Full Council 20 February 2024



Scheme of Members' Allowances 2024/25 - report and recommendations of the Independent Remuneration Panel

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1. Summary

- 1.1 This report sets out the proposals in relation to the Members Allowances 2024/25 for the Somerset Council. The proposals have been developed in consultation with the Somerset Independent Remuneration Panel ("the Panel") following their review of the proposed Scheme of Member's Allowances 2024/25 which was carried out by the Panel from August 2023- December 2023.
- 1.2 The arrangements for determining allowances for elected members are set down in statutory regulations the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) and subsequent amendments to the regulations (SI 2003/1022 and SI 2003/1692). Each local authority is required to appoint and maintain an Independent Panel to make recommendations to the Council on members' allowances. The Council must have regard to the Panel's recommendations before making decisions in relation to members' allowances but doesn't have to accept them. Where the Council doesn't accept the Panel's recommendations it should give reasons for not doing so.
- 1.3 All Members have a personal and prejudicial interest in the receipt of allowances, but the Council's Code of Conduct includes a dispensation allowing members to attend relevant meetings and vote on this matter. This paragraph has the effect of declaring this interest by all Members at this meeting of Council. Members do not need therefore to make a verbal declaration at the Council meeting.

2. Recommendations

- 2.1 Council is recommended to:
 - i. Thank the Panel for its report and recommendations set out in Appendix 1;
 - ii. Consider the Panel's recommendations prior to determining the Scheme of Members' Allowances 2024/25 and the draft Scheme of Members' Allowances 2024/25 (set out in Appendix 2);
 - iii. Authorise the Monitoring Officer to finalise and publish the Scheme of Members' Allowances 2024/25 to reflect the Council's decision.

3. Background

- 3.1 The Independent Remuneration Panel'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.
- 3.2 In February 2023, the Panel recommended the Scheme of Members Allowances for 2023/24 to the former Somerset County Council ahead of vesting day to approve on behalf of the new Somerset Council. The Council adopted the Panel's recommendations and set the Basic Allowance as £15,500 for an elected member in 2023/24. The Council also adopted the Panel's recommendations for the Special Responsibility Allowances for various roles (Chair of Council, Leader of the Council, Chairs of various committees, etc).
- 3.3 In view of the new functions for Somerset Council, the Council asked the Panel to carry out a further review of member allowances in autumn 2023, including interviewing councillors regarding their workloads and time commitments in their new roles as unitary councillors. This work would be used to inform the Scheme of Members Allowances for 2024/25.
- 3.4 As part of its review, 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.
- 3.5 The Panel has completed the review and it's report is set out in Appendix 1. In making its recommendations, the Panel considered the impact of the reduction

in the number of councillors in the county from 324 to 110 and it also reviewed comparator data for similar unitary authorities (see table below).

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

Authority	Basic	Difference in	Population	Number of
	Allowance	allowance		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

3.6 The Panel recognises that the Council is still new in its form and function and further evolving. The Panel is aware that the Council declared a financial emergency in November 2023 and is facing significant financial and demand-led pressures in 2023/24 and 2024/25.

It was anticipated in early 2023 that there would be a significant 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 Scheme of Members Allowances in 2023/24.

The Panel recommends that the Basic Allowance for 2024/25 should continue to be set at £15,500 and be increased in-year at the same percentage increase as the average Somerset Council officer pay award for 2024/25.

3.7 The Panel has also reviewed the Special Responsibility Allowances for existing roles. 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 in Autumn 2024 to inform the Scheme of Members Allowances for 2025/26.

- 3.8 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.
- 3.9 In respect of Special Responsibility Allowances, the Panel recommends:
 - i) that it is not proposing any changes to the current multipliers of Basic Allowance for each respective role as set out in Annex 2 of its report.
 - 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
- 3.10 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.
- 3.11 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.
- 3.12 The Panel recommends that the Scheme of Members' Allowances 2024/25 continues to include a Parental Leave and Carers' Allowance in line with the current Somerset Council 2023/24 scheme.
- 3.13 The Panel continues to recommend that the role of the Independent Remuneration Panel member should remain as voluntary and that no allowance is claimable.

4. Implications

4.1 <u>Financial:</u> The 2023/24 budget allocation for Members Basic and Special Responsibilities Allowances is £2,340,200.

A pressure bid of £ 118,000 for Members Allowances has been included as part of the Medium-Term Financial Plan 2024/25 to meet the costs of the Panel's recommended increase to allowances in line with estimated percentage increases for staff pay awards in 2024/25. This would provide a 2024/2025 budget allocation for Members Basic and Special Responsibilities Allowances of £2,458,200.

4.2 <u>Legal:</u> The legal requirements are set out in the report.

The proposed Members' Allowance Scheme complies with the relevant provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003; the Local Government and Housing Act 1989 and the Local Government Act 2000.

As soon as reasonably practicable after the making of a Scheme, copies of the Scheme have to be made available for inspection at the Council's office and a notice has to be published in a local newspaper.

4.3 Risk: The risks are reputational rather than legal. The Council does not have to accept the Panel's recommendations but where it chooses not to do so it should give reasons that can be part of the record of the meeting. The Council is required to give reasons where it chooses not to accept Panel recommendations on allowances.

4.4 Equalities:

Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have "due regard" to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty.

When setting the Scheme of Members' Allowances, consideration needs to be given as to how the allowances enable the Council to attract high quality candidates to stand as councillors, from a wide variety of backgrounds, whilst also ensuring that financial barriers to anyone who wishes to stand for election are minimised.

The proposed Scheme of Members' Allowances relates to all 110 elected members across all 55 electoral divisions. It applies to all 110 members equally.

<u>Other implications:</u> There are also no sustainability or community safety implications.

Independent Remuneration Panel report and recommendations – Appendix 1 Local Authorities (Members' Allowances) (England) Regulations 2003 Scheme of Member Allowances 2023 – 2024 (published on the Council's website)