



REPORT OF THE

INDEPENDENT REMUNERATION PANEL

ON

THE MEMBERS' ALLOWANCES SCHEME 2022 - 2023

FOR

SPELTHORNE BOROUGH COUNCIL

December 2022

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Introduction

1. This report has been prepared in accordance with the *Local Authorities (Members' Allowances) (England) Regulations 2003* ("the 2003 Regulations") as amended, which require all local authorities to appoint an Independent Remuneration Panel ('the Panel') to advise on the terms and conditions of their Scheme of Members' Allowances ('the Scheme').
2. The Panel acknowledges that it is a matter for the Council to decide the level of Members' Allowances. The statutory position (Paragraph 19 of the 2003 Regulations) is that Spelthorne Borough Council "**shall have regard to**" the advice from the Panel and the Council cannot make any changes to its Scheme without first considering the Panel's advice on the issues involved. In "having regard" to the Panel's advice, the Council is to "give proper consideration" to the Panel's report. In this way, the Council can take full account of its particular circumstances and be directly accountable to its electorate.
3. The function of the Panel is therefore to provide the Council with advice on the type of its allowances and the amounts to be paid.
4. The 2003 Regulations require the authority to make copies of the Scheme available for inspection by members of the public at all reasonable hours and publish a notice in a local newspaper giving details of the Scheme and the amounts payable in respect of each allowance mentioned in the Scheme.

Independent Remuneration Panel

5. Spelthorne Borough Council has appointed the following persons to comprise the Panel:
Sir Ivan Lawrence KC (Chairman)
Mr. Colin Squire OBE
Ms. Alison Osmond
6. The members of the Panel have between them diverse experience in central Government, the law, local and national business, human resources and charity work.
7. The Panel is fully independent of the Council and is not fettered in any way from providing impartial enquiry, scrutiny, advice and recommendation.
8. The Panel does not receive any payment for the time or work that it expends in undertaking the annual review of Members' Allowances.

Terms of Reference

9. Our terms of reference are in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" ("the Guidance") issued in 2003. We are required to make recommendations to the Council about the following:
 - a) The amount of basic allowance payable to all Council members;
 - b) The categories of Council members who should receive a special responsibility allowance (SRA) and the amount of that allowance;

- c) Whether the Scheme should include an allowance for the expenses of arranging for the care of children and dependants, and, if so, the amount of this;
- d) The amount of travel and subsistence allowances and the approved duties in respect of which they can be paid;
- e) Allowances for co-optees (for example the independent members appointed by the Council to serve on the Council's Standards Committee); and
- f) Whether adjustments to the level of allowances may be determined according to an index and, if so, which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

Principles underpinning our Review

10. Before the Panel arrived at its recommendations it determined that its deliberations should continue to be underpinned by the following principles, taking into account the current statutory provisions: -
 - (i) The basic allowance is intended to recognise the time devoted by councillors to their work, not just work in formal council meetings, but in the community and in meetings with constituents, officers and their political group, and also to cover incidental costs (such as the use of their homes and private telephones).
 - (ii) Special responsibility allowances (SRAs) are used to recognise the *significant additional responsibilities* which attach to some roles, not just the extra time required.
 - (iii) Members' allowances are not intended to compensate for loss of earnings, nor are they to recompense for the total number of hours councillors spend on their duties, bearing in mind the voluntary element of service in fulfilling the role of a local councillor, as recognised in government guidance. Councillors are not paid employees of the Council and their allowances should not be treated as salary.
 - (iv) The Scheme¹ should be fair, easy to understand and straightforward to administer.
11. Alongside the general principle that the payment of an allowance is not intended to compensate for loss of earnings, the Panel advocates a principle of fair remuneration and subscribes to the view promoted by the Independent Councillors' Commission which says that remuneration should not be an incentive for service as a councillor, nor should lack of remuneration be a barrier. The level of remuneration should be sufficient to allow most people to consider becoming an elected member without suffering unreasonable financial disadvantage and equally applies to existing councillors who may be deterred from fulfilling their role successfully if the remuneration is not sufficient.²
12. The Panel aspires to a Scheme that is both fair to members and seen to be fair by council taxpayers.

¹Proposed Scheme payments for 2022 is attached at Appendix 1

²Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007

Background

13. Council agreed at its annual meeting on 26 May 2022 to retain the existing scheme (for 2021-22) as an interim arrangement until it had received a recommendation from the Independent Remuneration Panel. Any adjustments to the scheme, following the Panel's review, would be retrospectively applied with adjustments backdated as appropriate.
14. The total combined amount paid in basic allowances and special responsibility allowances during 2021/22 was £342,377.36.
15. The Panel met on 10 November 2022 to discuss the review for the 2022-2023 Scheme.
16. The Panel reviewed background information relevant to the coming years' Scheme to inform their deliberations, in particular:
 - relevant benchmarking information about members' allowances elsewhere in other Surrey district councils
 - the Council has previously supported the existing principle that any increases in the basic allowance should be linked to officer pay reviews
 - the change in frequency of some Committee meetings
 - the Council's financial position, as reported to the [Corporate Policy and resources Committee at its meeting on 27 September 2022](#)
 - [the current committee substitutions arrangements](#) in light of the Council's request that the Panel consider whether to award a Special Responsibility Allowance to substitutes on the Development Sub-Committee
 - the need to undertake a more comprehensive review of the Allowances Scheme early in 2023, for implementation in April 2023

Considerations and Recommendations

Basic Allowance

17. The Panel noted the statutory guidance it must pay regard to, that the authority's Scheme of allowances must include provision for a Basic Allowance, payable at an equal flat rate to all councillors.
18. The Panel compared Spelthorne's current Basic Allowance against the other Surrey Boroughs and Districts, where the comparative information could be located. Those other Authorities had already agreed their Schemes for 2022/23 so the benchmarking information was particularly relevant.
19. The Panel noted that Spelthorne has maintained its ranking in Surrey as third highest for at least the fourth year running.

Basic allowances				
	2022/23	2021/22	% +/-	Notes
Guildford	7405.00	7405.00	100.00	No change
Woking	7200.00	7200.00	100.00	No change
Spelthorne		6403.00		
Reigate and Banstead	5783.00	5670.00	101.99	
Runnymede	5500.00			2021/22 allowances not published. 2020/21 allowance 4086.00
Elmbridge	5326.00	5326.00	100.00	No change
Surrey Heath	5288.00	5174.32	102.20	
Waverley	5164.47	5014.44	102.99	Increases linked to staff pay award
Mole Valley	4793.01	4591.20	104.40	
Tandridge	4317.00	4317.00	100.00	No change
Epsom and Ewell	3914.27	3826.00	102.31	
Average change			101.74	

20. As Spelthorne Borough Council's level of Basic Allowance still compared favourably against the other Surrey authorities, the Panel agreed to recommend an increase which reflects the staff pay award for 2022/23. This would be both fair and reasonable and ensure that councillors continue to be sufficiently recompensed for undertaking their role.
21. The staff pay award for 2022/23 was agreed at 2% for all scale points. This uplift applied to the Basic Allowance equates to a new allowance for 2022-2023 of £6531, maintaining Spelthorne's position compared to its Surrey counterparts.

RECOMMENDATION

The Panel recommends that the Basic Allowance payable to all members of Spelthorne Borough Council should be increased by reference to the staff pay award for 2022/23, resulting in an allowance of £6531.

Special Responsibility Allowances

22. A Special Responsibility Allowance (SRA) may be paid to recognize the significant additional time and responsibility that certain roles in the Council require of councillors, over and above the generally accepted duties of a councillor. The SRAs do not have to be the same across different roles.
23. The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA allowance to any one Member. The Regulations specify the categories of role which the Council may make provision for paying an SRA. Amongst these is: chairing meetings of a council committee or a sub-

committee, or a joint committee of the council and one or more other authorities, or a sub-committee of such a joint committee.

24. The Panel noted that with the exception of changes in frequency of some Committee meetings, the Council's governance arrangements had been relatively static between last year and this year.
25. The Panel received benchmarking information about changes in SRA at other Surrey authorities in 2022. It noted that of the 8 authorities whose Allowances Schemes are published on their websites, 7 made no change to SRA payments in 2022. One had increased their SRAs only because in their Scheme the SRAs are calculated as a percentage of the Basic Allowance. At Spelthorne, and at many other authorities, the SRAs are calculated as a percentage of the Leader's SRA.
26. Spelthorne's current SRAs are set out below:

Leader of the Council and Chair of Policy and Resources Committee	£11000
Deputy Leader and Vice-Chair Policy and Resources Committee	£5500
Service Committee Chairs: Environment and Sustainability Community Wellbeing and Housing Economic Development Neighbourhood Services and Enforcement	£7700
Planning Committee Chair	£6600
Planning Committee Vice-Chair	£3300
Spelthorne Joint Committee Chair/Vice-Chair	£5500
Licensing Committee Chair	£5500
Licensing Committee Vice-Chair	£2750
Audit Committee Chair	£4400
Audit Committee Vice-Chair	£2200
Service Committee Vice-Chairs	£3850
Administrative Committee Chair	£2200
Administrative Committee Vice-Chair	£1100
Members of Development Sub-Committee	£2000
Co-optees' Allowance (Chair/Vice-Chair of Standards Committee)	£1500/£750
Independent Person on Audit	£500

27. The Panel did not consider the change in frequencies of some meetings was significant enough to require a review of the hierarchal structure that determined the level of SRA for the different Committee Chairmen/Vice-Chairmen.

28. The Panel agreed to recommend that in line with most of the other Surrey authorities, that there be no change in SRAs for 2022-2023.

RECOMMENDATION

The Panel recommends that the Special Responsibility Allowances as shown in the table above are not changed for 2022-2023.

Development Sub-Committee allowances

29. Following a recent change to the Council's Substitution Scheme, enabling the nomination of substitutes to the Development Sub-Committee, the Panel was asked by Council to give consideration to a new SRA for Development Sub-Committee substitutes.
30. The Panel recognised that as a substitute, who may be called upon to attend up to two hours before a meeting, a degree of preparatory reading was necessary, even if the substitute eventually does not attend.
31. The Panel considered that the need for preparatory reading was an integral part of the role of a substitute regardless of which Committee a councillor might be called upon to sit as a substitute.
32. The Panel noted that no other Committee substitutes were entitled to an SRA. The Panel was not minded to recommend an exception for the Development Sub-Committee substitutes at this review. However, it has asked for information on the frequency with which substitutes are called to sit on the Sub-Committee to inform a more in-depth review for the 2022/23 Allowances Scheme.

Other Allowances

33. **Co-opted Members**
The current Scheme pays an allowance of £1500 and £750 to the Chair and Vice-Chair respectively of the Standards Committee, both of whom are co-opted members.
34. There is also an allowance of £500 for the independent member of the Council's Audit Committee.
35. The frequency of these meetings for the 2022/23 municipal year has remained as it was in the 2021/22 municipal year.

RECOMMENDATION

The Panel recommends that no change be made to the current remuneration of £1500 and £750 for the Chair and Vice-Chair respectively, of the Standards Committee and £500 for the independent member of the Council's Audit Committee.

36. Dependants' Carer's allowance

The current arrangements for the Dependants' Carer's allowance provides for members to be reimbursed the actual costs incurred in relation to the care of dependant relatives or children while they are undertaking approved Council duties, subject to submission of receipts/invoices in support of claims.

37. The Panel noted there were no claims for this allowance during 2021/22, and only one had been received during the current financial year.

RECOMMENDATION

The Panel recommends that no change be made to the current Scheme for Dependants' Carer's allowances.

38. **Travel and subsistence allowance**

The current rates paid for travel and subsistence allowances reflect those available to Council officers and are paid when a member is undertaking an approved duty, as set out in the [current allowances scheme](#).

39. The current mileage rates are set out below:

Cars	Per mile
up to 999cc	46.9p
1000cc - 1199cc	52.2p
1200cc and over	65p
Motorcycles	24p
Bicycles	20p

40. The subsistence allowance covers the actual expenditure incurred, subject to various measures set out in the allowances scheme.
41. The allowances and permitted duties are broadly similar to other Surrey districts and boroughs.
42. The cost of travel and subsistence claims for 2021/22 was £227.50.

RECOMMENDATION

The Panel recommends that the current arrangements for payment of travel and subsistence allowances be retained as at present.

SUMMARY OF PANEL'S RECOMMENDATIONS

The Panel makes the following recommendations to the Council on the Members' Allowances Scheme for 2022-2023:

Type of Allowance	Current Allowance	Recommended Allowance for 2022/2023	Number
Basic:	£6403	£6531	39
Special Responsibility:			
Leader of the Council and Chair of Policy & Resources Committee	£11000	No change	1
Deputy Leader and Vice-Chair Policy & Resources Committee	£5500 (50% of Leader's allowance)	No change	1
Service Committee Chairs: Environment and Sustainability Community Wellbeing and Housing Economic Development Neighbourhood and Enforcement Services	£7700 (70% of Leader's allowance)	No change	4
Planning Committee Chair	£6600 (60% of Leader's allowance)	No change	1
Planning Committee Vice-Chair	£3300 (30% of Leader's allowance)	No change	1
Spelthorne Joint Committee Chair/Vice-Chair	£5500 (50% of Leader's allowance)	No change	1
Licensing Committee Chair	£5500 (50% of Leader's allowance)	No change	1
Licensing Committee Vice-Chair	£2750 (25% of Leader's allowance)	No change	1
Audit Committee Chair	£4400 (40% of Leader's allowance)	No change	1
Audit Committee Vice-Chair	£2200 (20% of Leader's allowance)	No change	1
Service Committee Vice-Chairs	£3850 (35% of Leader's allowance)	No change	4
Administrative Committee Chair	£2200 (20% of Leader's allowance)	No change	1
Administrative Committee Vice-Chair	£1100 (10% of Leader's allowance)	No change	1
Development Sub-Committee members	£2000 (7 members)	£2000 (11 members)	Increase from 7 to 11
Co-optees' Allowance	£1500 (Chair) £750 (Vice-Chair)	No change	1 1
Independent Person on Audit	£500	No change	1
Total Budget	£362,717	£375,709	33

Allowance for expenditure incurred in relation to Approved Duties (Schedule 1 to Scheme)	Unchanged allowances for 2022/23
Dependants' Carer's Allowance	Reimbursement of actual costs incurred

Travelling and Subsistence Allowances	
Motor Mileage Allowance (per mile)	
Cars	Up to 999cc – 46.9p 1000cc – 1199cc – 52.2p 1200cc and over – 65p
Motorcycles	24p
Cycle	20p
Day Subsistence Allowance	Reimbursement of actual costs incurred

Sir Ivan Lawrence KC (Chairman)
Colin Squire OBE
Alison Osmond

December 2022