

Date of meeting: 15 September 2025

Title of Report: **Independent Remuneration Panel – Recommendations for amendments to the Councillor Allowance Scheme**

Lead Strategic Director: Liz Bryant (Service Director for Legal Services)

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Your Reference: IRP 2025

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

The Local Authorities (Councillors' Allowances) England Regulations 2003 (as amended) ("the Regulations") require all local authorities to set up and maintain an advisory Independent Remuneration Panel (IRP) to review and provide advice about the allowances to be paid to Councillors. All Councils are required to convene their IRP and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the IRP's recommendations before setting a new or amended Councillors' Allowances Scheme.

The Council's IRP was convened in accordance with the Regulations to undertake a review of Plymouth City Council's Councillors' Allowances Scheme and make recommendations. The Panel met in August 2025 and was asked to review elements of the Councillors' allowance scheme, informed by benchmarking and other relevant information. The IRP was specifically convened to consider the situation in which two opposition groups hold an equal number of councillors. Under the Council's Members' Allowances Scheme, a Special Responsibility Allowance (SRA) is payable to the Leader of the largest minority party. However, the scheme does not include any provisions to address a tie, nor does it clarify whether the allowance may be withheld, split, or awarded to one group based on other criteria. This ambiguity created a governance risk and introduced uncertainty regarding the equitable treatment of councillors.

Accordingly, the IRP was asked to consider and make recommendations regarding the following questions:

a) In circumstances where two political groups each have the same number of councillors, and where the Members' Allowances Scheme provides for the payment of an SRA to the 'Leader and the Deputy Leader of the largest minority party' without addressing tie scenarios, What approach should the Council take in interpreting and applying the scheme?

b) Should the scheme be amended to explicitly address future scenarios where two or more groups are of equal size and if so, what would the recommended amendment be?

Recommendations and Reasons

That Council:

- I. Accepts the recommendations set out in the IRP report regarding the amendment to the current SRAs for Opposition Group Leaders and related matters, as follows:
 - a. Approves the implementation of a tiered opposition group leaders allowance structure as follows:
 - Groups of 2-6 members: Leaders receive 10% of Basic Allowance (£1,370)
 - Groups of 7-11 members: Leaders receive 50% of Basic Allowance (£6,850)
 - Groups of 12+ members: Leaders receive 75% of Basic Allowance (£10,275)
 - Largest group premium: Additional 25% of Basic Allowance (£3,425) for Leaders of the largest opposition group(s), subject to maximum of three groups
 - b. Approves the discontinuation of the following SRAs:
 - Leader of the Largest Minority Party (£13,700)
 - Deputy Leader of the Largest Minority Party (£6,851)
 - Leader of Other Minority Parties (£1,000)
 - c. Agrees that the new opposition group leaders' allowance arrangements are backdated to start from May 2025.
2. Approves amendments to the (Councillor Allowances Scheme at Appendix Two) to incorporate the new opposition group leaders' allowance provisions, replacing existing opposition allowance arrangements.
3. Notes the Independent Remuneration Panel will conduct a comprehensive review of Committee Chair and Vice Chair allowances, reporting back to Council in time for the Municipal year 2026/27.

Reason: The current members allowance scheme does not include any provisions to address a tie, nor does it clarify whether the allowance may be withheld, split, or awarded to one group based on other criteria. This ambiguity created a governance risk and introduced uncertainty regarding the equitable treatment of councillors. These proposals resolve the uncertainty and consequential governance risks.

Alternative options considered and rejected

None: The Regulations required the Council to consider the recommendations from the Independent Remuneration Panel when amending its Scheme of Members Allowances.

Relevance to the Corporate Plan and/or the Plymouth Plan

Convening the Independent Remuneration Panel demonstrates Plymouth City Council's commitment to the Corporate Plan's core values through transparent, accountable governance processes.

DEMOCRACY - The decision to convene the IRP aligns with the Corporate Plan by ensuring the council's democratic framework operates effectively and transparently. It demonstrates that allowance decisions are made through proper independent processes rather than self-determination.

FAIRNESS - Using an independent panel to review allowance arrangements ensures objective assessment based on evidence and benchmarking promoting equitable treatment of all Councillors.

RESPONSIBILITY - The statutory requirement to convene an IRP and "pay regard" to its recommendations demonstrates responsible stewardship of public resources and adherence to legal obligations governing local authority governance.

CO-OPERATION - The IRP process involves consultation with stakeholders, benchmarking against peer authorities, and collaborative consideration of complex governance issues, reflecting the Corporate Plan's emphasis on working together to achieve better outcomes.

By following statutory requirements for independent remuneration review, the council reinforces its commitment to good governance that underpins all Corporate Plan objectives and maintains public trust.

Implications for the Medium Term Financial Plan and Resource Implications:

The recommendations will result in an additional cost of £1,369 compared to the original budget, based on current political composition. This minimal increase represents the net effect of introducing tiered opposition group allowances and the largest group premium, partially offset by discontinuing the Deputy Leader of largest minority party allowance. The cost will be accommodated within existing Members' Allowances budget provision.

Financial Risks

Annual costs will fluctuate based on political composition following elections. The tiered structure provides predictable cost parameters with maximum exposure clearly defined. The percentage-based approach ensures allowances adjust automatically with Basic Allowance reviews, maintaining budget proportionality over the medium term.

Legal Implications

(Provided by Liz Bryant)

The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) ("the Regulations") require local authorities to establish an IRP to review and advise on the level of allowances payable to members. The Council must have regard to the recommendations made by the IRP.

The Council has the power to amend its Members' Allowances Scheme at any time during the year under regulation 10(3) of the Regulations.

The Members' Allowance Scheme complies with the relevant provisions of the Regulations; the Local Government and Housing Act 1989 and the Local Government Act 2000. In particular Special Responsibility Allowances are permitted under regulation 18 of the Regulations and the proposed amendments are in accordance with the provisions of regulation 18.

Carbon Footprint (Environmental) Implications:

None as a result of this report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

None as a result of this report.

*Add rows as required to box below

Fin	ITG.2 5.26.0 60	Leg	LS/00 0033 90/27 /LB/0 9/09/ 25	Mon Off		HR		Asset s		Strat Proc	
Originating Senior Leadership Team member: Glenda Favor- Ankersen (Head of Electoral Services)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 09/09/2025											