

Report of the Joint Independent Remuneration Panel

1. Introduction

- 1.1 This report sets out the conclusions and recommendations from the light touch review of the Somerset County Council Scheme of Members' Allowances carried out by the Joint Independent Remuneration Panel in November and December 2020.

It builds on the previous reports submitted by the Panel, the most recent fundamental review having taken place in 2017 and considered on 19th July by full council. In this report Somerset County Council is referred to as SCC, the Basic Allowance is referred to as BA and the Special Responsibility Allowances are referred to as SRAs.

The Panel wishes to thank members for their time and open engagement with the process, and staff at the County Council for their invaluable assistance.

2. Executive Summary

- 2.1 In the light of the possible restructuring of Local Government in Somerset, this has been a "light touch" review rather than a deeper delve. The resultant recommendations are intended to provide guidance for the forthcoming year, with a more fundamental review to be carried out next year in the event that there is no change to the current provision of local Government in the county.

A voluntary survey of elected members followed by a short series of interviews provided the panel with an important "sense check". The Panel also considered data gleaned from desktop survey of a peer group which demonstrated that Somerset remains broadly in line with the average for that group. The report includes:-

- Appendix A – Questionnaire results on how representative the membership of the Council was of the population in Somerset;
- Appendix B – Current SRA Banding System (for 2020/21);

It also references the SCC full Scheme of Allowances.

The Panel's most significant concern is that the number of SRA payments exceed the "50% rule" and indeed the situation would be worse if not for the number of councillors "doubling up". The panel concluded that some positions, those with the weakest case, should be removed from the SRA structure.

The Panel also found that there is a case for a small number of minor adjustments to the band of SRA allotted to some positions.

The panel also have some suggestions for refinement to the information provided to and gathered from future candidates.

All of the recommendations are contained in 6.6, below.

3. Members' Allowances and Remuneration Panels – the legal position and methodology

- 3.1 By way of an introduction the legal provisions in relation to members' allowances are set out in 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"]. Under the Regulations each Council has to appoint an Independent Panel to make recommendations on its Scheme of Members' Allowances. The Council must have due regard to the recommendations of the Panel before it makes any decisions in relation to its Members' Allowances Scheme, but it may accept, reject, or amend any of the Panel's recommendations. The Regulations provide for a single panel to advise more than one Council [see 3.4 below].
- 3.2 The regulations define a number of basic requirements for allowances schemes but also give considerable scope to allow a council to adopt local provisions according to their circumstances. The only mandatory element provided for, in the Regulations, is the payment of a Basic Allowance to all members of a Council. All the other elements that are currently paid under the scheme, i.e. Special Responsibility, Travel, Subsistence and Carers' allowances are discretionary.
- 3.3 The basic principles on which Remuneration Panels work are not set out in statute but there is guidance from the government. On a regional basis South West Councils has also produced a guide aimed at filling a gap in supportive material for the work of Panels. The guide is currently undergoing revision having been produced in 2015 but sets out a number of commonly adopted principles used by Panels. The Somerset Panel has considered these and concluded that the following principles should guide their considerations:
- the 50% rule (an expectation that no more than 50% of members of any individual Council should receive an SRA. Government guidance states that "If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified"¹);
 - an individual Member should only receive one SRA at any one time;
 - BA payments should take into account a discretionary voluntary time contribution, as set out in guidance to reflect the community-minded nature of the commitment and maintain the difference between a salary and an allowance. The calculation of this varies but in the past, in line with a number of other Panels, 33%² has been used;
 - when considering the payment of an SRA, clarity is needed by both Council and the Panel as to explicit criteria used by the Panel when considering each specific position and whether it qualifies for an SRA, e.g. is the position one which requires judgment and responsibility or is it much more of a supporting role but based on substantial additional time and effort; and
 - the need to ensure that the level of allowance does not deter potential candidates from standing for election.

¹ "New Council Constitutions - Guidance on Consolidated Regulations for Local Authority Allowances, 2003", published by ODPM

² The Council, in the past, has used, 33%. This discount on hours 'worked' by councillors reinforces that the BA payment is not a salary paid for employment.

The Local Authorities (Members' Allowances)(England) Regulations 2003 state that where allowances are adjusted annually by reference to an index "it may not rely on that index for longer than four years".

- 3.4 Joint Independent Remuneration Panel: SCC is a member of a joint IRP alongside Mendip District Council and Somerset West and Taunton Council. The Panel's membership comprises three independent representatives appointed by SCC and one each by the District Councils. At the time of this review there was one vacancy which Mendip were in the process of filling. All of the members of the Panel are residents of Somerset. The current Panel membership is outlined in brief below for information:

Panel members:

John Thomson (Chair)

From a housing background, initially worked for local authorities and then was Chief Executive of SHAL Housing, a Bridgwater-based housing association, for 20 years, and now retired. John represents Somerset West and Taunton on the Panel.

Colin McDonald

Semi-retired after over 30 years full-time employment in social housing, 25 (in total) of these at South Somerset District Council (over two occasions) including several years as Head of Housing & Welfare.

Bryony Houlden

Chief Executive of South West Councils, a membership organisation of all 33 local authorities in the South West. Formerly a senior civil servant. Serves as a Chair/member or advisor to nine other Independent Remuneration Panels.

Alan Wells

39 years' experience in financial services. Specialist in benefit and remuneration structures.

Technical Advisers to the Panel:

Scott Wooldridge, Monitoring Officer, Somerset County Council

Julia Jones, Governance Specialist – Democratic Services, Somerset County Council

Kait Harvey, Senior Democratic Service Officer, Somerset County Council

- 3.5 As is mentioned in section 1.1 above, the last fundamental review on SCC allowances was carried out in 2017 and was considered by the Council on 19th July that year. Accordingly, the Panel set in motion a fundamental review to be completed in 2021 and covering the next four years. On 30th October 2020 the Leader of the Council, Cllr Fothergill, wrote to the Panel's Chair to inform the Panel that due to a possible local government re-organisation, the elections in May 2021 may be delayed. As a consequence, he suggested that a "light touch review" be carried out with a report to the February 2021 meeting. This was agreed by the Panel, and this is the resulting report.

- 3.6 In 2017 the fundamental review, whilst acknowledging that allowances are not wages, nevertheless considered: -
- external regional wage comparators;
 - comparisons with peer authorities; and
 - indexing arrangements.

This report does not cover the first of these points as it is intended to cover, as a “light touch”, only the coming year. As such the Panel has looked at peer councils to ensure that allowances are not out of line with those peers. In a full review the Panel would have reviewed the basis for the allowances and this would have gone back to the local labour market, for, as will become apparent later in this report, to fulfil the role of councillor (and not necessarily the excellent job of some) takes a lot of time; time which might otherwise be spent in paid employment.

As part of this review all members at SCC were invited to take part in a short survey and the results are included below or attached as appendix A. The Panel also interviewed Group Leaders at SCC together with a number of other members who had indicated via the survey that they wished to be interviewed, in total ten interviews, all of which were conducted by the Chair and two other members of the Panel. The final sample group of elected members represented a range of responsibilities and came from all parties, including independents.

4 Basic Allowance (BA)

- 4.1 The purpose of the BA is:-

“.....to recognise the time commitment of all councillors, including such inevitable calls on their time at meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes, [...telephone calls and visiting constituents]³.” It is also expected to cover the occasional chairing of meetings, routine monitoring of services and budgets and taking part in performance management and training.

The BA is not a payment for a job, nor a wage or salary. However, elected members can devote a substantial time to the role, and this will inevitably mean that they cannot spend **that** time on other pursuits. For some this may be leisure activities or alternative voluntary commitments, but for others it will be paid employment, and standing for election may give rise to anxieties about financing the family income both in the short term but also potentially undermining their long term career prospects, particularly if their employer is not supportive. This person might be known as the “marginal candidate” (we use this term purely in a financial context). For these people the level of BA is a material issue in considering whether to stand. A 2013 University of Plymouth survey of local election candidates (reported in our 2017 report) reported that 30% were “of the opinion that insufficient payment to councillors discourages people from standing”. So, whilst not looking, in this report, at underlying wage levels in our community the Panel has looked at comparisons with peer authorities.

³ From “Guidance on Members' Allowances for Local Authorities in England”, 2001, published by ODPM

4.2 The BA for 2020/21 for SCC members is currently £11,540 a year (see appendix B) and is paid to all members. It has been linked to rises in wages and salaries for SCC employees since our 2017 report, although the Panel’s recommendation at that time was for it to track CPIH (Consumer Price Index including owner occupier’s housing costs). In comparing the BA, the Panel has looked, for the purposes of this “light touch” review, only at similar local authorities. The Chartered Institute of Public Finance and Accountancy (CIPFA) produces “near neighbours” for local authorities based, not upon geographical location, but upon demographic and socio-economic indicators. This model produces the following top ten “near neighbours” for Somerset.

Table 1
“Top ten nearest neighbour” councils

1	North Yorkshire
2	Suffolk
3	Worcestershire
4	Gloucestershire
5	Norfolk
6	Warwickshire
7	Devon
8	Lincolnshire
9	Cumbria
10	Leicestershire

This list is identical to the list used in 2017 with the exception of Dorset (no longer a county council) being replaced with Lincolnshire.

Table 2, below, shows a comparison of BA from the “top ten nearest neighbour” with SCC with current information gleaned from the websites of each of the councils concerned. This exercise was previously done in 2017 and the figures from that time are included for interest.

Table 2
Basic Allowance comparison

	1	2	3
	Top ten nearest neighbour councils 2017	Top ten nearest neighbour councils 2021	Percentage increase 2017-2021
Average (mean)	£9,885	£10,532	6.5
Minimum	£8,405	£8,744	4.0
Maximum	£12,483	£13,213	5.8
Median	£9,721	£10,595	9.0
SCC	£10,795	£11,540	6.9

As can be seen, in both years, the BA in Somerset was/is above average (currently £11,540 is 9.57% higher than the average) but not, in the Panel’s estimation, unduly so. By comparison, in 2017 the Somerset BA was 9.2% above the average. In both years SCC falls **within** the range set by the peer councils.

4.3 Table 2 also shows the BA has risen in the past four years as the BA has been increased in line with officer salaries. However, the Office for National Statistics (ONS) uses CPIH as their lead inflation index. This is the inflation index previously recommended for increases as it is easily understood by the public and ensures that, for the marginal candidate (see section 4.1 above), a councillor’s income keeps pace with prices. If the BA had been increased in line with this inflation index the position would have been as outlined in table 3 below.

Table 3
Keeping pace with CPIH

	Inflation (CPIH)*	BA
BA 2017		£10,795
CPIH April 2018	2.20%	£11,032
CPIH April 2019	2.00%	£11,253
CPIH April 2020	0.90%	£11,354
BA 2020		£11,540

* as published by ONS

As can be seen the BA as it currently exists is broadly what would have been expected from using the usual measure of inflation, albeit £186 higher. As is often mentioned in these reports (and particularly in section 4.1 above) it is important that potential councillors are not put off applying for election by a BA which is steadily eroded by inflation. Since 2017 this is not the case. It might be argued that, in setting a BA for 2021/22, any inflationary increase should start at a base £186 lower than the current BA, but the Panel do not think this would be proportionate or appropriate given the evidence in 4.2.

4.4 This year the Panel ran a short questionnaire for members at SCC (see 3.6 and appendix A). There was no obligation to complete it but 37 members (out of a maximum of 55) did so, a 65% response rate. Some of the questions were specifically related to the BA. As mentioned in section 4.3 above one of the concerns is that people should not be discouraged from standing for election, particularly by financial concerns. And once elected it is not useful if the member is then put off by the volume of work expected of them in relation to the recompense from the allowance.

The panel believes the survey responses highlight some key issues:

- 86% (32 of 37 respondents) regard the BA as important
- 38% (14 of 37 respondents) stated it as a factor in their decision to stand for office.

- 75% (28 of 37 respondents) confirmed that their time commitment is greater than they expected.
- 51% (19 of 37 respondents) used the word ‘community’ unprompted when asked for their motivation in standing for office.

We also asked how many hours they put in before the “covid era” on BA work.

Table 4

Hours spent on BA work

	Number of members
Less than 10 hours a week	2
10-19 hours a week	17
20-29 hours a week	9
30 hours a week or more	9

It must be remembered that this is a snapshot and that not all members have completed the survey but there is nevertheless a substantial part of many members’ time spent on council business. The Panel are keen to understand whether the allowance scheme in its current structure provides support and encouragement to potential candidates or acts as a barrier. Mention has been made, above, of allowances but the Panel also wonder whether SCC represents the communities it serves and in so far as it doesn’t is that because of the allowances or other factors such as culture? Appendix A attached to this report looks at this in a little more detail.

Arising from this, the Panel finds Somerset to be unusual in that a larger proportion of its elected members are in work but is unable to say whether this materially affects their opinions on the level of the basic allowance. There is clearly a gender imbalance but whilst the council may be seen to be under representative of the community at large in this respect, it appears not to be out of kilter with local government as a whole which suggests that the imbalance is cultural rather than related to the level of remuneration. Somerset at first glance appears to be under representative of the general population with respect to disabilities and out of line with local government as a whole but note that the margin as a percentage is close to one member in real terms and may just be due to which members completed the survey or wished to declare their disability or ethnicity.

A further issue, not covered in the questionnaire but which has arisen more than once in the interviews, is the geography of Somerset. For some, attendance at a meeting in Taunton is a time consuming business due to the time taken to travel from their home, and for these, in particular, the advent of virtual meetings, the Panel has been told, has proved beneficial and may provide an opportunity in the future for enhanced engagement across all the membership depending on the model of working adopted by SCC, post pandemic, and subject to government regulation.

Potential candidates will no doubt take account of the time it takes to get to Taunton, and the frequency of such journeys, in considering whether to stand.

5 Special Responsibility Allowances

5.1 Section 5 of the Local Authorities (Members' Allowances)(England) Regulations 2003 states that an authority "may provide" for the payment of an SRA to members of the authority in one of the following categories:-

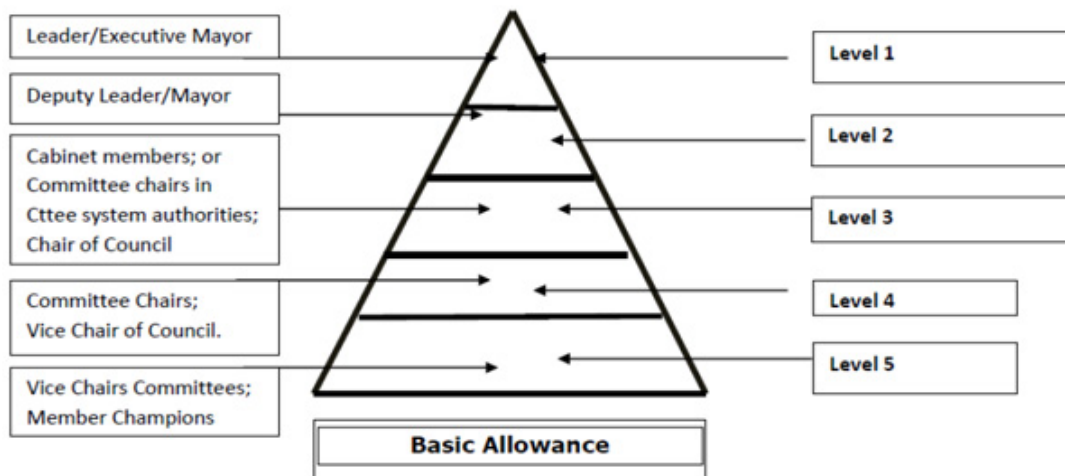
- Leader or deputy leader of a political group;
- Members of an executive;
- Chair of a committee or sub-committee;
- Representative of the council;
- Member of a meeting with exceptional frequency / period;
- Spokesman of a political group;
- Member of an adoption or licensing panel; and
- Any other activity requiring time and effort equal to, or greater than, the roles listed above.

So, whilst an authority **must** provide a BA to all members, it may, if it wishes, provide SRAs for members with special responsibilities. At SCC there are currently 39 SRA positions, of which 34 are paid (see section 3.3 above). With 55 members this means 61% of members currently receive an SRA, far exceeding the "50%" rule that the Panel regards as an important principle. It means that, if SCC is to meet the rule, the number of SRAs payable should be reduced by six.

5.2 The Panel has adopted its own methodology for assessing "special responsibilities" which extends the identified categories set out in statute. In the view of the Panel a particular responsibility might be deemed "special" if it is characterised as having some of, or elements of, the following components, but recognising that particular roles established by councils may well exhibit a range of component characteristics.

- (1) Time commitment
- (2) Specialist skills
- (3) Functional Leadership
- (4) Important decision-making
- (5) Complexity
- (6) Identifiable accountability
- (7) Direct responsibility for important outcomes
- (8) Culpability
- (9) Constitutional relevance

5.3 The existing scheme has been in place since 2013 and includes a "pyramid of responsibility" which defines certain roles. The "level" determined for a role gives (a) comparison with other roles and (b) a level of payment. The following diagram illustrates the concept and is taken from SW Councils publication "Councillors' Allowances: A practical guide for those involved in the work of Independent Remuneration Panels".



As with many councils, SCC currently calculates payment at various levels by reference to the BA, so, for example, the Leader on level 1 receives an additional payment of three times the BA. This has been the case since 2013. And, it should be pointed out that it is the **role** which attracts the SRA, not the individual, and so the description of the role is the important thing. Performance is not formally assessed, and so performance related payments are not appropriate or applicable!

- 5.4 In determining whether an SRA is appropriate for a role, it is important to ask whether the role is (a) outside the scope of the BA (see section 4.1 above), and (b) formally recognised by the Council and (c) included in the list in the 2003 Regulations. If the role satisfies **all** these criteria, and other criteria identified by the Panel as relevant (see 5.2 above), then the role may merit an SRA.

Having identified a role as qualifying for an SRA then the level of responsibility (and how the role fits into the pyramid, above) has to be set.

- 5.5 Using publicly available data on council websites current values of SRAs for principal roles in the “top ten nearest neighbour” councils have been obtained. Table 5, below, shows how these SRAs compare with those of Somerset.

Table 5

Comparable posts and Basic Allowance multipliers

	Average, top 10 nearest neighbour councils	Average, top 10 nearest neighbour Multiplier	SCC	SCC Multiplier
Basic Allowance	£10,532		£11,540	
Leader of the council	£32,468	3.08	£34,620	3
Deputy leader of the council	£20,073	1.91	£20,657	1.79
Cabinet posts	£16,978	1.61	£18,463	1.60
Deputy Cabinet member	£6,592	0.63	£6,924	0.60
Chairman of the council	£10,621	1.01	£10,368	0.90

Vice-chairman of the council	£3,253	0.31	£2,308	0.20
Opposition Leader	£8,723	0.83	£10,386	0.90
Chairman of audit committee	£6,722	0.64	£6,924	0.60
Chairman of Scrutiny	£9,268	0.88	£6,924	0.60
Other Group Leader*	£5,204	0.49	£1,154	0.10
Opposition Spokesperson	£2,253	0.21	£1,154	0.10

* NB four councils have minimum numbers of members required for a Group Leader to warrant an SRA, ranging from 2 members to 9.

As can be seen, there is a remarkable correlation between the **average** council and Somerset, both with the value and with the multiplier (for example, SCC pays its Leader 3 times the BA as an SRA, whilst the average near neighbour council pays 3.08 times). It is also interesting to note that SCC falls within the range of values for peer (near neighbour) councils for each of these posts. It does disguise many variations, however. For example, whilst the average SRA for the Leader of a council is £32,468, of the 10 nearest neighbours the lowest SRA for a Leader is £24,137 and the highest £38,730. Table 6, below, shows the full range of Leader SRAs as an example of variations found.

Table 6
Leader SRAs in “top ten nearest neighbour” councils

Council	Leader SRA
1	£24,137
2	£26,270
3	£32,066
4	£32,981
5	£33,033
6	£33,079
7	£34,170
8	£34,192
9	£36,026
10	£38,730
SCC	£34,620

- 5.6 In the Panel’s 2017 review there was a discussion about the (then newly created) Deputy Cabinet Member positions and the Panel recommended that the posts be allocated to Band 5 in the “pyramid of responsibility” on the same level as the chairs of Regulation, Audit and Scrutiny. The recommendation went on to require a thorough review of the banding of these posts “once the precise nature of the role has become apparent” but this has never been done. Of the “top ten nearest neighbour” councils only two have such posts, as is shown in table 7, below.

Table 7

Deputy Cabinet Members in “top ten nearest neighbour” councils

Council	Deputy Cabinet Member
1	£5,344
2	£7,839
SCC	£6,924

As can be seen, the allowance at SCC again falls between the others and is a little above the average of £6,591.

As with all SRAs, it is the role which attracts the allowance, not the person. The role description of Deputy Cabinet Member (Junior Cabinet Member) on the SCC website explains what the role is and the (important) first three tasks are to:-

1. Focus on information gathering and understanding key policy/service delivery area; and
2. Assist with the development of options and policies for consideration by the Cabinet member taking into account national policies and local circumstances; and
3. Brief and make recommendations to Cabinet members and others on relevant issues in relation to policy development and decision making.

The description makes it quite clear that the person undertaking the role is “not able to take decisions” and it may be felt that the role is more akin to an understudy role where a person can develop their skills whilst not actually being in a role which might cause damage! And yet, when these roles were discussed in 2017, they were considered by the Panel as equivalent to the chairs of Regulation, Audit and Scrutiny committees, on Band 5.

- 5.7 Another role at SCC which appears only three times in the top ten near neighbour councils is that of Opposition Spokesperson, as is shown in table 8, below.

Table 8

Opposition Spokesperson

Council	Opposition Spokesperson
1	£3,206
2	£2,473
3	£1,079
SCC	£1,154

NB only three councils have an SRA for these posts

The Panel has interviewed all Group Leaders as part of this review and has also spoken to a number of other members of the Council. During these discussions some members spoke quite positively about these roles, expressing the view that, in order to hold the executive to account, scrutinise decisions and actively support or oppose those decisions, it was essential that there were people skilled, experienced and

trained in the topics under discussion. This must surely be the position everywhere, but only three of the 10 “nearest neighbours” felt the positions should be awarded an SRA. However, as section 5.1 states, a spokesperson is an individual who may be awarded an SRA.

- 5.8 The sharp eyed amongst the readers of this report may have noticed that the role of Vice-Chair does not appear in table 5 above. As with Opposition Spokesperson, at SCC this is a Band 7 SRA. However, it is rare to see a Vice-Chair included for payment in the top ten nearest neighbour councils. The exception to this is Vice-Chair of Scrutiny, which is awarded an SRA in 6 councils, as is shown in table 9.

Table 9
Vice-Chair, Scrutiny

Council	Vice-chair Scrutiny
1	£1,741
2	£4,947
3	£2,147
4	£4,823
5	£4,316
6	£2,139
SCC	£1,154

In this instance SCC falls below the average of £3,352 and below the lowest council. And yet scrutiny is one of the key roles in the cabinet style of local government, for the executive must be held to account. One of the members interviewed by the Panel explained that this can work especially well where the Chair and Vice Chair are both immersed in the subject matter and both participate in management of the committee. As was explained, being Vice-chair of Scrutiny is not just being available to head the meeting in the Chair’s absence.

- 5.9 The Panel’s survey of councillors asked about the amount of time, per week, that they spent on SRA related activities. Not all those responding have an SRA, but there were 22 who do.

Table 10, below, shows the responses grouped by allowance band and indicating the number of hours spent on these activities.

Table 10
Average hours spent on SRA activities

Band	Total hours	Total Councillors	Average hours
1	35	1	35.0
3	199	8	24.9
4	47	2	23.5
5	42	3	14.0
6	3	1	3.0
7	41	7	5.9

As can be seen, the more senior roles consume more of a member’s time and band 5 which encompasses Deputy Cabinet Members and Chairs of Regulation, Audit and Scrutiny, has an average time spent on those activities of 14 hours. Band 7, which includes Vice Chairs and Opposition Spokespersons, has an average time spent on those activities of 5.9 hours. Of course, this is a snapshot, with people estimating their time and not everyone concerned completed the form, but it does confirm the Panel’s expectations.

6 **Conclusions and recommendations**

6.1 In undertaking a “light touch” review for one year only there is much background work that is left for the fuller review that will be required in due course. And there are shortcomings of just carrying out a peer review, not least, if every council does that eventually every council will end up being average. However, it does highlight if the council is currently wildly out of step with its peers and which may otherwise cause questions to be asked.

Nevertheless, there is much that was needed to be considered. Always there is the underlying issue of ensuring that the level of allowances does not put off potential candidates standing for election and our interviews this year have highlighted this as a concern amongst existing members. So many have commented that the time commitment is an issue as is mentioned in section 4.4 about the survey. Many of those we have interviewed have expressed the view that you have to put the time in to get the job done properly, and you are always available, no matter how inconvenient to you this may be. Some have also commented upon the time taken to travel to meetings (although obviously less so in 2020). These points, it has been suggested more than once, need to be emphasised to potential candidates so that they know what they might be letting themselves in for if elected. And it is because of this time commitment that the level of BA is so important, as time taken being a councillor can so often conflict with paid employment. Appendix A includes comparisons between those answering our survey and the Somerset population, generally, and a survey of councillors run by the LGA. SCC ran sessions for potential

candidates before the 2017 elections and produced a useful brochure. SCC also collects diversity information for those elected. However, it would be useful to the Panel to know about all of those considering standing for election, and not just standard criteria but also working patterns, geographic location, travel time to Taunton and socio-economic background.

One member also expressed the view that there is a need at the other end of a period of service to ensure that members leaving office should receive advice or support on how to resume their normal (that is, pre-councillor) life.

- 6.2 Having looked at the nearest neighbour councils the Panel is of the view that the BA is set at an appropriate level. SCC is not an outlier, with the BA falling within the range of its peers. Members who answered the questionnaire overwhelmingly asserted that the BA was important to them and the Panel feel it is at a level sufficient to reassure potential candidates for election.

The Panel still feels that adjusting allowances in line with inflation is correct, but continue to stress that a widely recognised measure should be used, hence previous recommendations for CPIH; one that better reflects the opportunity cost of gainful employment in the wider world lost in order to commit to the responsibility of elected office. It is felt that this is a more easily defended argument with the public.

- 6.3 Sections 5.1 and 5.2 set out the Panel's criteria for setting SRAs. As is said, all members are entitled to a BA. Certain roles can also be paid an SRA but it is up to the Council to determine which roles, and how much, should be paid. The SRA banding system for the current financial year is attached as appendix B.

It is noted that SCC abides by the "one person, only one SRA guiding rule", but does not restrict the number of SRAs to 50% or less. The Panel believes it is important that SRAs should remain "special" and so see this as a matter of concern. To comply with the "50%" rule the number of SRAs payable would need to be reduced by six.

The Panel recognises that although the scheme has more than 50% SRAs, not all of them are paid as some members carry out two or more special responsibilities but are only paid for one of them. There are six Opposition Spokesperson roles and one Vice Chair role for which payment is made.

All the peer councils pay certain SRAs, but as you get further down the pyramid of responsibility there is less correlation across those councils. The actual amounts paid are generally within the range of those peers, it is the number of positions attracting an SRA which is the issue if the principle of 50% is to be followed. Of course, the positions can remain, it is the payment of an SRA which is the issue.

The positions which the Panel would identify as having a weaker case attracting an SRA are:-

- Junior Cabinet Member;
- Opposition Spokesperson; and
- Vice-Chairs (other than Vice-chair of Scrutiny and Vice-chair of Council).

When the Panel made its recommendation for Junior Cabinet Members in 2017 the details of the roles were new and untried, and the Panel may therefore have set the roles at too high a level in the pyramid.

6.4 As can be seen from table 5 above there is a correlation between the average SRA for most of the roles listed in peer councils, and at SCC. And they all fall within the range (for Vice-chair of Scrutiny, see section 5.8 above). As a consequence, the Panel feel that it is not necessary to change the pyramid of responsibility at SCC nor the banding system currently in operation, but with the following exceptions: -

- if the roles of Junior Cabinet Members are to remain as detailed in the constitution, they should be moved to Band 7;
- the case for role of Opposition Spokesperson to be paid to six individuals is not strong and the roles should no longer benefit from an SRA (see 5.7 above);
- the roles of Vice-chair of Regulation and Audit Committees should no longer benefit from an SRA (see 5.8 above);
- the role of Vice-chair of Scrutiny should be moved into Band 6 (see 5.8 above).

6.5 In 2017 the Panel recommended that “group leaders of small political groups should qualify for SRA payments based on group size” and it can be seen from table 5 that this is also the position taken up by other councils. However, this was not agreed by the Council at that time. But, as part of a process of reducing the number of SRA entitlements, this could be looked at again. Amongst the peer councils, minimum numbers of members needed to warrant an SRA for Group Leader were 2, 7, 8 or 9.

6.6 Accordingly the Panel RECOMMEND that;-

1. the Council consider the way in which information is provided to help potential candidates decide whether to stand for election and survey such potential candidates, to include finding out through a questionnaire how important the level of BA is to their decision together with working patterns, geographic location, travel time to Taunton and socio-economic background;
2. the council undertakes exit interviews with members leaving office which would include identifying if they are in need of advice or support in returning to pre-councillor life;
3. the level of BA be increased by inflation from April 2021 as determined by CPIH published in April 2021 (rather than a rise linked to officer pay levels);
4. if the roles of Junior Cabinet Members are to remain as detailed in the constitution, they should be moved to Band 7;
5. the role of Opposition Spokesperson should no longer benefit from an SRA;
6. the roles of Vice-chair of Regulation and Audit Committees should no longer benefit from an SRA;
7. the role of Vice-chair of Scrutiny should be moved into Band 6.
8. the Council consider removing the payment of an SRA to Opposition Group Leaders whose membership is below a certain level.

9. whilst the Panel feel there is an argument for looking at travel and subsistence rates in the SCC Scheme of Allowances for Members in a future fundamental review, for this year travel allowances to be adjusted in accordance with rates set by HM Revenue and Customs (HMRC) from time to time and subsistence allowances to remain linked to increases in staff subsistence rates.

John Thomson

Chair, Joint Independent Remuneration Panel

27 January 2021