



APPENDIX 1

**Second Report of the West Suffolk
Independent Remuneration Panel**

February 2020



1. Background

- 1.1. In February 2019, the West Suffolk Independent Remuneration Panel (IRP) made their first recommendations on the levels of allowances and expenses that West Suffolk Councillors should be entitled to receive. Their recommendations were accepted in full by the Shadow Council, and subsequently endorsed by West Suffolk Council at its first meeting in May 2019.
- 1.2. In agreeing the scheme of allowances and expenses, the Council also requested the Remuneration Panel revisit the scheme within the financial year to assess whether it is working as intended or required further amendment.
- 1.3. The IRP have duly undertaken their review, the outcomes of which are incorporated into this report.

2. The Panel

- 2.1. All panel members, by law, must be fully independent of the Council; they cannot be, or have recently been a serving member of the Council, or have any close affiliations with members of the Council.
- 2.2. Shortly prior to undertaking their review, one of the panel members was required to resign as they no longer met the qualification criteria set by the Shadow Council in June 2018. As this review was intended to look at the effectiveness of the scheme agreed in May 2019, it was decided (with the consent of the Panel and the Council's group leaders) to proceed with the remaining 4 members, as follows:
 - Richard Cooper (Chair)
 - Derek Blake MBE
 - Sandra Cox
 - Chris Mattinson

3. Acknowledgements

- 3.1. The Panel were supported in the course of their work by the Service Manager (Democratic Services) and the Democratic Services Officer (Regulatory).
- 3.2. In addition, the Panel also received a range of representations, both in writing and orally, from many members of the Council to help inform their thinking.
- 3.3. The Panel would like to take the opportunity to thank all those who have helped to inform, support and advise them in the undertaking of their work.

4. Introduction

- 4.1. West Suffolk Council came into being on 1 April 2019, following the abolition of Forest Heath District Council and St Edmundsbury Borough Council. The legislation creating the new Council required that the Shadow Council recommend a scheme of allowances to West Suffolk Council to agree. This was duly done, with West Suffolk Council agreeing their scheme of allowances in May 2019.
- 4.2. When setting their scheme of allowances, Councils must take into account the advice of an Independent Remuneration Panel. When preparing their previous report to the Shadow Council, the Independent Remuneration Panel had been required to make informed judgements on how the Council was expected to work in future. At the time, the Shadow Council had recommended that the new Council would operate with a leader-executive model, and a structure of committees to support the Council's decision making.
- 4.3. However, the new Council would have the ability to operate as it wished, and could have agreed alternative structures, established new / different roles or set a different framework as to how it expected its members to undertake their roles.
- 4.4. As a result, it was recognised by the Council it would be necessary to undertake a review of the scheme of allowances within its first year, to assess whether it was operating as intended, or whether further changes would be required.

5. Legislative Framework

- 5.1. Any scheme of allowances that is adopted by West Suffolk Council must comply with the requirements of the Local Authorities (Members Allowances) (England) Regulations 2003 ("The Regulations"). As above, these require that the Council must have regard to the recommendations of the Independent Remuneration Panel.
- 5.2. The Regulations stipulate what form of allowances and expenses may be made to Councillors. In particular, the Council:
 - Must set a rate of Basic Allowance, that shall be payable to all Councillors at the same rate;
 - May pay a Special Responsibility Allowance (SRA) to Councillors who have special responsibilities (the form of special responsibility is detailed in the legislation);
 - May make arrangements to pay the expenses of Councillors who have caring responsibilities when they are undertaking official Council duties;

- May make arrangements to pay travelling and subsistence expenses of Councillors incurred in undertaking official Council duties.
- May make arrangements for the provision of payments to co-opted members when undertaking their duties.

6. The Basic Allowance

- 6.1. The basic allowance is the rate payable to all Councillors, regardless of the work they undertake or the extra responsibilities they may have. By law, the same rate must be paid to all Councillors unless they opt out.
- 6.2. The level of basic allowance was subject to significant scrutiny by the IRP when undertaking their previous review. This included benchmarking against other similar sized authorities, as well as other local authorities to assess the value for money and fairness of what is proposed; examination of the role and expectations placed on Councillors and receiving evidence from Councillors themselves.
- 6.3. For the current review, the IRP were assessing whether the basic allowance set was appropriate in light of the role that Councillors were actually undertaking in the new Council.
- 6.4. To support their work, the IRP commissioned a questionnaire for Councillors. Only 18 of the 64 (28%) Councillors responded to the questionnaire, however, the IRP felt that if Councillors held serious concerns about the scheme, it is likely these would have been raised and the response rate would have been higher. Of those who responded, 4 (22%) considered the remuneration was not sufficient; 9 (50%) felt it was about right, and the remaining 5 (27%) did not give a clear answer or felt unable to respond.
- 6.5. Those Councillors who had previously served either St Edmundsbury or Forest Heath Councils were asked whether the workload had changed since the creation of the new Council. Themes arising in the feedback included:
 - The larger area of the new Council meant a need to learn about the different towns and parishes in the area. Some Councillors felt that this would become easier over the electoral term.
 - A greater need to attend meetings in both Mildenhall and Bury St Edmunds.
 - The change in ward boundaries had a mixed impact. For some Councillors, it meant that they had more parishes and residents to support, increasing their workload; for others, they were now part of a 2 or even a 3-member ward. Being in a multi-member ward created mixed feedback; some members felt this created an increase in workload, others felt they could then share the work.

- 6.6. The IRP also received updated comparative data, assessing West Suffolk against other authorities with similar size populations, other Suffolk Councils and other Councils bordering West Suffolk. This included the findings of the East Suffolk review, which was agreed during the course of the IRP's work. The outcomes are attached at Appendix A. The IRP noted that whilst the rate of basic allowance is generally higher than other local authorities in the area, this reflects the fact that the Council is much larger, and the allowance is in the mid-range of Councils of a similar size.
- 6.7. Based on the limited feedback received from members, the IRP recognised that the workload for Councillors had generally increased in comparison to the previous workload for St Edmundsbury and Forest Heath Councillors. However, the Panel were satisfied that this was consistent with the workload expected when they set the level of allowances for West Suffolk. Taking into account the levels of allowance at comparative authorities, the IRP are of the view that the level of basic allowance is appropriate for West Suffolk and, other than the annual uplift (provided for in the scheme) further revision is not required at this stage.

7. Special Responsibility Allowances

- 7.1. In line with the rationale in section 6 above for the Basic Allowance, the IRP were also of the view that there was not a need, at this stage, for a general revision of special responsibility allowances.
- 7.2. When the first review of allowances was undertaken, there were two areas that the IRP recognised would require additional examination at a later date; namely, whether an allowance should be set for Cabinet support posts, and the level of allowance for Minority Group Leaders. These are further explored below.

Structure, Taskforces and Working Groups

- 7.3. The IRP received evidence on the structure of the Council following the election in May. This highlighted that the expected structure had been implemented. In addition, a number of taskforces and working groups had been created.
- 7.4. The IRP heard evidence from Councillors and officers related to the nature of the work involved in the taskforces and working groups. It was recognised that in some cases the work had been significant in terms of its time commitment and public engagement, particularly for the Chair but that had varied by taskforce / working group. The IRP recognised

that there were other benefits to the role, including the potential for personal development and the satisfaction of supporting work to resolve challenges the Council faces.

- 7.5. The IRP are of the view that where taskforces are established in the future, there may be justification for the payment of an SRA for the Chair of a Taskforce / working group, where there is a clear role and supporting evidence to demonstrate the nature of the role. Should the Council / Cabinet establish such roles and wish to review the provision of remuneration to the Chair(s), the IRP can review the evidence and advise accordingly.

Cabinet Support posts

- 7.6. When the last review was undertaken, it was recognised that the larger scale of the Council may increase the work for portfolio holders. As a result, it was thought that it may be necessary to establish support members to assist them.
- 7.7. The IRP heard that the Leader of the Council initially established three Cabinet Support Posts in May, but this had since been reduced to two, with one of the Cabinet Support Postholders being elevated to a cabinet post in November.
- 7.8. The IRP also confirmed that at present, the Cabinet Support Posts do not have a specific role description, and postholders did not have defined specific rights or responsibilities; it is for the portfolio holder to work with their Cabinet Support member to define their role and how they may assist the portfolio holder. The IRP are of the opinion that it would not be appropriate for an SRA to be considered until there is a clearer definition, with responsibilities established for these roles.

Minority Group Leaders

- 7.9. It is mandatory (regulation 5(2)(b) of the Local Authorities (Members Allowances) (England) Regulations 2003) that where the Council is divided into political groups, an allowance is paid to at least one member who is not part of the majority group and acts as their leader or spokesperson.
- 7.10. During the previous review, the IRP sought evidence from minority group leaders on the nature of their role. However, the IRP felt that the evidence available at that stage did not give enough information for the IRP to set an allowance, and it would be more appropriate to review following the election. The Panel recognised this may necessitate the backdating of the payment.

- 7.11. Evidence has been sought again from the minority group leaders on the nature of their role. This includes overseeing appointments and co-ordinating members; arranging and leading group meetings; helping members with questions; supporting and encouraging members. In addition, the group leaders may be called on to help resolve disputes between their members.
- 7.12. The IRP recognised that the role of minority groups is critical to the challenge and scrutiny of the work of the Council, and the payment of an allowance recognises the important role their leader has in this. Further, the IRP also are of the view that given the nature of the role, it would proportionately increase with the size of the group.
- 7.13. The level of minority group allowances has been a cause of significant debate and careful consideration within the IRP. There are a range of methodologies used by other authorities that were tested. The IRP were conscious that they wished to form an allowance that was logical, and simple for the public to understand.
- 7.14. The Panel evaluated the minority group leader role against the criteria used to evaluate other Special Responsibility Allowance posts in the previous review. This established the following rates to be recommended:

Size of minority group	Recommended allowance	Rationale
21-32 Councillors	£2,106	Equivalent to Tier 7 rate of allowance
11-20 Councillors	£1,404	Being 2/3 of the Tier 7 rate of allowance
3-10 Councillors	£702	Being 1/3 of the Tier 7 rate of allowance

Payment of Multiple Special Responsibility Allowances

- 7.15. The Panel received one representation that Councillors should be able to claim more than one Special Responsibility Allowance if they were undertaking more than one special responsibility role. However, the Panel stand by their previous rationale, "that with a larger Council, it should not be necessary for Councillors to be appointed to more than one special responsibility post and are recommending that only one allowance can be claimed". The Panel noted members are allowed to claim the higher Special Responsibility Allowance. As it happens, there are no Councillors occupying more than one special responsibility role at present.

Members of the Development Control Committee

- 7.16. The IRP received representations regarding the membership of the Development Control Committee, and whether this warranted its own Special Responsibility Allowance. This highlighted that in comparison to other Committees, the workload for Development Control is significantly higher. Members are expected to have a strong working knowledge of planning policy, read committee reports in detail and attend site visits in addition to attending the monthly Committee meetings, which are more frequent and longer than other meetings.
- 7.17. The IRP have confirmed that the Council may pay a Special Responsibility Allowance to Councillors sitting on committees which have exceptionally long meetings or high frequency. However, the IRP are also mindful that it has already been agreed by the Development Control Committee that during the coming year, they will review the way they operate to ensure it is efficient and effective.
- 7.18. Given the forthcoming review, the IRP are of the opinion that it would not be appropriate to consider the payment of an SRA to Development Control Committee members at this time but would be willing to revisit this position at the request of the Council following the outcome of the review.

8. Other Matters within the Scheme

- 8.1. During the Autumn, the Council's Internal Audit team undertook a review of members' allowances and expenses, to ensure that allowances had been set up accurately following the election, and expenses were being processed and claimed properly. The IRP were pleased to hear that the Internal Audit team gave their highest level of assurance for the review. The Internal Audit team also undertook a review of the scheme to identify

potential changes or enhancements, and the IRP would like to record their thanks to the Internal Audit team for their work.

- 8.2. This review identified a number of minor potential amendments to the Scheme, all of which the IRP support. These changes are listed in Appendix B and have been incorporated into the proposed scheme, which is attached at Appendix C

9. Review of the Scheme

- 9.1. If the scheme proposed is adopted, the Council would not be required to re-review its scheme of allowances prior to February 2024, unless it was felt there was a need to change the scheme.
- 9.2. The IRP have suggested the following criteria be used by the Council to determine when a re-review may be required:
- Should there be a change in the relevant legislation governing members' allowances, or the accompanying statutory or non-statutory guidance.
 - Should there be a significant shift in the levels of allowances payable by similar sized Councils or neighbouring authorities.
 - Should there be a significant macroeconomic shift (such as a significant rise in inflation).
 - Should there be a significant change in the structure or the organisation of the Council and its decision-making processes.
 - Should the Council request a review by virtue of having created new posts that may be subject to an SRA, or significantly changed the roles / responsibilities for a post.