

Appendix 1

Somerset Council Independent Remuneration Panel – Report of the Independent Remuneration Panel on Allowances for the Members of Somerset Council for adopting the Scheme of Members Allowances 2024/25

1. Summary

The Independent Remuneration Panel was set up following a resolution from Somerset County Council in July 2022 recommending that a new Independent Remuneration Panel to recommend a Scheme of Members' Allowances for the new Somerset Council ahead of vesting day on 1 April 2023.

Although the Panel is appointed by Somerset Council it is an independent body. It's responsibility is to review the Council's Scheme of Members Allowances. The Panel makes recommendations to Somerset Council to ensure that allowances are set at the appropriate level to undertake the elected member role and sufficiently attractive to all who would wish to serve as an elected member of Somerset Council.

In February 2023, the Panel recommended the Scheme of Members Allowances for 2023/24 to the former Somerset County Council to consider and approve on behalf of the new Somerset Council. The Panel recommended that the Basic Allowance for an elected member should be £15,500 per annum. They also recommended the Special Responsibility Allowances for the various roles (Chair of Council, Leader of the Council, Chairs of various committees, etc) for the new Somerset Council.

In view of the new functions and role of the unitary council and the 110 councillors from 1 April 2023, the Panel also proposed that the Council asked the Panel to carry out a further review of member allowances in autumn of 2023, including interviewing councillors regarding their workloads and time commitments in their new roles as unitary councillors. This work would be used to inform any recommendations to the Council regarding the Scheme of Members Allowances for 2024/25. The Council agreed all of the Panel's recommendations.

Since 1 April 2023 Somerset Council is now responsible for all the services and functions previously carried out by 5 local authorities. As part of developing the recommendations for the Scheme of Members Allowances 2024/25, the Panel has :

- undertaken interviews and reviewed feedback from a number of elected members from across Somerset in a variety of roles with and without Special Responsibility Allowances

- reviewed comparator data from peer councils which are similar to Somerset Council although none are identical, some of which have been established for some time to offer a useful insight into the roles of a unitary Councillor.

The Panel has also consulted with political group leaders to seek their views on the proposed Scheme of Members Allowances for 2024/25.

The Panel recognises that the Council is still new in its form and function and further evolving. It was expected that there would be an increase in workload for the new unitary Councillors, given the full range of functions of the former County and four District Councils including education, social services, highways, planning, licensing and housing. Nevertheless even with the interviews and feedback from members, the Panel has found it difficult to identify any significant differences compared to peer councils and the assumptions used for the current Scheme of Members Allowances.

For the development of the Scheme of Members Allowances for 2024/25 the Panel has received advice from senior officers of the Council and has again reviewed data from comparable unitary authorities. Based on this information the Panel is recommending that the **Basic Allowance for 1 April 2024 is £15,500 per annum and that this increases during 2024/25 at the same level of percentage increase as Somerset Council's officer pay award for 2024/25 (index linked to officer pay award and not inflation).**

The Panel has also reviewed the Special Responsibility Allowances for existing roles.

The Panel has identified some variation when compared to peer councils for the following roles:

- Opposition Group Leader – some peer councils do not have a SRA for this role or others set the SRA at approximately
- Opposition Deputy Leader – most peer councils do not have a SRA
- Opposition Spokespersons – most peer councils do not have a SRA
- Chair of Audit Committee – some peer councils remunerate between 50% and 78% of Somerset Council's SRA
- Chair of Constitution and Governance Committee – some peer councils remunerate at 58% of Somerset Council's SRA
- Chair of Licensing and Regulatory Committee – some peer councils remunerate at an average of 51% of Somerset Council's SRA
- Vice-Chairs of Audit, Constitution and Governance Committee, Licensing and Regulatory Committee, Standards Committee – most peer councils do not have a SRA

From the interviews and feedback with members, the Panel has not been able to identify any significant changes to responsibilities for the roles receiving SRAs and therefore it does not propose any changes to the current SRAs for the Scheme of Members' Allowances for 2024/25. Nevertheless the Panel is aware that there is variation when compared to peer councils and would therefore recommend that a full review of Special Responsibility Allowances is undertaken to inform the consideration of the Scheme of Members Allowances for 2025/26.

The Panel acknowledged that the Council has created 18 Local Community Networks to act as a forum for community voice, engagement and influence. The Panel has reviewed evidence from members on the workloads and commitment arising from the Local Community Networks and at this stage does not recommend any Special Responsibility Allowances for members. The Panel advises that should the Council delegate significant functions, responsibilities and budgets to the Local Community Networks then it would review its recommendations.

In respect of Travel and Subsistence Allowances the Panel recommends that rates are set in line with rates of travel and subsistence claimable by Council employees.

2. Independent Remuneration Panel for Somerset Council

We represent the Independent Remuneration Panel which reports to Somerset Council on 20th December 2023. It is anticipated that the Panel will conduct annual reviews whilst it understands the workloads and case work for all councillors.

A recruitment process was undertaken and following an interview process five panel members were selected to form the new Somerset Independent Remuneration Panel, in accordance with legislation approved in 2003. Panel members normally serve a three-year term of office. A member may be reappointed by a further term of three years, meaning that each member can only sit for a maximum of six years on the Panel. At the first Panel meeting the Chair was appointed to serve for an initial term until March 2024.

In terms of independence, Panel members are not employees and are therefore independent of the Council. Panel Members do not have a line manager in the Council and therefore are under no direction or influence from the Council in any way. Ongoing administrative support for the IRP however is provided by the Council as and when required.

The Panel members do not receive an allowance for their role but can claim reimbursement for reasonable travel and subsistence costs incurred on Panel business in line with rates set by Somerset Council.

The current membership of the Independent Remuneration Panel is as follows:

David Lamb – Panel Chair

Owner of a number of businesses in the Bridgwater area employing around 300 employees. Previously served as the Chairman of the Sedgemoor District Council Independent Remuneration Panel.

Bryony Houlden – Panel Member

Chief Executive of South West Councils which is a membership organisation of all 29 local authorities in the South West (from April 2023). Currently sits on a number of other Independent Remuneration Panels, including Devon County, Cornwall, Plymouth, Torbay, Bristol and Bath and North East Somerset Council's, previously a member of the Joint Somerset Independent Remuneration Panel.

Mel Hillman – Panel Member

Former Corporate Services Manager at Yeovil Hospital before retiring. Also worked as a School Clerk on a local school Board of Governors in Somerset and Dorset.

Dr Paull Robathan – Panel Member

Deputy Lead Governor of the Somerset NHS Foundation Trust and a former District Councillor. Also worked for Government agency conducting independent peer reviews.

Phil Gait – Panel Member

Retired, a former district councillor and member of a local parish council.

3. Terms of Reference for the Panel:

- To consider matters relating to Members' remuneration and expenses.
- To consider any representations.
- To make recommendations and provide advice to the Somerset Council.
- To carry out a full review of Basic Allowances and Special Responsibility Allowances.

The Council seeks the advice of the Panel before making any changes or amendments to the Members' Scheme of Allowances and should therefore take its reasoning into account before setting a new or amended Scheme of Members' Allowances.

4. Background

On 21 July 2021 the Government approved that the former 5 local authorities in Somerset would be replaced by a new Somerset Council on 1 April 2023. Somerset Council has the responsibility to deliver all of the functions and duties that were previously delivered by the four District Councils and County Council in Somerset.

In May 2022 elections took place for 110 County Councillors representing the 55 electoral divisions. The 110 Councillors were elected to the County Council until 31 March 2023 and then became the members of the new Somerset Council for the period from April 2023 until elections in May 2027. In total this will be a term of office of 5 years.

The Panel invited councillors to provide information on their workloads and any significant changes to their responsibilities as a member of Somerset Council since 1 April 2023. Interviews were offered and a summary of key points is set out in section 5.

Although available throughout the year, the Panel met between June and November 2023 to consider the most recent information, as part of its review and to formulate its recommendations. The Panel considered evidence from elected members, together with national and local contextual information on benchmarking data, financial context and input from Senior Council Officers.

In terms of elected member attendance at Committee meetings, then those meetings are held in a hybrid format at County Hall, Deane House (Taunton), Bridgwater House, Shape Mendip (Shepton Mallet) and Brympton Way (Yeovil). Area based Planning Committees, Licensing Sub-Committees, Regulatory Sub-Committees and Local Community Network meetings take place across Somerset. The total number of meetings held during 2023/24 is anticipated to be slightly lower than the total number of the former five legacy councils.

In addition to attendance at Committee meetings, the role of members in Somerset Council has a strong emphasis upon locality working, community leadership and linking in with Parish, Town and City Councils and other local bodies. This is similar

to other peer councils like Wiltshire Council, North Yorkshire Council, Buckinghamshire Council and Cornwall Council. The Panel has referred to comparator data for 2023/24 from these unitary authorities and received information from Council officers. At the time of writing, the Panel is aware that Cornwall Council and North Yorkshire Council are considering an increase in 2024/25 for their basic allowances.

The Panel is aware that the Council has recently declared a financial emergency and is facing significant financial and demand-led pressures in 2023/24 and 2024/25. Latest forecasts suggest that by 2024, living costs should be increasing by less than household incomes as inflation rates fall. However, prices will remain high. Inflation measures the change in prices over a 12-month period, and falling inflation only means prices are rising less quickly, not that they are falling. Consequently, it may take some years for household incomes to recover to their previous level in real terms and this may continue to impact on demand across services.

The figures below show the inflation rates for the preceding 12 months up to:

	June 2021	June 2022	June 2023	Oct 2023
Retail Price Index	3.9%	11.8%	10.7%	6.1%
Consumer Price Index	2.5%	9.4%	7.9%	4.6%

Source: ONS website

The Office for Budget Responsibility's Economic Forecast in November 2023 expects CPI inflation to be 2.8% in Q4 2024.

5. Interviews with Councillors

Councillors who had requested to meet with the Panel to make representations regarding the Council's Scheme of Members' Allowances were given the opportunity to do so. These Councillors represented a good cross-section of the political groups, positions, and electoral divisions (urban and rural). Some had served on the former county council and/or district councils for a number of years; others had been newly elected in 2022.

Some received only the Basic Allowance, the others held one or more roles attracting a SRA. Different political parties and types of electoral divisions were represented.

The overarching concerns expressed were in respect of increased workload and the perceived need for the Basic Allowance to be sufficient to attract people who are representative of Somerset's population and those who do not have independent financial means. Most Councillors felt that the current Basic Allowance was too low to achieve this and/or did not fairly reflect the time commitment required to do the job properly. Conversely, there were no significant suggestions that SRAs were not sufficient and fair, although some reference was made to a feeling that there was a higher responsibility for the Chairs of Scrutiny and Planning compared to the other committees.

5. Councillors' Basic Allowance

All local authorities must make provision in its Scheme of Members' Allowances for a basic flat rate allowance payable to all of its members. The allowance must be the same for every Councillor, it is taxable and is paid in equal instalments throughout the year. At Annex 1 are details of the comparator information with other unitary authorities, that the Panel has used in making its recommendations.

In formulating its recommendations, the Panel considered the following:

- Councillors volunteer for their roles. They are not remunerated at a commercial rate for their time, as if they were employees.
- The overall reduction in Councillors through Local Government Reorganisation and the impact on the workloads of the 110 elected members of Somerset Council.
- The feedback from elected members and senior officers.
- The Council should feel able to attract high quality candidates to stand as councillors from a wide variety of backgrounds and there should be no financial barrier to anyone who wishes to stand for election.
- The level of allowances paid reflect that of allowances in comparable peer councils and unitary authorities.
- The general economic climate, including recent increases in the cost of living.

Previously the former Joint Independent Remuneration Panel for Somerset County Council had calculated Basic Allowances based on an appropriate spinal point on the Officers pay scale and discounted by a third to reflect the voluntary element of the work. The daily rate has then been multiplied by the equivalent of 4 days a week (the average time that members spend on Council business) to give the final calculation.

The Panel acknowledge that this approach had worked well for the Joint Panel and the County Council, however for 2023/24 the Panel used a simpler methodology, based upon reviewing the basic allowance of other comparable authorities and determining where it would be appropriate to set the remuneration level for councillors in the new Somerset Council.

Panel Recommendation - Basic Allowance:

The Panel recommends to Somerset Council that the Basic Allowance for the financial year 2024/25 should be £ 15500 and be increased in-year at the same percentage increase as the average Somerset Council officer pay award for 2024/25

6. Councillors' Special Responsibility Allowances

The Panel also reviewed the Special Responsibility Allowances for those Councillors who have significant responsibility over and above the normal work of a Councillor.

The Panel reviewed the feedback from the interviews and also comparator data.

The Panel has identified some variation when compared to peer councils for the following roles:

- Opposition Group Leader – some peer councils do not have a SRA for this role or others set the SRA at approximately
- Opposition Deputy Leader – most peer councils do not have a SRA
- Opposition Spokespersons – most peer councils do not have a SRA
- Chair of Audit Committee – some peer councils remunerate between 50% and 78% of Somerset Council's SRA
- Chair of Constitution and Governance Committee – some peer councils remunerate at 58% of Somerset Council's SRA
- Chair of Licensing and Regulatory Committee – some peer councils remunerate at an average of 51% of Somerset Council's SRA
- Vice-Chairs of Audit, Constitution and Governance Committee, Licensing and Regulatory Committee, Standards Committee – most peer councils do not have a SRA

From the interviews and feedback with members, the Panel has not been able to identify any significant changes to existing responsibilities for the roles receiving SRAs and therefore it does not propose any changes to the current multipliers which

are used as the basis for the SRAs for the Scheme of Members' Allowances for 2024/25. Nevertheless the Panel is aware that there is variation when compared to peer councils and would therefore recommend that a full review of Special Responsibility Allowances is undertaken to inform the consideration of the Scheme of Members Allowances for 2025/26.

The Panel acknowledged that the Council has created 18 Local Community Networks to act as a forum for community voice, engagement and influence. The Panel has reviewed evidence from members on the workloads and commitment arising from the Local Community Networks and at this stage does not recommend any Special Responsibility Allowances for members. The Panel advises that should the Council delegate significant functions, responsibilities and budgets to the Local Community Networks then it would review its recommendations.

Panel Recommendation – Special Responsibility Allowance:

- i) The Panel reviewed all SRAs and it is not proposing any changes to the current multipliers of Basic Allowance for each respective role as set out in Annex 2.**
- ii) That the Council requests the Panel to undertake a full review of SRAs in Autumn 2024 to inform the Scheme of Members' Allowances for 2025/26**

7. Co-opted Member Allowances

The Panel reviewed the comparator data for co-opted member allowances and considers that the existing allowance of £1,000 should continue for 2024/2025.

Panel Recommendations – Co-opted members:

- i) The Panel recommend that the current level of co-opted allowance remains at £1,000 per annum for 2024/25.**
- ii) The Panel continues to recommend that the role of the Independent Remuneration Panel member should remain as voluntary and that no allowance is claimable.**

8. Parental Leave and Carer's Allowance

The Panel supports the arrangements contained in the current Somerset County Council scheme for Parental Leave and recommend that this continues for the new Council. In respect of Carers' Allowances the Panel supports that the new scheme should continue to provide for payment of expenditure for childcare and carers' which ensures members have the opportunity to undertake their duties and provide care to their dependents.

Panel Recommendation – Parental Leave and Carers' Allowance:

The Panel recommend that the Scheme of Members' Allowances continues to include a Parental Leave and Carers' Allowance in line with the current Somerset Council scheme.

9. Travel and Subsistence

The Panel reviewed the current rates in the Somerset County Council's scheme for travel and subsistence. Those arrangements are linked to the rates for Council employees and the Panel recommend that the travel and subsistence rates for councillors should be in line with those claimable by Council employees.

Panel Recommendation – Travel and Subsistence:

The Panel recommend that the travel and subsistence rates for councillors should remain in line with those claimable by council employees as set out in Annex 2.

David Lamb

Chair – Somerset Independent Remuneration Panel

Dec 2023

Annex 1

Basic Allowance – Comparator information (Based on figures for 2023/2024)

Authority	Basic Allowance	Difference in allowance	Population	Number of Councillors
Buckinghamshire	£13,525	-£1,975	553,000	147
Cornwall	£17,681	+£2,181	561,350	87
North Yorkshire	£15,500	£0	615,491	90
Somerset	£15,500		569,400	110
Wiltshire	£15,869	+£369	510,300	98

Annex 2

Special Responsibility Allowances – IRP Recommendations for 2024/2025

Member Role	Rate of SRA from 1/4/23 (BA £15,500)		
	Band	Multiplier £	Total £
Council Leader	1	2.5	31,000
Deputy Leader	2	1.5	23,250
Lead Member	3	1.3	20,150
Opposition Leader (Conservative)	4	1.0	15,500
Chair of County Council	4	1.0	15,500
Chair of Strategic Planning Committee	5	0.5	7,750
Chair of Planning Sub-Committee North	5	0.5	7,750
Chair of Planning Sub-Committee East	5	0.5	7,750
Chair of Planning Sub-Committee South	5	0.5	7,750
Chair of Planning Sub-Committee West	5	0.5	7,750
Chair of Licensing and Regulatory Committee	5	0.5	7,750
Chair Constitution and Governance Committee	5	0.5	7,750
Chair of Audit Committee	5	0.5	7,750
Chair of Scrutiny for Policies, Adults and Health Committee	5	0.5	7,750
Chair of Scrutiny for Policies, Children and Families Committee	5	0.5	7,750

Chair of Scrutiny for Policies, Environment Committee	5	0.5	7,750
Chair of Scrutiny for Policies, Place Committee	5	0.5	7,750
Chair of Scrutiny for Policies and Communities Committee	5	0.5	7,750
Chair of Pensions Committee	6	0.25	3,875
Chair of Standards Committee	6	0.25	3,875
Chair of Pension Fund	6	0.25	3,875
Vice-Chair of County Council	6	0.25	3,875
Associate Lead Members	6	0.25	3,875
Vice-Chair of Constitution and Governance Committee	6	0.25	3,875
Vice-Chair Strategic Planning Committee	6	0.25	3,875
Vice-Chair Licensing and Regulatory Committee	6	0.25	3,875
Vice-Chair Audit Committee	6	0.25	3,875
Vice-Chair of Scrutiny for Policies, Adults and Health Committee	6	0.25	3,875
Vice-Chair of Scrutiny for Policies, Children and Families Committee	6	0.25	3,875
Vice-Chair of Scrutiny for Policies, Environment Committee	6	0.25	3,875
Vice-Chair of Scrutiny for Policies, Place Committee	6	0.25	3,875
Vice-Chair of Scrutiny for Policies and Communities Committee	6	0.25	3,875
Vice-Chair of Planning Sub-Committee North	6	0.25	3,875
Vice-Chair of Planning Sub-Committee East	6	0.25	3,875
Vice-Chair of Planning Sub-Committee South	6	0.25	3,875
Vice-Chair of Planning Sub-Committee West	6	0.25	3,875

Opposition Group Spokespersons and the Deputy Leader (Conservative)	6	0.25	3,875
Group Leader Labour	6	0.25	3,875
Group Leader Independent	6	0.25	3,875
Group Leader Green	6	0.25	3,875
Co-opted members	-	-	1,000

SUMMARY OF RATES OF ALLOWANCES FOR MEMBERS

1	TRAVELLING ALLOWANCE	Pence per mile
	Mileage rate up to 10,000 miles	45.00
	Over 10,000 miles	25.00
	Passenger supplement (5p per person per mile)	
	Motor Cycle	24.00
	Bicycle Allowance	20.00

2 **SUBSISTENCE ALLOWANCE**

- Breakfast allowance (more than 4 hours away from the normal place of residence before 11 am) – up to a maximum of £9.01;
- Lunch allowance (more than 4 hours away from normal place of residence, including the lunchtime period between 12 noon and 2 pm) – up to a maximum of £12.40;
- Tea allowance (more than 4 hours away from normal place of residence, including the period 3 pm to 6 pm) – up to a maximum of £4.82;
- Evening meal allowance (more than 4 hours away from the normal place of residence, ending after 7 pm) – up to a maximum of £15.36.

These payments only apply to duties undertaken outside of Somerset. Subsistence cannot be claimed for duties undertaken in Somerset.

3	OVERNIGHT ABSENCE	£
	maximum	144.45
		162.91 (within London)
4	CO-OPTED MEMBERS FINANCIAL LOSS	£
	(evidence based)	
	up to 4 hours	27.65
	over 4 hours	55.31