

Appendix 1

A Review of Members' Allowances for Torbay Council

by the

Torbay Independent Remuneration Panel

Members:

Bryony Houlden, Chair

Linda Lear

Debbie Franklin

December 2023

Report of the Independent Remuneration Panel to Torbay Council

Introduction

1. The Panel was asked to undertake a fundamental Review of the Members' Allowances Scheme ('the Scheme') and to report to the Council to enable Members to consider their recommendations as part of the budget setting process for 2024/25.
2. The Panel is not required to take account of budgetary pressures but appreciated the difficulties of making any changes to the members' Allowances scheme in the current financial climate and balanced this with the need to propose a scheme which is both fair and easy to understand.
3. The Panel is keen that the Allowances Scheme should not be a barrier to candidates standing for election but is also mindful that these are not the equivalent of a salary as part of paid employment.
5. The overall cost of the Panel's proposals in relation to the Basic Allowance is £352,584. The cost of the proposals for the Special Responsibility Allowances (referred to as SRA's) is £151,217 (based on £12,732 per Cabinet member (1.3 x Basic) if the Cabinet (including Deputy Leader) is limited to 6 members) = total global allowances of £503,801.

Summary of Recommendations

6. **The Panel recommendations are:**
 - (a) **that the Basic Allowance for all Members be set at £9,794.**
 - (b) **that the rates for travel and subsistence be the same as those set in the Torbay Council Expenses Policy for officer and be paid for all Approved Duties;**
 - (c) **that the Council considers whether to expand the list of Approved Duties to include:**
 - (i) **Internal Cabinet/Senior Officer meetings (Cabinet and Directors meeting (CAD));**
 - (ii) **Internal cross party governance meetings with Councillors and Senior Officers, for example, Council Leadership Group; and**
 - (iii) **Attendance at LGA Boards (for Torbay Councillors) who are members of those Boards but not appointed by Torbay Council.**
 - (d) **that Members should be limited to claiming only one Special Responsibility Allowance (SRA);**
 - (e) **that the Special Responsibility Allowances (SRA) be set as multipliers of the Basic Allowance;**
 - (f) **that the SRA for the Leader of the Council be set at £24,485 (2.5 x Basic);**
 - (g) **that the SRA for the Deputy Leader be set at £14,691 (1.5 x Basic);**

- (h) that the SRA for Cabinet Members be set at £12,732 if the Cabinet is restricted to a maximum of 6 members including the Leader and Deputy Leader (1.3 x Basic);
- (i) that if Cabinet Members, including the Leader and Deputy Leader exceeds 6 members the Allowance be set at £11,753 (1.2 x Basic);
- (j) that the SRA for the Overview and Scrutiny Co-ordinator be set at £7,835 (0.8x Basic);
- (k) that the SRA for the two Scrutiny Leads who Chair the Adult Social Care and Health Overview and Scrutiny Sub-Board and the Children and Young People's Overview and Scrutiny Sub-Board be set at £5,876 (0.6x Basic);
- (l) that the SRA for the two Scrutiny Leads who Chair ad hoc Task and Finish Groups be set at £3,917 (0.4x Basic);
- (m) that should the number of Scrutiny Leads exceed four, the Panel would wish to re-visit the level of SRA allowance in that respect;
- (n) that the SRA for the Chair of Planning Committee be set at £7,835 (0.8 x Basic);
- (o) that the SRA for all other Committee Chairs be set at £3,917 (0.4 x Basic);
- (p) that if any members of the Licensing Committee, other than the Chairman or Vice Chairman, are required to Chair Licensing Sub-Committees the SRA for those members be as follows:

10+ meetings	£1,273 (0.13 x Basic); and
5 – 9 meetings	£686 (0.07 x Basic);
- (q) that the SRA for the Civic Mayor be £3,917 (0.4 x Basic);
- (r) that the SRA for the Leaders of Political Groups is set at £392 per member of the group (excluding the Leader of the Political Group);
- (s) that the Co-optees Allowance increase to £140;
- (t) that the Independent Person for Audit Committee should receive £1,000 per annum;
- (u) that the rates for carers' Allowances remains the same, namely equal to the cost incurred when a carer has been engaged to enable a Member or Co-opted Member to carry out an approved duty; and
- (v) that the Basic Allowances, Special Responsibility Allowances and Co-optees Allowances be indexed from to the annual local government pay percentage increase as agreed by the National Joint Committee for Local Government Services. The travel and subsistence Allowances will be updated as and when the Council's Expenses Policy is adjusted.

Report of the Independent Remuneration Panel to Torbay Council

Introduction

1. Under the Local Government (Members' Allowances) (England) Regulations 2003, Torbay Council, like all local authorities, has set up an Independent Remuneration Panel to make recommendations to it on Members' Allowances. All Councils are required to convene their Panel before they make any changes or amendments to their Scheme of Allowances and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
2. The Panel comprised the following:
 - Bryony Houlden (Chair), Chief Executive of South West Councils;
 - Linda Lear, from a voluntary and community background, and
 - Debbie Franklin, a chartered accountant.
3. The Panel would like to thank the officers, particularly Anne Hawley for her support in organising the meetings; collating information and providing factual advice.
4. The Panel would also like to express its appreciation to the Councillors who gave evidence and submitted questionnaire returns. This has given the Panel a sound evidence base for its considerations. The Panel was impressed by the evidence presented to them about the level of commitment of Members to serving the community and being an advocate for them.

Primary Purpose of the Review

5. The primary purpose of the fundamental Review of the Members' Allowances Scheme was to ensure that the Scheme remains relevant to Torbay Council in the present climate for Local Government. It is not, however, the role of the Panel to consider budgetary implications in detail, although the economic pressures on Local Government funding and the budget have formed part of the background considerations.

Methodology

6. The Panel met via Teams on a number of occasions to discuss the Review of the Scheme and to hear from Councillors.
7. All Members were invited to submit comments on the Members' Allowances Scheme via a questionnaire. 17 out of 36 Members responded.
8. In looking to set the Allowance the Panel considered a range of benchmarking data including the average basic Allowances across neighboring authorities and other similar authorities across the South West as provided in the South West Survey of Allowances.

Basic Allowance

9. The Panel noted that the Local Government Pay Settlement which normally guides the annual uplift of Allowances had been a lump sum awarded in 2022 rather than a % increase. As a result Torbay had agreed to tie the previous increase in Allowances to the increase of 4.04% increase applied to officers Allowances in 2022. The Panel felt this approach was appropriate to adopt again as there had been a further lump sum increase awarded in November 2023. As a result of this the Panel recommend a Basic Allowance of **£9,794** reflecting the NJC increase to officers' allowances agreed at 3.88% for 2023.

Special Responsibility Allowances

10. Special Responsibility Allowances (SRA's) are payable at the Council's discretion to those Members who have significant additional responsibilities over and above the generally accepted duties of a Councillor. Members may only claim one SRA in addition to their basic Allowance.
11. In previous Reviews the Panel has linked some SRAs to a multiplier, to simplify the scheme the Panel has tied all SRAs to the Basic Allowance. This is in line with the approach used by many other Panels.
12. The Panel is concerned that there are now more than 50% of Councillors in receipt of an SRA and so the Panel would wish to re-visit this at the next Review bearing in mind the Government Guidance that SRA's should be restricted to maintain their special nature.

Leader of the Council's Allowance

13. The Panel had regard to the benchmarking information and the responsibilities of the Leader of the Council. They also considered evidence presented in interviews.
14. The Panel concluded that the current Allowance at £21,759 was on the low side and therefore decided to recommend a multiplier of 2.5x Basic and accordingly an Allowance of **£24,485**.

Deputy Leader

15. At the time of the previous Review it was not clear how much responsibility would rest with the Deputy Leader. Having taken account of the questionnaire responses and interviews along with benchmarking the Panel was of the view that there should be an increase in the Deputy Leader's Allowance.
16. The Panel are recommending that a multiplier of 1.5x Basic be applied resulting in an increase from £12,075 to **£14,691**.

Cabinet Members

17. The Panel noted that there are only 6 Cabinet Members (including the Deputy Leader and Leader of the Council) and they recognised this resulted in a significant workload. This was corroborated in interview and the questionnaires.

18. The Panel concluded that there should be a different multiplier depending on the size of the Cabinet. The Panel is recommending a multiplier of 1.3x Basic if the Cabinet remains at a maximum of 6 resulting in an Allowance of **£12,732** or a multiplier of 1.2x Basic if there are more than 6 Cabinet Members, an Allowance of **£11,753 (including the Leader and Deputy Leader of the Council)**.

Overview and Scrutiny

19. The Panel in its previous Review had been unsure about the amount of work involved in Scrutiny activity. It is clear that the Overview and Scrutiny Co-ordinator takes the role very seriously and is setting aside considerable time to undertake the role as they go up the learning curve having just taken on the responsibility. This is an area the Panel would like to return to in future Reviews when there is clearer evidence about 'steady state' workload.
20. The Panel recommends that a multiplier of 0.8x Basic should be applied to the role of Overview and Scrutiny Co-ordinator, an Allowance of **£7,835**.
21. The Panel also heard evidence about the work of the Scrutiny Leads and in particular the Leads responsible for chairing the Scrutiny Sub-Boards. This led the Panel to conclude that these roles warranted an increase in the current level of the Allowance.
22. The Panel therefore recommends a multiplier of 0.6x Basic increasing the Allowance from £3,891 to **£5,876** in relation to the two Scrutiny Leads responsible for Chairing the Scrutiny Sub-Boards. In relation to the remaining two Scrutiny Leads who are responsible for chairing ad hoc Scrutiny Task and Finish Groups, the Panel recommends a multiplier of 0.4x Basic increasing the allowance from £3,891 to **£3,917**.
23. Should the number of Scrutiny Leads increase from four the Panel would wish to revisit this Allowance.

Planning Committee

24. The Panel Reviewed the SRA for the Chair of the Planning Committee and felt that the current SRA was broadly appropriate. The Panel recommend a multiplier of 0.8x Basic be applied increasing the Allowance from £7,783 to **£7,835**

Licensing

25. The Panel Reviewed the SRA for the Chair of the Licensing Committee and Licensing Sub-Committee.
26. The Panel did not feel there was evidence to support a substantial increase in these Allowances but applying the new approach on multipliers provided a very small increase to the roles.
27. The Panel recommends a multiplier of 0.4x Basic for the Chair increasing it from £3,891 to **£3,917**.
28. The Panel recommends multipliers for the Sub-Committee Chairs as follows:
 - 10+ Meetings: a multiplier of 0.13x Basic, **£1,273; and**

- Between 5-9 Meetings: a multiplier of 0.07x Basic **£686**.

Other Chair roles

29. The Panel noted the respective roles of the remaining Chairs of Committees.
30. The Panel concluded that all the Committee Chairs should continue to be paid at the same level and that the Allowances were set at broadly the right level. Using the new multiplier approach the Panel recommends Chairs of Committee (Health and Wellbeing Board, Audit and Harbour Committee) should have an Allowance based on 0.4x Basic, **£3,917**.

Civic Mayor

31. On the evidence presented to the Panel they concluded that the current Allowance was broadly right and on the basis of the new multiplier approach concluded an appropriate multiplier was 0.4x Basic, an Allowance of **£3,917**.

Leaders of Political Groups

32. The Panel felt the SRA for the position of Group Leader was broadly set at the right level. Using the new approach they recommend a multiplier of 0.04x Basic for each group member i.e. **£392** per member. The Leader of the Council would not receive this Allowance as they are entitled to receive the Leader's Allowance.

Co-opted Members

33. The Panel noted that the Co-opted Members did the job on a voluntary basis and that the Allowance was a token to help cover their expenses.
34. The Panel felt that whilst the Co-optees' Allowance was fairly modest they did help to cover the costs of attending meetings and that they should continue to be paid, but that they would be expected to cover the cost of travel and subsistence expenses. The Co-optees would still be entitled to claim childcare and dependent carers' Allowances.
35. The Panel noted the Co-optees Allowance had not increased for a number of years, so recommend a small increase from £130 to **£140**.

Independent Member of Audit Committee

36. The Panel notes that there have been recruitment difficulties and this might be an Allowance to reconsider but for the moment recommends maintaining the Allowance at **£1,000**.

Childcare and Dependent Care

37. The current Scheme includes provision for the payment of the actual costs incurred for childcare and dependent care to be reimbursed to enable a member to carry out an approved duty. The Panel considered that the current system was fair and should be retained.

Indexing

38. The Panel noted that the Scheme was currently updated using the annual local government pay settlement as agreed by the National Joint Committee for Local Government Services. The Panel felt that the current method for updating the Scheme should remain unchanged as it meant that staff and members will receive the same increase in pay.
39. Last year because of the lump sum pay award the Panel decided to apply the NJC allowances increase of 4.04% to Members' basic allowance. The Panel propose the same approach is taken this year to reflect the NJC allowances increase of 3.88%, to ensure consistency. In future years, should a lump sum be awarded, then the Panel would recommend that the same approach be adopted.
40. The Panel continues to be of the view that when changes to staff policy are made in respect of travelling, subsistence and parking, the Councillors' Scheme should also be changed to ensure they are aligned. This would ensure fairness and equity between members and officers.