# INDEPENDENT REMUNERATION PANEL – RECOMMENDATIONS FOR AMENDMENTS TO THE COUNCILLOR ALLOWANCE SCHEME



#### I. INTRODUCTION

- I.I. Plymouth City Council currently has two opposition groups which 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 contain any provision for what should happen in the event of a tie, nor does it clarify whether the allowance may be withheld, split, or awarded to one group based on any criteria. This lack of clarity presents a governance risk and creates uncertainty regarding equitable treatment of councillors.
- I.2. 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 allowance scheme and they must 'pay regard' to the IRP's recommendations before setting a new or amended Councillors' Allowances Scheme.
- 1.3 The Independent Remuneration Panel (IRP) was 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']).

#### 2. PANEL

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

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

- 2.2. Members of the IRP may have some contact with the Council. In the interest of openness and transparency their links, where they occur, are stated below:
- 2.3. Bryony Houlden is Chief Executive of South West Councils, a Councillor organisation of the 29 local authorities across the South West including Plymouth City Council.
- 2.4. The formal Terms of Reference of the IRP are attached as Appendix one.

#### 3. OBJECTIVE OF THE REVIEW

3.1. The Independent Remuneration Panel (IRP) has been asked to review two elements of the Councillors' allowance scheme, informed by benchmarking and other relevant data. The specific focus is on addressing potential ambiguities in the scheme that arise when two political groups hold an equal number of councillors.

- 3.2. Plymouth City Council is currently facing a 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 creates a governance risk and introduces uncertainty regarding the equitable treatment of councillors. Accordingly, the IRP has been 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?

#### 4. METHODOLOGY AND APPROACH

The IRP considered the following as part of the review:

 CIPFA comparator information for the remuneration of Opposition Groups, Leader of Opposition Groups and Deputy Leaders of Opposition Groups;

South West Councils comparator information for the remuneration of Opposition Groups, Leader of Opposition Groups and Deputy Leaders of Opposition Groups;

Interviews with all Group Leaders to understand responsibility of their role;

How the current SRA Compares to other allowances in the scheme as % of the basic allowance

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

The IRP met virtually to receive and distil the evidence.

The following findings and recommendations are made in the order of the Panel's Terms of Reference.

#### 5. SUMMARY OF RECOMMENDATIONS

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

## **RECOMMENDATION I: Opposition Group Allowance Structure**

That Plymouth City Council adopts a tiered Opposition Group Leader's allowance system based on group membership as follows:

Opposition Group Size	Percentage of Basic Allowance	Annual Amount (2025/26)
2-6 members	10%	£1,370
7-11 members	50%	£6,850
12+ members	75%	£10,275
* Largest Group Premium	Additional 25%	£3,425

<sup>\*</sup> Where there is a single largest opposition group, that group's leader shall receive an additional allowance of 25% of the Basic Allowance (£3,425 in 2025/26). Where two or more opposition groups are tied for largest size, all such tied group leaders shall receive the additional allowance, subject to a maximum of three groups being eligible for this premium. If more than three groups are tied for largest size, the matter shall be referred back to the IRP for further consideration.

This allowance will be backdated to May 2025

#### **Panels Reasoning:**

All opposition group allowances are expressed as clear percentages of the Basic Allowance, ensuring:

- Consistency with Plymouth's existing SRA structure where all allowances relate to Basic Allowance multipliers.
- allowances adjust automatically when Basic Allowances are reviewed
- Transparent calculation methods that any member or officer can verify
- Proportional relationship maintenance Scheme hierarchy remains constant over time.

This percentage-based approach ensures opposition groups fit appropriately within the SRA hierarchy, with the largest groups capped at Committee Chair level (100% of Basic Allowance).

This recommendation directly addresses the core issue referred to the IRP - resolving tied opposition group scenarios while maintaining fairness. The IRP determined that the largest opposition group carries additional responsibilities as the primary alternative voice to the administration.

The 25% premium creates meaningful differentiation without excessive cost escalation. Combined with the opposition group base allowance, it ensures the largest opposition group reaches but does not exceed Committee Chair level (100% of basic allowance), maintaining constitutional hierarchy.

This mechanism provides resolution of tied scenarios without requiring discretionary decisions by officers, addressing the governance risk that prompted this review.

## **RECOMMENDATION 2: Removal of Deputy Leader Allowance**

That the current Special Responsibility Allowance for Deputy Leader of the Largest Minority Party (£6,851 in 2025/26) be discontinued, as the IRP considers this SRA is not required under the new group-based allowance system taking into account that any additional responsibilities undertaken on behalf of the opposition group are undertaken by the Leader of the group rather than the deputy based on the evidence they received and in comparison to other SRA's such as regulatory Vice - Chairs. This matter may be reconsidered by the IRP in future if circumstances demonstrate the necessity of this SRA.

The Panel's analysis revealed that the Deputy Leader of the Largest Minority Party allowance is frequently unclaimed in practice. Investigation demonstrated that individuals appointed to deputy leader positions within opposition groups often already hold alternative Special Responsibility Allowances of greater value through other official posts, such as committee chairs. Under the Council's existing allowance scheme, members cannot claim multiple SRAs simultaneously, meaning the deputy leader of the largest minority party allowance becomes redundant when the appointed individual holds a more valuable alternative role.

#### **RECOMMENDATION 3: Committee Chair and Vice Chair Allowances Review**

That the IRP conducts a comprehensive review of Committee Chair and Vice Chair allowances, with a view to making recommendations to Council in 2026/2027. This review shall consider:

- a) Current allowance levels relative to responsibilities and time commitment
- b) Benchmarking against comparable unitary authorities
- c) Consistency within Plymouth's SRA hierarchy
- d) Workload assessment of different committee chair and vice chair roles

The Panel notes that this review will provide an opportunity to ensure all SRAs remain appropriate and proportionate alongside the implementation of the new opposition group allowance structure.

## **APPENDIX ONE - Independent Remuneration Panel Terms of Reference**

#### I. Functions

I.I. 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.

## **APPENDIX TWO - COUNCILLOR ALLOWANCE SCHEME**

Summary of basic allowance and special responsibility allowances from 1 April 2025.

BASIC ALLOWANCE (per year for all 57 councillors) £

Basic Allowance 13,700

<u>SPECIAL RESPONSIBILITY ALLOWANCES</u> (in addition to the basic allowance) (Numbers in brackets refer to the number of Councillors claiming this allowance)

# The Executive (Leader and the Cabinet)

Leader of the Council (I)	41,099
Deputy Leader of the Council (I)	28,918
Cabinet Member (8)	27,394

# **Overview and Scrutiny Committees**

Chairs of Overview and Scrutin	y Committees (5)	13,700

# **Regulatory Committees**

Chair of Planning Committee (I)	13,700
Vice Chair of Planning Committee (1)	3,426
Chair of Licensing Committee (I)	13,700
Vice-Chair of Licensing Committee (I) Chair of Taxi Licensing Committee (I)	3,426 13,700
Vice-Chair of Taxi Licensing Committee (I)	3,426
Chair of Audit and Governance Committee (I)	13,700
Chair of Health and Wellbeing Board (0)	3,426

## **Opposition Groups**

Leader of the largest minority party (1)	<del>13,700</del>
Leader of other minority parties (every 5 members) (2)	<del>-1,000</del>
Deputy Leader of largest minority party (1)	<del>-6,851</del>

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## **Lord Mayoralty**

Lord Mayor (I)	19,033
Deputy Lord Mayor (I)	6,281

## Travel allowances and subsistence expenses

Car, Motorcycle and Bicycle Allowance Rates are set in lines with those paid to officers of the authority. Existing travel and subsistence arrangements will continue, i.e. that Councillors are entitled to claim such allowances necessarily met in carrying out their official duties as councillors outside of the city boundary (in line with the officers' scheme).

Travel within Plymouth and peninsula (counties of Devon, Cornwall, Somerset and Dorset)

#### HMRC RATE:

45p per business mile up to 10,000 miles 25p per business mile over 10,000 miles

'Out of Peninsula rate':

25p per business mile

Low emission car rate (travel within Plymouth and Peninsula) Cars with up to 110g/km CO2 emissions, and/or in tax band A or B:

50p per business mile up to 10,000 miles 29p per business mile over 10,000 miles

HMRC passenger rate:

5p per business mile per passenger

Meals and subsistence rates

#### **Breakfast**

Irregular starter before 6am. This rate does not apply if employee regularly leaves home before 6am.

Maximum claim - £5

#### One meal rate

Where an employee is away from the normal place of work for a period of more than five hours. Maximum claim - £5

Two meals rate

Where an employee is away from the normal place of work for a period of more than 10 hours. Maximum claim - £10

Late evening meal

Irregular late finisher - where an employee is away from the normal place of work outside of their normal working hours and after 8pm. Maximum claim - £10

Only a maximum of three meals can be reimbursed per day. Alcohol cannot be purchased within the allowance.

## Overnight stays

Accommodation will be reimbursed for overnight stays where it is impractical for a day-return or where the overnight stay represents better value for money. Reimbursements will be made when presented with a valid VAT receipt.

Bed and breakfast outside of London (M25): Maximum payment - £65

Bed and breakfast within London/M25 boundaries: Maximum payment - £85

## Dependent carers' allowance

Councillors are entitled to claim for the duration of the approved duty plus reasonable travelling time. The allowance should not be payable to a member of the claimant's own household. See below.

Approved duties and claiming childcare and dependent carers' allowances

If a councillor is responsible for the care of children, elderly relatives or people with disabilities, childcare and dependent carers' allowances may be claimed (against receipts). The maximum period of the entitlement is the duration of the approved duty plus reasonable travelling time. The allowance should not be payable to a member of the claimant's own household.

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.

#### Approved duties are:

- attending a committee, sub-committee or outside body meeting
- attendance at any other authorised meeting (provided that it is a meeting to which Councillors of at least two political groups have been invited)
- attendance at a meeting of any association of authorities of which the authority is a member
- attendance at any Cabinet meeting
- performance of any duty connected with the opening of tenders
- performance of any duty requiring the authority to inspect or authorise the inspection of any premises
- performance of any duty in connection with arrangements for the attendance of pupils at any school approved for the purposes of section
  - 342 (approval of non-maintained special schools) of the Education Act 1996
- attendance at development and learning events

• the carrying out of any other duty approved by the authority for the purpose of or in connection with the discharge of the functions of the authority or any of its committees or sub-committees