

INDEPENDENT REMUNERATION PANEL – REVIEW REPORT, JUNE 2019



I. INTRODUCTION

The Regulatory Context

- I.1 The Independent Remuneration Panel (IRP) is convened under the Local Authorities (Members' Allowances) England Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692 ['the Regulations']).
- I.2 The Regulations require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice about the allowances to be paid to Members. 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 Members' Allowances Scheme.

Panel

- I.3 Plymouth City Council's Independent Remuneration Panel members are:

Alan Wooderson (Chair)	Alan Wooderson is retired and previously in a national and local leadership role with the Probation Service as part of the Ministry of Justice. Alan has 30 years' experience within Local Government
Duncan Currall	Duncan Currall is Chair of Livewell Southwest and consultant to a firm of solicitors
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

- I.4 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:
- Alan Wooderson is engaged on an occasional basis by Plymouth City Council and other Local Authorities as the Chair of Review Panels to resolve complaints against the local authority prior to possible submission to the Local Government Ombudsman.
- Duncan Currall is a member of the Plymouth Growth Board and consultant to a firm of solicitors which provides services to Plymouth City Council.
- Bryony Houlden is Chief Executive of South West Councils, a member organisation of the 33 local authorities across the South West including Plymouth City Council.

Objective of the Review

- 1.5 The Panel was convened at the request of Full Council following an amendment put to the revenue budget in February 2019 to ‘review the members’ special responsibility allowances with a view to reduce the allowances’.
- 1.6 The Panel’s specific objective was to undertake a review, informed by benchmarking and other relevant information, to identify any options by which the level of member allowances (specifically special responsibility allowances (SRAs) and personal allowances of the Lord Mayor and Deputy Lord Mayor) could be reduced and make associated recommendations.

2018 Review

- 1.7 The Panel last met in June 2018 and made a series of recommendations which were subsequently approved by Full Council. The financial impact of those recommendations, if all allowances were taken, was an increase to the level of SRAs overall of £48,500. £27,000 of that was due to structural governance changes with respect to an increase in the number of Scrutiny Committees from two to four and a change in remit to the Audit and Governance Committee.
- 1.8 The Panel **noted** that it is not within its remit to comment or advise on the governance structures employed by the Council, which is a decision for the Council itself. Nor is it the role of the Panel to manage the Council budget although they can have regard to budgetary considerations. The Panel makes its recommendations on the basis of evidence on the level of responsibility, accountability and time commitment of any role considered for remuneration.

2. METHODOLOGY AND APPROACH

2.1 The Panel considered the following evidence as part of the review:

- updated benchmarking of SRAs against other appropriate local authorities;
- a summary of committee meeting frequency and length, alongside information about where a Vice-Chair has stepped in to Chair a meeting and where Chairs/Vice-Chairs have had to attend court/undertaken any other specialist activity as part of their role;
- the current costs of and budget for the SRAs;
- the number of engagements of the Lord Mayor and Deputy Lord Mayor over a three year period;
- the February 2019 budget report to Council;
- best practice sector guidance on SRAs for elected-members; and
- interviews with a selection of elected-members as nominated by their group.

2.2 The Panel **noted** that although there would be some degree of commonality in scope and remit of each committee across local authorities, they would not be identical and there would therefore be some differences in the level of responsibility, accountability, time and effort required from the different roles.

2.3 The Panel met on 30 May 2019 to discuss the Terms of Reference for the review, consider relevant documentation/evidence and conduct interviews to inform their views on the level of SRAs and the Lord Mayoralty allowances.

2.4 The Panel thank all elected members who were interviewed for the review – their evidence was valuable in informing the Panel’s deliberations. The Panel would also like to recognise the excellent administrative and research support it received from Siân Millard, Oversight and Governance Manager and Helen Rickman, Democratic Support Advisor, during the course of the review.

3 PANEL CONSIDERATIONS AND RECOMMENDATIONS

3.1 The Panel confirms the following key principles in relation to its role and member allowances:

- The Panel is independent of political influence and makes its recommendations on the basis of evidence-informed considerations,
- No Councillor can be in receipt of two SRAs, with the exception of the Lord Mayor and Deputy Lord Mayor who can be in receipt of both their personal allowances in their civic roles and SRA’s for their Councillor duties.
- The governance structure of the Council is a matter for the Council itself; the Panel considers the level of remuneration against roles determined as a result of such structure.
- The Panel is supportive of encouraging diversity and inclusivity within the Councillor body and recognises that an appropriate level of remuneration for member allowances can help remove barriers to achieving that goal.
- The Panel has due consideration to the public purse but is not responsible for the overall budget for member allowances and recognises that as a management function of the Council.

3.2 The current (2019/20) Scheme of Member Allowances is at **Appendix I** for information.

3.3 As a result of the broad remit of the review, the Panel considered:

- whether there was evidence since the last review in 2018 of significant change to the governance structure of the Council which would inform any changes to the SRAs;
- whether there would be any merit in freezing the 2% cost of living increase (based on City Council officers pay increase) for SRAs for a period of time; and
- evidence on the impact/effectiveness of some of the particular roles, which were the subject of changes to allowances in 2018, including the role of Assistant Cabinet Member, given that the Panel had recommended reviewing this new role after a period of time.

3.4 Following consideration of the evidence, the Panel concluded that:

- applying an across the board freeze to the level of SRAs was not consistent with the principle of encouraging high quality elected members from diverse backgrounds; the Panel determined therefore not to make a recommendation on this option;
- the role of Lord Mayoralty is significant within the city and the level of events attending and hosted was high. The Panel recognised the hard work of those who hold the office of Lord Mayor and Deputy Lord Mayor and did not consider there was any evidence to change the level of personal allowances currently allocated to those roles; and
- it was too early to judge the impact of some of the changes made as part of the last review, but the Panel welcomed and **noted** some evidence of learnings and positive outcomes. In particular, the Panel **noted** aspirations for continuous improvement, particularly around the

use of Assistant Cabinet Members where they heard evidence of the potential value being improved when the role was clearly focussed, task specific and time bound, and improving the balance of business and focus of Audit and Governance Committee.

3.5 However, the Panel considers there would be significant benefit in undertaking a full review of member allowances in summer 2020, which would be informed by a survey of all councillors and deeper analysis of benchmarking information.

3.6 The aim of the full review would be to either confirm or recommend modifications to the level of allowances – basic and/or SRA – appropriate for each role. In particular, the Panel would wish to examine the role, function and effectiveness of the:

- Assistant Cabinet Members
- Chair of Health and Wellbeing Board, noting that 2019/20 will be the first year that role would be chaired by a non-Cabinet Member
- Chair of Audit and Governance Committee
- Vice-Chair's of the quasi-judicial committees

3.7 The Panel would expect the review to take two to three days, including interviews with a cross-section of elected members.

3.8 The Panel's **recommendations** are therefore as follows:

Recommendation 1: To make no changes to the level of Special Responsibility Allowances or the Lord Mayor's and Deputy Lord Mayor's personal allowances.

Recommendation 2: To ask the Independent Remuneration Panel to convene in Summer 2020 (no later than the end of August) to conduct a full review of member allowances.

APPENDIX I – 2019/20 SCHEME OF MEMBER ALLOWANCES

BASIC ALLOWANCE (per year for all 57 councillors)	£
Basic Allowance (57)	11,003
SPECIAL RESPONSIBILITY ALLOWANCES (in addition to the basic allowance) (Numbers in brackets refer to the number of Members claiming this allowance)	
The Executive (Leader, Deputy Leader and the Cabinet)	
Leader of the Council (1)	33,010
Deputy Leader of the Council (1)	23,226
Cabinet Member (8)	22,002
Overview and Scrutiny Committees	
Chair of Overview and Scrutiny Committees (4)	11,003
Regulatory Committees	
Chair of Planning Committee (1)	11,003
Vice Chair of Planning Committee (1)	5,502
Chair of Licensing Committee (1)	11,003
Vice-Chair of Licensing Committee (1)	2,751
Chair of Taxi Licensing Committee (1)	11,003
Vice-Chair of Taxi Licensing Committee (1)	2,751
Chair of Audit and Governance Committee (1)	11,003
Chair of Health and Wellbeing Board (1)	5,502
Opposition Groups	
Leader of the largest minority party (1)	11,003
Leader of other minority parties (1)	5,502
Deputy Leader of largest minority party (1)	5,502
Lord Mayoralty	
Lord Mayor (1)	15,286
Deputy Lord Mayor (1)	5,044
Assistant Cabinet Member	
Assistant Cabinet Member (4)	2,751