

Report of the Joint Independent Remuneration Panel

1.	Introduction
1.1	<p>This report sets out the conclusions and recommendations from the light touch review of the Mendip District Council Scheme of Members' Allowances carried out by the Joint Independent Remuneration Panel between November 2020 and March 2021.</p> <p>The Panel last carried out a review into member allowances at Mendip District Council in February 2020 following the elections to Council in May 2019 and subsequent changes in political control.</p> <p>It builds on the previous reports submitted by the Panel, specifically the last fundamental review (October 2015), the mid-point review (February 2018), the Basic Allowance assessment (February 2019) and the Post-Election report (February 2020). In this report Mendip District Council is referred to as MDC, the Basic Allowance is referred to as BA and the Special Responsibility Allowances are referred to as SRA (singular) SRAs (plural) and the Joint Independent Remuneration Panel is referred to either as JIRP or, more simply, as 'Panel'.</p> <p>The Panel wishes to thank members for their time and open engagement with the process, and officers from Somerset County Council for their invaluable assistance.</p>
2.	Executive Summary
2.1	<p>In the light of the proposed restructuring of local government in Somerset, this has been a "light touch" review rather than a deeper delve. The resultant recommendations were 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. However, the presentation of the report to the Council's Annual Meeting was impacted by the change of date to April. With the presentation delayed, in effect by half a year, the Leader of the Council has indicated that she wished to see this review instead provide guidance to March 2022. However, with the changes to local government in Somerset now confirmed by the Secretary of State this guidance should now be seen to run until March 2023. It should be noted that, at the time of writing this report, the Secretary of States intentions remained subject to Parliamentary approval</p> <p>A voluntary survey of elected members followed by a short series of interviews provided the panel with an important "sense check".</p> <p>The Panel also considered data gleaned from desktop survey of a benchmarking group of authorities which demonstrated that Mendip remains broadly in line with the average for that group. The report includes an appendix summarising the Special Responsibility Allowances for Mendip District Council (Appendix 1) as at March 2021.</p> <p>Contrasting views on the effectiveness of Scrutiny were given. However, the rather disappointing response to interview requests meant that the Panel were unable to formulate a recommendation.</p> <p>The situation of two Deputy Leaders, with differing SRAs, an unclear demarcation of the roles, and the absence of any formal recognition within the Constitution is troubling.</p>

	<p>The SRAs for the Deputy Chairs of Planning and Scrutiny exceed the upper range of payments made by the comparator councils and the variance is of such a size that steps should be taken to bring the allowances within the range.</p> <p>All of the recommendations are contained in 6.4, below.</p>
3.	Members' Allowances and Remuneration Panels – the legal position and methodology
3.1	<p>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].</p>
3.2	<p>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 <u>all</u> members of a Council. All the other elements that are currently paid under the scheme, for example Special Responsibility, Travel, Subsistence and Carers' allowances are discretionary.</p>
3.3	<p>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 previously been produced in 2015 but sets out a number of commonly adopted principles used by Panels. The JIRP has considered these and concluded that the following principles should guide their considerations:</p> <ul style="list-style-type: none"> ▪ 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	<p><u>Joint Independent Remuneration Panel:</u> MDC is a member of a JIRP alongside Somerset County Council and Somerset West and Taunton Council. The Panel's membership comprises three independent representatives appointed by Somerset and one each by the District Councils. At the time this review started there was a vacancy which Mendip filled during the review, so the additional member was able to participate towards the end of the process. All of the members of the Panel are residents of Somerset. The current JIRP membership is outlined in brief below for information:</p> <p>Panel members:</p> <p><u>John Thomson (Chair)</u> 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 was originally appointed to the JIRP by the former Taunton Deane Borough Council and is now the representative of Somerset West and Taunton.</p> <p><u>Colin McDonald</u> 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. Colin was appointed to the JIRP by Somerset County Council. He was employed as Housing Contract Officer (client side) by Mendip District Council between 1997 and 2001.</p> <p><u>Bryony Houlden</u> 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. Bryony was appointed to the JIRP by Somerset County Council.</p> <p><u>Alan Wells</u> 39 years' experience in financial services. Specialist in benefit and remuneration structures. Alan was appointed to the JIRP by Somerset County Council.</p> <p><u>John Dodson</u> MA in Ceramic Design and Technology from Royal College of Art London. 40 years in Design, Marketing and Sales, UK, all Europe, USSR Mid East and N. America. Last 14 years Director of J. Wedgwood & sons. Retirement 10 years Chair of Shropshire Seniors Association. John was recently appointed to the JIRP by Mendip District Council.</p> <p>Technical Advisers to the Panel:</p> <p><u>Scott Wooldridge</u>, Monitoring Officer, Somerset County Council <u>Julia Jones</u>, Governance Specialist – Democratic Services, Somerset County Council <u>Kait Harvey</u>, Senior Democratic Service Officer, Somerset County Council <u>Laura Rose</u>, Democratic Service Officer, Somerset County Council</p>
3.5	A fundamental review of the whole Scheme of Allowances was originally scheduled for 2020/21. Accordingly, the Panel set in motion a fundamental review to be completed in 2021

	and covering the next four years. On 30 th November 2020, the Leader of the Council, Cllr Wyke, wrote to the Panel and suggested that due to a possible local government re-organisation in Somerset, a “light touch review” be carried out. This was agreed by the Panel, and this is the resulting report.
3.6	<p>In October 2015 the fundamental review, whilst acknowledging that allowances are not wages, nevertheless considered: -</p> <ul style="list-style-type: none"> • external regional wage comparators; • comparisons with peer authorities; and • indexing arrangements. <p>This report does not cover the first or last 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 do a “reasonable” job as a councillor (and not necessarily the excellent job of some) takes a lot of time; time which might otherwise be spent in paid employment.</p>
4	Basic Allowance (BA)
4.1	<p>The purpose of the BA is: - <i>“.....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.”</i> 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.</p> <p>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. Although it is eight years old, a 2013 University of Plymouth survey of local election candidates 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.</p>
4.2	<p>The BA for 2020/21 for MDC members was £4,413 a year and is paid to all members.</p> <p>In the Fundamental Review (October 2015) it was identified that there was overriding concern about the declining real value of the BAs and SRAs. Recommendations were made, and accepted by MDC, that as well as an increase in the BA for 2015/16, further annual increases in the BA of inflation plus £128 (inflation linked to CPIH) be made over a period of up to six years in order to restore the BA to its earlier (2008) real value. The mid-point review (January 2018) reviewed the basis of increases and recommended that it continue for a further two years, that was until the end of 2020/21.</p>

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

The CPIH adjusted value of the 2008 BA is £4,440. It can be argued that the mechanism of annual increases alongside CPIH indexation instituted in the 2015 review of allowances over the last six years, has achieved the objective of restoring the real value of the BA.

In comparing the BA the Panel has looked, for the purposes of this “light touch” review, 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. From this list we have used 10 councils with the closest similarity and operating a Cabinet structure.

Table 1

Comparator councils

Council	In the county of
Mid Devon	Devon
Stafford	Staffordshire
South Kesteven	Lincolnshire
Lichfield	Staffordshire
South Somerset	Somerset
Hinckley & Bosworth	Leicestershire
South Ribble	Lancashire
Harrogate	North Yorkshire
South Norfolk	Norfolk
Blaby	Leicestershire

Table 2, below, shows a comparison of BA from the ‘Comparator Councils’ with MDC with current information gleaned from the websites of each of the councils concerned.

The current scheme uses CPIH as an index for protecting the BA against inflation. The index is common across comparator councils.

Table 2

Basic Allowance comparison

	Comparator Councils
Maximum	£7,350
Average (Mean)	£5,348
Median	£5,038
MDC	£4,413
Minimum	£4,214

MDC BA now sits within the range of its Comparator Councils, albeit roughly 18% below the average (mean).

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4.3 In December 2020, the Panel ran a short questionnaire for members at MDC. There was no obligation to complete it but 28 members (out of a maximum of 47) did so, a 60% response rate. Some of the questions were specifically related to the BA. As mentioned in section 4.1 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:

- 60% (17 of 28 respondents) regard the BA as important.
- 11% (3 of 28 respondents) stated it as a factor in their decision to stand for office.
- 54% (15 of 28 respondents) confirmed that their time commitment is greater than they expected.
- 75% (21 of 28 respondents) felt that have caring responsibilities, and the possible impact of this on available hours is a barrier to democracy in that they may put off people from standing for election.

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

Table 3

Hours spent on BA work.

	Number of members
Less than 10 hours a week	3
10-19 hours a week	14
20-29 hours a week	5
30 hours a week or more	6

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 MDC 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?

The Panel notes a gender imbalance of approximately 2:1. However, this isn’t atypical when compared with the data provided by the LGA survey and the Panel’s conclusion is that this suggests the imbalance may be cultural across the whole sector rather than an effect of the level of allowances paid by MDC.

Whilst the ages of those councillors who responded to the survey (Table 4) do vary from the age profile of Mendip they are a closer match than respondents to a Local Government Authority (LGA) Survey (Table 5).

Table 4

Age of councillors completing survey, compared with Mendip adult population.

Age group	Survey %	Mendip %
20-34	3.57	14.5
35-64	67.86	51.77
65+	28.57	29.48

Source: Panel Questionnaire/ONS 2017 mid-year estimates, figures rounded.

Table 5Age of councillors completing survey, compared with Local Government Association survey

Age group	Survey %	LGA %
65+	29	43

Source: Panel Questionnaire/LGA survey 2018 - Under 65s not comparable

As well as being a better match for age of the population, the Mendip responders also better reflected the employment status of the population than those who responded to the LGA survey.

Table 6Employment Status of councillors completing survey, compared with councillors in Local Government Association survey

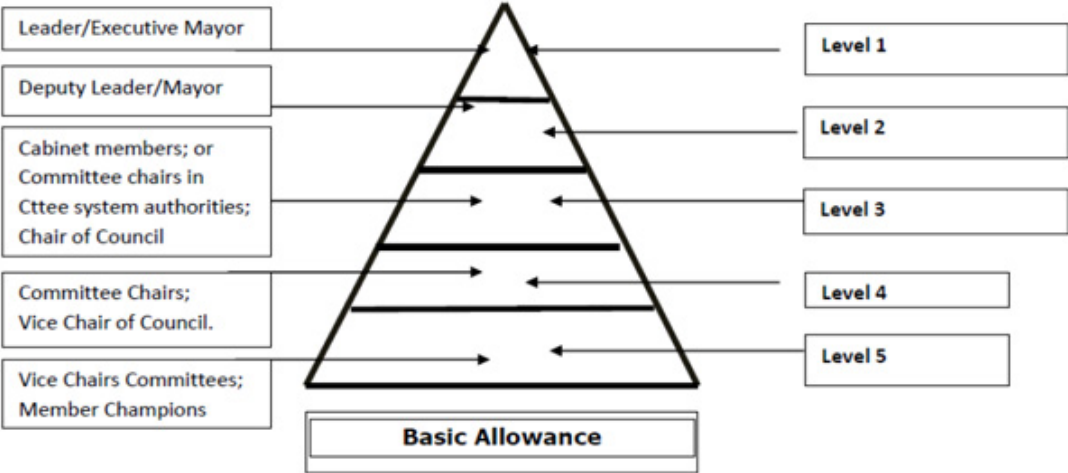
	Survey %	LGA %
Employed (to some extent)	68%	26%
Retired (completely)	25%	45%
Other	7%	29%

Source: Panel Questionnaire/LGA survey 2018

The Panel also interviewed Group Leaders at MDC together with a number of other members who had indicated via the survey that they wished to be interviewed, in total six 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, although the Panel did not speak with the Independent or the member with no political affiliation. It was disappointing that despite specific invitations none of the Portfolio Assistants made themselves available for interview.

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;

	<ul style="list-style-type: none"> • 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. <p>So, whilst an authority must provide a BA to all members, it may, if it wishes, provide SRAs for members with special responsibilities. At MDC there are 21 paid SRAs which represents just under 45% of members in receipt but 24 SRAs available in theory, representing 51% total. (see section 3.3 above).</p>
5.2	<p>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.</p> <ol style="list-style-type: none"> (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	<p>The existing approach has been in place since 2015 and can be summarised by 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 (of a notional council) illustrates the concept and is taken from South West Councils publication “Councillors’ Allowances: A practical guide for those involved in the work of Independent Remuneration Panels”.</p> 

	<p>As with many councils, MDC currently calculates payment at various levels by reference to a multiple of the BA, so, for example, the Leader on level 1 receives an additional payment of 2.8 times the BA. This has been the case since 2015.</p> <p>And it should be pointed out that for all SRAs 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!</p>																																																																																
5.4	<p>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.</p> <p>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.</p>																																																																																
5.5	<p>Using publicly available data on council websites current values of SRAs for principal roles in the “top ten” comparator local authorities have been obtained. Table 7, below, shows how these SRAs compare with those of Mendip.</p> <p><u>Table 7</u> <u>Comparable posts and Basic Allowance multipliers</u></p> <table border="1"> <thead> <tr> <th>Role</th> <th>Average of comparator councils £</th> <th>Average comparator multiplier</th> <th>MDC £</th> <th>MDC Multiplier</th> </tr> </thead> <tbody> <tr> <td>Basic Allowance</td> <td>5,100</td> <td></td> <td>4,413</td> <td></td> </tr> <tr> <td>Leader</td> <td>14,316</td> <td>2.81</td> <td>12,357</td> <td>2.8</td> </tr> <tr> <td>Deputy Leader</td> <td>8,036</td> <td>1.58</td> <td>6,620</td> <td>1.5</td> </tr> <tr> <td>Cabinet member</td> <td>6,788</td> <td>1.33</td> <td>5,296</td> <td>1.2</td> </tr> <tr> <td>Chair of Council</td> <td>5,002</td> <td>0.98</td> <td>4,855</td> <td>1.1</td> </tr> <tr> <td>Chair Planning</td> <td>5,647</td> <td>1.11</td> <td>4,855</td> <td>1.1</td> </tr> <tr> <td>Chair of Scrutiny</td> <td>4,578</td> <td>0.90</td> <td>4,855</td> <td>1.1</td> </tr> <tr> <td>Chair of Licensing</td> <td>2,121</td> <td>0.42</td> <td>2,648</td> <td>0.6</td> </tr> <tr> <td>Chair of Audit</td> <td>2,417</td> <td>0.47</td> <td>2,207</td> <td>0.5</td> </tr> <tr> <td>Chair of Standards</td> <td>1,803</td> <td>0.35</td> <td>2,207</td> <td>0.5</td> </tr> <tr> <td>Leader of Opposition</td> <td>3,184</td> <td>0.62</td> <td>2,648</td> <td>0.6</td> </tr> <tr> <td>Deputy Chair Council*</td> <td>1,511</td> <td>0.30</td> <td>2,207</td> <td>0.5</td> </tr> <tr> <td>Deputy Chair Planning*</td> <td>1,249</td> <td>0.24</td> <td>2,207</td> <td>0.5</td> </tr> <tr> <td>Deputy Chair Scrutiny*</td> <td>1,079</td> <td>0.21</td> <td>2,207</td> <td>0.5</td> </tr> <tr> <td>Leader of smaller opposition group(s)**</td> <td>£1,642 if > 6 members</td> <td></td> <td>£150 per member</td> <td></td> </tr> </tbody> </table> <p>* Only 5 comparator councils remunerate this role.</p> <p>**Only 1 comparator council remunerates this role.</p>	Role	Average of comparator councils £	Average comparator multiplier	MDC £	MDC Multiplier	Basic Allowance	5,100		4,413		Leader	14,316	2.81	12,357	2.8	Deputy Leader	8,036	1.58	6,620	1.5	Cabinet member	6,788	1.33	5,296	1.2	Chair of Council	5,002	0.98	4,855	1.1	Chair Planning	5,647	1.11	4,855	1.1	Chair of Scrutiny	4,578	0.90	4,855	1.1	Chair of Licensing	2,121	0.42	2,648	0.6	Chair of Audit	2,417	0.47	2,207	0.5	Chair of Standards	1,803	0.35	2,207	0.5	Leader of Opposition	3,184	0.62	2,648	0.6	Deputy Chair Council*	1,511	0.30	2,207	0.5	Deputy Chair Planning*	1,249	0.24	2,207	0.5	Deputy Chair Scrutiny*	1,079	0.21	2,207	0.5	Leader of smaller opposition group(s)**	£1,642 if > 6 members		£150 per member	
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	<p>In the majority of roles, the SRA payment to MDC members falls within the range of comparator councils. The SRA multiplier for MDC, however, is higher than average in 10 of the 13 roles listed. This has probably arisen as a compensatory factor to balance the relatively low level of historic Basic Allowance.</p> <p>Three roles, in particular, stand out against the comparator councils. These are Cabinet member (below the range), Deputy Chair Planning (above the range) and Deputy Chair Scrutiny (above the range) albeit that the SRAs for these roles originated with the Panel's 2015 report.</p> <p>Table 8 <u>Allowances beyond the comparator range</u></p> <table border="1" data-bbox="293 683 1388 1128"> <thead> <tr> <th>Role</th> <th>MDC</th> <th>Range of values 10 councils</th> <th>Arithmetic mean (average)</th> <th>MDC above average value</th> <th>MDC outside range of 10 councils</th> </tr> </thead> <tbody> <tr> <td>Cabinet member</td> <td>5,296</td> <td>5,807 - 9,090</td> <td>6,788</td> <td></td> <td>✓</td> </tr> <tr> <td>Deputy Chair Planning</td> <td>2,207</td> <td>971 - 1,589</td> <td>1,249</td> <td>✓</td> <td>✓</td> </tr> <tr> <td>Deputy Chair Scrutiny</td> <td>2,207</td> <td>632 - 1,490</td> <td>1,079</td> <td>✓</td> <td>✓</td> </tr> </tbody> </table>	Role	MDC	Range of values 10 councils	Arithmetic mean (average)	MDC above average value	MDC outside range of 10 councils	Cabinet member	5,296	5,807 - 9,090	6,788		✓	Deputy Chair Planning	2,207	971 - 1,589	1,249	✓	✓	Deputy Chair Scrutiny	2,207	632 - 1,490	1,079	✓	✓
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5.6	<p>The role of Deputy Leader and its SRA was assessed in the Panel's 2018 report. At the time this report was drafted the Panel noted there were two individuals undertaking roles described as Deputy Leader. One Deputy in receipt of the full Band Two SRA whilst the other drew a Band Three SRA. The Panel also notes that the MDC Constitution does not recognise a second Deputy Leader role. This is perhaps most clear in paragraph 7.4 of the MDC Constitution which defines the role simply as acting as Leader in the Leader's absence. This is discussed further in section 6 below.</p>																								
5.7	<p>The Panel noted that none of the Comparator Councils have the position of Portfolio Assistant within their member allowance schemes. This does not invalidate the role (and SRA) within MDC but does warrant investigation when the next fundamental review is undertaken.</p>																								
6	<p>Conclusions and recommendations</p>																								
6.1	<p>In undertaking a "light touch" review for two years, there is much background work that is left for the fuller review that will be required in due course. There are shortcomings arising from 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.</p> <p>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. The member survey highlighted the issue of restricting the ability of those undertaking roles as carers from participating in the council. So many have commented that the time commitment is an issue as is mentioned in section 4.4 about the survey.</p>																								

	<p>The situation of two Deputy Leaders, with differing SRAs, unclear demarcation of the roles, and the absence of any formal recognition with the Constitution is troubling.</p> <p>In the view of the Panel this is inconsistent and either</p> <ul style="list-style-type: none"> • Both Deputy Leaders should be entitled to draw down the higher SRA, or • Both Deputy Leaders should be allocated a lower SRA to reflect the split of duties, or • Only one of these roles should warrant the title ‘Deputy Leader’. <p>Other than their work with regard to their portfolios the Panel has not understood how these two roles are regarded as Deputy Leader. Acting as Leader in the Leader’s absence will place a considerable pressure upon the Deputy at that time, especially if it is for an extended period and, hence, an enhanced SRA is appropriate. This matter is worthy of further attention.</p> <p>Contrasting views on the effectiveness of the Scrutiny function were given. The Panel would have preferred to have heard directly from a larger sample of councillors in order to get a better sense of how representative the different views we heard were. In any event, consideration of how objective such views may have been, was something we felt out of scope for the light touch and worthy of greater attention when we return for a fundamental review.</p> <p>Whilst every Council has, quite properly, the power to run a structure appropriate to its own requirements the fact that no comparator council operates Portfolio Assistants; only one pays an SRA for the Leader of smaller opposition groups; and only five pay Deputy Chairs does warrant further investigation at the next fundamental review.</p> <p>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 Shepton Mallet and socio-economic background.</p>
6.2	<p>After six years of above inflation (CPIH) rises the objective of restoring the BA to the value it had in 2008 has been achieved, as recommended by the Panel in 2015, and, in addition, the BA now falls within the range of the Council’s peers. It may be argued that with the BA still falling below the average BA of its peers, the above inflation rises should continue but the Panel is not persuaded that exceeding the 2015 plan can be recommended.</p> <p>CPIH continues to be an effective and easily understood index to protect the value of allowances against the erosive effect of inflation.</p>
6.3	<p>Sections 5.1 and 5.2 set out the Panel’s criteria for setting SRAs. The Panel believe the current bandings for SRAs remain appropriate and that on the whole, the multiple of BA that applies is appropriate.</p> <p>A detailed examination of the roles and responsibilities of the Deputy Leaders should form part of the next fundamental review.</p> <p>The SRA for Cabinet members falls below the range of allowances payable by comparator councils. However, none of the comparator councils have the role of Portfolio Assistant to assist the Cabinet members. The Panel believe the supporting role of Portfolio Assistants justifies the SRA payment to Cabinet members falling below the range.</p>

	<p>The SRA for the Deputy Chairs of Planning and Scrutiny exceeds the upper range of payments made by the comparator councils and the variance is of such a size that steps should be taken to bring the allowances within the range.</p> <p>The SRA banding system for the financial year to March 2021 is attached in the Appendix 1.</p> <p>Currently MDC have 24 roles that qualify for an SRA. This translates to 51% of the total number of council membership. However, there are currently three posts for which an SRA is not being paid as members have dual responsibilities.</p>
6.4	<p>Accordingly, the Panel RECOMMEND that:</p> <ol style="list-style-type: none"> 1. The level of BA be increased by inflation from April 2021 as determined by CPIH published in April 2021. A further CPIH increase should apply to the BA from April 2022. 2. SRA multipliers remain unchanged other than for the Deputy Chairs of Planning and Scrutiny. 3. The multiplier for Cabinet members to remain unaltered to reflect the support provided by Portfolio Assistants. 4. The roles of the Deputy Chairs of Planning and Scrutiny be moved from band six to band seven and the multiplier for the roles be reduced to x0.3 (x0.5). 5. The payment to the smaller opposition groups should continue at the present time. 6. Due account should be taken of the "50% rule" and if further SRA posts are to be considered in the future a balancing number of existing SRA posts need to be removed. 7. Independent Person & Co-opted member multipliers be maintained. 8. Whilst the Panel feel there is an argument for looking at travel and subsistence rates in the MDC 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. 9. The council consider surveying people who are considering standing for election to help understand what informs their decision.

John Thomson

Chair, Joint Independent Remuneration Panel

18 August 2021