£8,506	N/A	?	£8,506	£15,012	£8,506	£8,506
North East Lincolnshire	8383	£22,500	£16,875	£11,250	£5,625	£4,500	N/A	£6,750	Independent - £4,500	£8,000	N/A	10+ members = £2,250

Coastal Comparators												
Role	Basic	Leader	Deputy	Cabinet	Scrutiny Chairs	Licensing	Taxi Licensing	Planning	Audit	Chair / Mayor	Leader of Opposition	Leader of Minority Opposition
Cornwall	£16,377.00	£30,299.88	£22,724.49	£21,105.48	£9,589.81	£4,544.89	N/A	£6,059.87	£6,059.87	£21,105.48	N/A	N/A
Swansea	£17,600	£66,000	£42,900 x 2	£39,600	£26,400	£26,400	N/A	£26,400	£268 Daily Fee	£26,400	£26,400	N/A
Hull	£15,432	£26,764	£20,073	£16,861	£13,382/£6,691	£13,382	N/A	£13,382	£568.11 a year (in place of the daily rate)	N/A	£13,382	N/A
Devon County	£14,025	£35,063	£28,050	£21,038	£10,238 (Vice Chairs £5,119)	N/A	N/A	N/A	£3,506	£11,220	£7013 x 2	£3,506
Plymouth	11,969	£35906	£25264	£23932	£11969	£11969	£11969	£11969	£11969	£16,627	£11969	£5984
Torbay	£9,428	£21,759	£12,075	£11,674	£7,783/£3,891	£3,891	N/A	£7,783	£3,891	£3,891	N/A	£378
Exeter	£6,537	£21,245	N/A	£11,439	£6537 (Deputy's also get £3,268)	£4,902	N/A	£6,537 (Deputy of Planning also gets £3,268)	£3,268	£6,537	The Leader of an Opposition group will receive an allowance based on the size of the political group, ranging from 20 to 60% of the size of the Group	N/A

AMENEDDED MEMBERS' ALLOWANCE SCHEME 2023-2027

Subject to agreement on 2023/24 pay award

Basic Allowance	Value	No. in Receipt
All Councillors	11,969	57
Special Responsibility Allowance Role	Value	No. in Receipt
Leader of the Council	35,906	1
Deputy Leader of the Council	25,264	1
Cabinet Member	23,932	8
Chair of Overview and Scrutiny Committees	11,969	4
Chair of Planning Committee	11,969	1
Vice Chair of Planning Committee	5,984	1
Chair of Licensing Committee	11,969	1
Vice-Chair of Licensing Committee	2,992	1
Chair of Taxi Licensing Committee	11,969	1
Vice-Chair of Taxi Licensing Committee	2,992	1
Chair of Audit and Governance Committee	11,969	1
Chair of Health and Wellbeing Board	5,984	0
Leader of the largest minority party	11,969	1
Leader of other minority parties (less than 5 members)	1,000	3
Deputy Leader of largest minority party	5,984	1
Lord Mayor	16,627	1
Deputy Lord Mayor	5,487	1
Assistant Cabinet Member	2,992	0
Co-opted Members	1,500	1