

# **REPORT OF THE INDEPENDENT REMUNERATION PANEL TO TEIGNBRIDGE DISTRICT COUNCIL**

## **Introduction**

The Local Government Act, 2000 required local authorities to produce a Scheme in respect of councillors' allowances. Under the Local Government (Members' allowances) (England) Regulations 2003, Councils have to set up an independent remuneration panel to make recommendations on members' allowances.

The Panel met several times during 2022 to review the Scheme for 2023/24. Two of these meetings included interviews with councillors.

The review process included the basic and all special responsibility allowances (SRA), travel and subsistence, care provision for dependents, a comparison of allowances paid by neighbouring Devon authorities and the benchmarking authorities.

The Panel acknowledged that Teignbridge District Council, like other Councils, is facing an extremely challenging financial situation and any increases in allowances would have to be carefully considered.

In submitting this report, the Panel wishes to acknowledge the invaluable contributions of Trish Corns and Sarah Selway from Democratic Services in offering clear advice, guidance and support for this review.

We are also indebted to those councillors who offered evidence to the Panel in writing of through interviews.

## **Basic Allowance**

This is the allowance that all councillors are entitled to receive. It must be available to all councillors at the same level, although councillors may choose not to receive all or part of the allowance.

The Panel acknowledged the high level of commitment from councillors to meet the additional challenges all stages of the pandemic had brought to their way of working both within the Council and in relation to their constituency roles.

Based on the evidence received and bearing in mind the present financial difficulties and the level of budget savings required to be made, the Panel is minded not to recommend an increase in the basic allowance. However, **the Panel proposes that the basic allowance continue to be adjusted in line with the Local Government Employer (LGE) staff pay award for the previous year. For instances when a flat rate is awarded (e.g. £1,925 each to all staff) the increase be the average percentage increase for staff.**

(Note: example - the proposed flat rate increase which is currently subject to negotiation, would result in an average 4.33% increase for Member allowances, and would increase the BA from £5,742 to £5,991).

**RECOMMENDATION 1: That no increase in the basic allowance be made for 2023/24 other than an increase in accordance with Recommendation 2 below.**

**RECOMMENDATION 2: That the basic allowance continue to be upgraded in line with the percentage increase for LGE staff pay award for the previous year. However, for instances of a flat rate award (e.g. £1,925 each to all staff) the increase for Members Allowances be equivalent to the average percentage increase for the LGE staff pay award.**

### **Special Responsibility Allowances (SRAs)**

These allowances recognise that there are certain member roles that require certain special characteristics such as significant time and effort or high levels of accountability and responsibility.

The Panel has considered all of the roles that are recognised within the current Scheme of Allowances and reviewed the continued relevance of the SRAs that they currently receive.

**In each case, the recommended allowance will be subject to the application of any increase under recommendation 2 above.**

### **Leader and Deputy Leader of the Council**

The Panel noted that the special responsibility allowance for the Leader and the Deputy Leader of the Council is currently £20,097 and £10,049 respectively.

These roles represent the strategic leadership of the authority both in terms of local and regional matters. In particular for the Leader there is a responsibility to set the executive framework for the authority and to be ultimately accountable to the Council and to the electorate for the performance and delivery of services.

The Panel believes that the present allowances adequately reflect these levels of responsibility and the time and effort required in the roles.

**RECOMMENDATION 3: That there is no increase in the special responsibility allowance for the Leader and the Deputy Leader of the Council.**

### **Executive Members and Executive Member without Portfolio**

The panel noted that the special responsibility allowances for Executive Members and the Executive Member without Portfolio is currently £8,613 and £6,316 respectively.

Within the framework set by the Leader, Executive Members are responsible for service delivery within their respective portfolios and for individual and collective decision making on executive matters.

Executive Members have a high level of personal accountability to the Council for the policies and services within their portfolios. They provide policy direction to officers.

The Panel explored in some depth the role of the Executive Member without Portfolio. This is an opposition member. From the evidence received, this role was valued across all parties in providing both expertise and liaison on important matters for the benefit of the community.

While this form of executive level collaboration is rare, the Panel believes that the concept is sound and should be encouraged. The present SRA was an adequate representation of the role and responsibilities.

**RECOMMENDATION 4: That there is no increase to the special responsibility allowances for Executive Members and the Executive Member without Portfolio.**

### **Chairs of Overview and Scrutiny Committees**

The Panel noted that the Overview and Scrutiny function in Teignbridge was undertaken through 2 x Committees, whereas formerly there had been only one Committee, and that the special responsibility allowances for the Chairs and Vice Chairs of Overview and Scrutiny Committees are currently £6,316 and £1,723 respectively

While this change had offered a spread of service interests, it had, in the Panel's view, blurred the lines of leadership of this statutory function. This in no way reflects on the present office-holders but rather a lack of clarity by the Council on how this statutory function is managed and directed.

Evidence to the Panel did not clarify where, or even whether, there was any member leadership. The Panel believes also that overview and scrutiny in Teignbridge has not fully embraced all of the recognised aspects of this function e.g. effective challenge and policy development and review. Executive engagement seems to be questions and answers rather than probing review of executive actions.

The Panel was looking for evidence of clear functional leadership that could justify the significant allowance being awarded to the 2 Chairs. This would involve work programme management (balancing corporate priorities with reviewing issues of importance to councillors) conflict resolution, co-ordination of work, accountability to the Council for the work of the function overall responsibility for delivering outcomes and managing the effective use of resources.

If there was a single lead member for the function, the Panel would be looking to recommend an allowance equivalent to that of an executive member, by virtue of leading a statutory function.

The Panel accepts that a recommendation to reduce the present Chairs' allowances might not be acceptable at this time. However, the Panel would like the opportunity to review the allowances structure for overview and scrutiny in the light of more information from the Council about how it sees the member leadership of this function developing, including clarity about the role and frequency of task and finish groups.

**RECOMMENDATION 5: That there be no increase in the special responsibility allowances for the Chairs and Vice Chairs of Overview and Scrutiny Committees.**

**RECOMMENDATION 6: That the Council be invited to report back to the Panel on how it envisages both the function, and the lead member role for overview and scrutiny, developing over the coming year to enable the Panel to give a more informed recommendation to the Council on this matter.**

### **Chair and Vice Chair of the Council**

On the face of it, the Panel felt the special responsibility allowance for the Chair of the Council was set disproportionately high at £5,742, with the Vice Chair's allowance at £2,297 equally so.

On further investigation, the Panel was informed that these figures included elements of support for the office of the Chair including expenses for civic events and clothing.

The Panel felt this situation gave a lack of clarity about the purpose of the members' allowances Scheme which should recognise levels of responsibility rather than arrangements for supporting member roles which was properly the purpose of other budgets.

Looking at the nature of the roles and the level of time commitment required, the Panel believes that the special responsibility allowance for the Chair and the Vice Chair of Council should be set at £3,000 and £1,000 respectively. The balance of the present allowances for each post should transfer to the Democratic Services budgets as support for the office of the Chair (which would of course include support for the Vice Chair as necessary).

The value of civic leadership and the contribution it makes to supporting and encouraging local communities and groups is recognised. The recommendation to separate the allowance is not a reflection of the role being undervalued but rather to afford clarity about the purpose of the members' allowances scheme and of other support budgets.

**RECOMMENDATION 7: That the special responsibility allowances for the Chair and Vice Chair of the Council be £3,000 and £1,000 respectively for 2023/24.**

**RECOMMENDATION 8: That the balance of the current allowances (£2,742 and £1,297) be transferred to the Democratic Services budget as support for the office of the Chair of the Council.**

### **Chair and Vice Chair of the Planning Committee**

In the present Scheme, the post of Chair of Planning carries a special responsibility allowance of £8,039. This is close to that of an Executive Member at £8,613.

The Panel has reviewed this position on 2 fronts. Firstly, the role of the Chair of Planning carries, in our view, significant responsibility for managing member input to

the planning process, thus avoiding the risk of challenge and financial consequences for the Council.

We have received evidence of the time commitment involved on both the Chair and the Vice Chair in reading and understanding the agenda papers and the key issues that the Committee needs to consider, all within the proper planning process.

While these members do not have personal decision making powers, their involvement in working with Officers on delegated planning matters, and managing the decision making process at Committee does require a significant level of time commitment and personal engagement in the process together with a high skill set. In the view of the Panel, this level of responsibility should be seen as equivalent to that of an Executive Member.

Secondly, it is difficult to justify within the Scheme how there can be so many different bands of allowances with values that are only marginally different.

**RECOMMENDATION 9: That the special responsibility allowance for the Chair of the Planning Committee be equivalent to that of an Executive Member.**

**RECOMMENDATION 10: That the special responsibility allowance for the Vice Chair of the Planning Committee be £3,072 (this is a proportionate increase to that currently applied to the Chair's allowance).**

#### **Chair and Vice Chair of Audit Committee**

The SRA for the Chair of the Audit Committee is currently £2,871. The Vice Chair currently has no SRA.

The Panel recognised the importance of this Committee in supporting the good financial governance of the Council. It also recognised that the frequency of meetings was not onerous and there was significant officer and other expertise available to guide the Committee.

**RECOMMENDATION 11: That there is no increase to the special responsibility allowance for the Chair of the Audit Committee.**

**RECOMMENDATION 12: That no special responsibility allowance continue for the Vice Chair.**

#### **Chair and Vice Chair of Licensing and Regulatory Committee**

The Panel has noted that the Licensing and Regulatory Committee Chair and Vice Chair currently receive £4,307 and £2,297 respectively.

We have received evidence that the Chair and Vice Chair chair meetings of the sub committees generally on a rotationally basis. Meetings are scheduled monthly but more than often deal only with the operational matter of taxi vehicle licence extensions for vehicles over 10 years of age. Meetings of the entire Committee occur annually and more often if strategic consideration of such matters as policy review or fees and charges is required.

The Panel reviewed the issues and had concerns that Members were involved in operational issues that are best dealt with by officers. There could be fewer meetings if officers were dealing with these matters. It was unusual for Members to be involved in making decisions regarding operational matters. The Panel considered the SRA for the Chair should be the same as the Chair of the Audit Committee of £2,871, given the expectation that meeting frequency may decrease and the rotational manner of chairing the sub-committees.

The Panel considered the SRA for the Vice Chair should be calculated on the same basis as that of the chair and the Vice chair of the Council, being 40% of the value of the Chair's SRA. The SRA for the Vice Chair would therefore be £1,148 based on 2022/23 rates.

**RECOMMENDATION 13: That the special responsibility allowances be £2,871 for the Chair and £1,148 for the Vice Chair based on 2022/23 rates**

**RECOMMENDATION 14: That the Council be invited to report back to the Panel on its decision relating to the Licensing and Regulatory Committee delegating powers to officers to deal with applications for extension of time for taxi applications relating to taxis older than 5 and 10 years.**

### **Group Leaders' Allowances**

The Panel had a robust debate about the basis upon which allowances to group leaders should be made. Currently the allowances are based on group size with an apportionment based on a % of the total Council seats.

In making the recommendation to continue the present arrangements, the Panel has noted a view that, to some degree, all group leaders contribute to the good governance of the Council, irrespective of group size and irrespective of whether in administration or in opposition. While this may be something the Panel would wish to consider making a recommendation on in the future, the substantive view remains that the SRA should be based on having a minimum number of members of the group and recognises the element of group management.

**RECOMMENDATION 15: That the special responsibility allowance for Group Leaders continue to be calculated as a % of the basic allowance relative to the proportion of the 47 Council seats held, and there is a minimum size requirement of 5 x members in order for the group leader to qualify for an allowance.**

### **Chair of Standards Committee**

It was noted that the Standards Committee Chair currently did not have a SRA. Meetings of the Committee were arranged as and when needed to consider complaint cases. It was considered that the current arrangement whereby the Chair is paid on a per meeting basis at £50 per half day and £100 per full day, meeting continue in view of the randomness of the requirement for meetings. This also accords with the standards independent person and the independent co-opted Committee members.

**RECOMMENDATION 16: That the Chair of Standards Committee continue to be paid at £50 per meeting for a half day and £100 per full day.**

**RECOMMENDATION 16a: That the Independent Person(s) and independent co-opted committee persons continue to be paid at £50 for a half day and £100 per full day.**

### **The One-SRA Rule**

The Panel believes that the present arrangements under the Scheme whereby a member may only receive one SRA allowance, even if they hold more than one remunerated position should remain.

**RECOMMENDATION 17: That the principle that any member qualifying for more than one SRA is paid the higher rate allowance only be retained.**

### **Travel and Subsistence**

The Panel supports the principle that councillors' eligibility for travel and subsistence should be the same as for the Council's staff.

The Panel supports the existing provisions set out in Appendix A to this report.

**RECOMMENDATION 18: That travel and subsistence payments for councillors be as set out in Appendix A to this report.**

### **Dependent Care Allowances**

The Panel is satisfied that the present provisions of the Scheme are adequately reflect the needs of councillors in this regard.

**RECOMMENDATION 19: That the present dependent care provisions in the Scheme be endorsed.**

### **Parental Leave Policy**

In common with other Devon authorities, the Panel considered recommending a Parental Leave Policy which in essence enabled those taking parental leave to continue to claim their allowances and for equivalent and pro-rata allowances to be paid to substitute members standing in for those with special responsibilities.

The Panel was particularly keen to ensure that those taking advantage of this policy were able to benefit from "keeping in touch" provisions to ensure they remained as up to date as possible on issues during their absence.

**RECOMMENDATION 20: That the Parental Leave policy attached at Appendix B to this report be adopted by the Council.**

## **Approved Duties**

These are the duties for which councillors may claim travelling, subsistence or dependent care expenses.

The Panel believes that the present list of duties is unduly restrictive and does not enable councillors to claim for attendances where their interest is observing as a local councillor rather than as a member of the body concerned. We believe the emphasis should be on supporting councillors' attendances at any meeting or event where they can demonstrate a particular interest connected with their roles as councillors.

**RECOMMENDATION 21: That the present list of approved duties within the scheme be adopted subject to the addition of a suitable clause to enable a councillor, attending a meeting as an observer rather than as a member of the body, to claim relevant expenses.**

## **Concluding remarks**

I would, lastly, like to thank Members of the Panel for their time and valued contributions and those Councillors who completed the survey and who attended interviews.

As we, hopefully, leave behind the restrictions of Covid it was important to recognise any changes that this may have brought. It was also important to recommend the additional provisions relating to Parental Leave and Additional Duties. It is hoped this will aid the Council in encouraging a diverse and wide range of applicants to consider standing for election.

Derek Phillips

Chair of Panel

## ADDENDUM

### Finance Implications

The financial implication of the individual recommendations are shown in the table below.

The figures represent the changes from 2022/23 payments to proposals for 2023/24.

Ref.	proposed	increase	Reduction	Total £
1	No change			0
2	Add 4.33% to Basic allowance	269,870 to 281,580		11,710
3	No change			0
4	No change			0
5	No change			0
6	Not available			
7	Reduced SRA		5,742 to 3,000 2,297 to 1,000	-2,742 -1,297
8	Reallocation of item 7	0		0
9	Increased SRA	8,039 to 8,613		574
10	Increased SRA	2,871 to 3,072		201
11	No change			0
12	No change			0
13	Reduced SRA		4,307 to 2,871	-1,436
14	Reduced SRA		2,297 to 1,148	-1,149
15	Increase in basic allowance Reduction for members in group	96	733	-637
16	No change			0
16a	No change			0
17 - 21	No change			0
Total				5,224

The budget for Members allowance in 2022/23 was set at £433,590. Both the 2022/23 and 2023/24 budget includes an estimated 2% increase for inflation/pay award.

Although the total individual payments show a small increase, overall the recommendations above are estimated to cost a total of £424,850 which is within the draft 2023/24 budget of £442,060.

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## Legal implications

There are no specific legal implications arising out of this report.

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