

**TWENTY-FOURTH REPORT OF THE
INDEPENDENT REMUNERATION PANEL
ON
MEMBERS' ALLOWANCES
FOR
REIGATE AND BANSTEAD BOROUGH COUNCIL**

January 2024

Contents

REIGATE AND BANSTEAD BOROUGH COUNCIL	1
Introduction.....	3
The Independent Remuneration Panel (IRP)	3
Executive Summary	3
Recommendations	5
Effective Date for Changes	5
Budget Impact	6
50% Rule.....	6
One Allowance Only	6
Renunciation	6
Future Reviews	7
Acknowledgements	8
Appendix 1 - Members of the Independent Remuneration Panel	9
Appendix 2 - Terms of Reference	10
Appendix 3 - Methodology.....	11
General Principles	11
Interviews.....	11
Information requested.....	12
Appendix 4 - Commentary on Changes	13
Appendix 5 – Evaluation of Member drop-in session and SEE data.....	14
Drop-In Session to be updated.....	14
SE Employers’ Data	14

Introduction

1. Under the Local Authorities (Members' Allowances) (England) Regulations 2003, the Local Authority ('the Council') is required to establish and maintain an Independent Remuneration Panel (IRP). The purpose of the Panel is to consider and make recommendations to the Council about the allowances paid to Members under its Scheme of Allowances, hereafter referred to in this report as "the Scheme". The Council must make the final decision on its Scheme but in doing so it must have regard to the advice of the IRP before making any changes.

The Independent Remuneration Panel (IRP)

2. The current IRP was appointed by the [Full Council in September 2023](#). The Panel consists of three Members: John Thompson (Chair), Carmel Briody and Margaret Waller. The Members of the Panel come with a wide range of experience. Their profiles are at Appendix 1 - Members of the Independent Remuneration Panel'.

Executive Summary

3. This year the Panel carried out a light touch review following the full review of the Scheme of Allowances last year. This year's review was preceded by a training session for the Panel. This training also included a desktop review of the current Scheme of Allowances in view of relevant legislation, guidance and best practice, which recommended some improvements, some of which will be included within the full review next year. A timeline of future reviews is provided under paragraph 14.
4. Meetings were held with Group Leaders; Senior Officers and a drop-in session was provided for Members. Reference was also made to comparisons with other Surrey and Southeast authorities. A summary of the outcomes of these activities is at 'Appendix 5 – Evaluation of Member drop-in session and SEE data.'
5. This report contains 8 recommendations, which are set out on page 5. In arriving at these, the Panel considered a range of issues including:
 - a) With rising energy costs and other costs of living increases, the Council is faced with greater challenges in setting a balanced budget for 2024-25 and beyond.
 - b) In previous years, the Members voted to forego the recommended increases on the grounds that, at a time when many people were suffering financial and other hardships it was inappropriate to award themselves any increase.
 - i. [For 2022/23, Members agreed to an increase of 2% in the Basic Allowance.](#)
 - ii. [For 2023-24 Members agreed to an overall increase of 2.99%](#)
 - c) The Panel accepts that its role is to make recommendations and it is for the Council to decide what to do with the Panel's recommendations.
 - d) The Panel believes that access to democracy is an important objective - while people should not take on public office to make money, good candidates should not be put off standing by financial pressure If the Members' allowance

scheme does not fairly remunerate incidental expenses for the conduct of Members' activities, this disadvantages those who cannot afford the cost of their official duties and may result in a lack of diversity in the democratic representation of the local community.

- e) The results of the consultation exercise provided no clear indication on areas for change. There was no appetite for significant increases – certainly not in line with the Consumer Price Index (CPI) (4.6% in October 2023)¹ and Retail Price Index (6.1% also in October 2023). Although popular in some Authorities, there is very limited appetite for linking increases in allowances to Officers' Pay. The consensus is that an increase in the Basic Allowance only of a maximum of 3% would fairly reflect the current workloads, the recent pay award to Officers, the current RPI and the reduced increases in past years.
- f) The matter of the Information Technology Allowance was raised with the Panel. There is £400 annually within the current Basic Allowance to cover IT costs. About four years ago the Council issued all Members with tablets. The aim being that everyone would be using the same technology. These tablets are at the end of their working life and are being withdrawn. Members are now expected to use the IT element of the Basic Allowance to meet their IT needs. The Council has set a minimum specification for hardware, and for broadband connectivity as meetings are still held using MS Teams. Microsoft 365 applications and access to Modern Gov is provided by the Council. The Panel's view is there is adequate provision for IT in the Basic Allowance.
- g) The Panel raised the issue of the Leader of the Opposition's Special Responsibility Allowance (SRA). Usually, the Leader of the Opposition is also the Chair of the Overview and Scrutiny Committee and of the Budget Review Committee. All three posts attract an SRA. Also a small allowance per Member of each party is made to all Group Leaders. This last allowance is almost unique among Local Authorities who normally restrict it to Minority parties.
- h) The SRAs paid to the Chair of Licencing and the Chairs of Licencing Sub Committees needed some clarification as the Licencing workload is demanded.
- i) There was no request to change the Travel and Subsistence allowances. The awareness of, and administrative arrangements for claiming these allowances were highlighted in the review as in need of further consideration by officers. Democratic Services have duly considered this feedback and that the administrative procedure cannot be streamlined further without compromising the necessary accounting and audit arrangements. In terms of awareness activities, Members are briefed on how to make expenses claims during the annual induction briefing after each scheduled elections in May, with forms and guidance published on the Council's web library on the Modern.Gov website
- j) Similarly, the arrangements for claiming Dependents' Carers Allowance were highlighted in the review as in need of attention.
- k) The review recommended that the Council set a co-opted Members Allowance to cover allowances paid to Members on specialist panels and non-Members

¹(published by the Office for National Statistics on)

invited to attend Committees. The Panel was advised that such an allowance had never been paid: no recommendation is made.

- l) The four-year cycle of reviews of the Members' Scheme of Allowances providing the programme of work for the Panel over the next four years ensures that allowances stay up to date.
- m) No mention is currently made of the request that Members be given access to the Cycle to Work scheme.

Recommendations

6. The Panel considered the Scheme in line with the Terms of Reference laid out in ‘

7. Appendix 2 - Terms of Reference' and the Methodology and general principles in 'Appendix 3 - Methodology'.
7. The Panel's recommendation for each allowance paid are as follows:

Recommendation 1:	The Basic Allowance be increased from £5,956 to £6,135 (3% increase)
Special Responsibility Allowances (SRAs)	
Recommendation 2:	The Leader of the largest Opposition Party should be paid an SRA based on a percentage of the Leader's SRA £3,130 to replace the 'per member' model within the Group Leaders' allowance for the Opposition Group Leader only.
Recommendation 3:	The Leaders of the Minority Parties continue to receive the per member allowance.
Recommendation 4:	The Special Responsibility Allowance paid to the Leader of the Council be increased to £15,800, inclusive of the 'per member' Group Leaders' allowance for the Leader.
Recommendation 5:	The Special Responsibility Allowance paid to the Chair of the Overview and Scrutiny Committee and the Budget Scrutiny Review Panel be combined and be increased from £3,162 + £441 to £3,603
Recommendation 6:	The Special Responsibility Allowance paid to the Chair of the Licencing Committee be increased from £441 to £1,500
Recommendation 7:	Dependent Carers' Allowances. ~The minimum age for carers be raised to 18.
Recommendation 8:	That the Scheme of Allowances be reviewed in 12 months' time.

Effective Date for Changes

8. The Panel recommend that the effective date for changes to the Scheme be 1st of April 2024, except for any changes to the Mayoral Allowance which is changed in line with the Municipal Year.

Budget Impact

9. The net cost of these changes is £11,511 for both the Basic Allowance and Leader's SRA increases. The proposed increase to the Dependent Carers' Allowance is not expected to impact the budget, as the number of Members claiming this allowance is very small. The recommendations for 2024/25 represent a 2.9% increase to the 2023/24 cost for the Scheme.

50% Rule

10. Some Authorities have a rule whereby no more than 50% of Members may receive an SRA. As 33 (73%) of the 45 Members of the Council are in receipt of an SRA, the 50% rule should not apply.

One Allowance Only

11. Nearly 75% of Districts & Boroughs in the South-East operate a one SRA per Member Rule. This Council does not. This applies to a small number of Members who receive a second SRA.

Renunciation

12. Any Member may, on notifying the Managing Director, renounce all or part of any allowance to which they are entitled.

Future Reviews

13. It was agreed with Group Leaders in July 2023 that a full review of Members' allowances be carried every four years. The Panel will be considering the following issues during future reviews:

Year	2023	2024	2025	2026
For allowance scheme effective:	2024-25 municipal year	2025-26 municipal year	2026-27 municipal year	2027-28 municipal year
Status	AGREED within the current work programme ending 2024)	AGREED within the current work programme ending 2024)	AGREED in the new work programme 2025-2026	AGREED in the new work programme 2025-2026
Type of review:	<p>Training to be provided to new IRP Members appointed for 2023-2027 term of office.</p> <p>To complete a 'light touch' interim review of the Reigate and Banstead Borough Council allowance scheme</p>	<p>To complete a full review of the Reigate and Banstead Borough Council allowance scheme, including member survey, face-to-face interviews.</p> <p>Aim to report to Council in December 2024, with a view to adopting new allowance scheme from April 2025.</p> <p>May include a provision that the allowances increase in line with an index for the following (fallow) year, unless a discretionary review is called.</p>	<p>Discretionary (if requested by Group Leaders – agenda item to be scheduled for decision by Group Leaders in July 2025)</p>	<p>To complete a 'light touch' interim review of the Reigate and Banstead Borough Council allowance scheme</p> <p>To complete a review of the Town and Parish Council allowance scheme (last reviewed in 2022).</p>

Acknowledgements

14. The Panel is grateful for the support and co-operation received from Group Leaders, Members and Senior Officers and for the excellent assistance of Alex Vine, Annette Wiles and Liane Dell in Democratic Services.

Appendix 1 - Members of the Independent Remuneration Panel

The Panel Members are:

1. Margaret Waller MCIPD - has worked in five Local Authorities and a Police Force in Human Resources with a combined service of 30 years. Ten of these were spent primarily dealing with pay and grading issues. Has Chaired two other local authority IRP's.
2. Carmel Briody – a Solicitor of 30 years standing. Has worked mostly in the public sector and now provides advice on professional regulation. She has been a school governor and Trustee of a Scout group.
3. John Thompson MBE, Chair – has worked in the public, private and charity sectors. Has been on IRPs and an Independent Person for various Authorities since 2001. He is the Lay Member of the West Sussex Safeguarding Children Partnership and Youth Justice Board and a School Governor. He was appointed to the Board of Governors of Chichester University in July 2022 and is the Non-Executive Chair of Arun Arts which runs the Alexandra Theatre complex in Bognor Regis.

Appendix 2 - Terms of Reference

The Independent Remuneration Panel's Terms of Reference are to consider and make recommendations:

1. to the Council as to the amount of Basic Allowance that should be payable to its elected members
2. to the Council about the responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance
3. to the Council about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
4. as to the amount of co-optees' allowance
5. as to whether the Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined.
6. on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended
7. as to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run to make recommendations as to which members of a Council are to be entitled.

The Panel should also have regard to:

1. the nature and type of role and responsibility of Elected Members and the level of commitment involved.
2. the difference in responsibility and time commitment of Leading Members; Portfolio Holders and back-bench Members and the Mayor and Deputy Mayor of the Council and other Members with specific responsibilities.
3. schemes operating in similar authorities elsewhere.
4. the level of remuneration paid for other types of public duties.
5. whether allowances should be payable to meet Members' out of pocket expenses
6. the need to attract and retain Members of appropriate calibre and representative of the demographic make-up of the district.
7. the need to ensure that the scheme is straight-forward; economic to operate and justified in terms of affordability (in the public's perception) and working within existing budgetary constraints.
8. a scheme that aims to compensate for the time put into the roles and responsibilities undertaken – bearing in mind that there should be an element of public service.
9. a scheme that encourages Councillors to work flexibly and to develop themselves and their role in the community.

Appendix 3 - Methodology

1. The Panel considered the outcomes of [previous Panel Report presented to the Full Council at its meeting held on 9 February 2023](#). This information was helpful and was used as a significant element of the evidence upon which the Panel has based its report and recommendations.

General Principles

2. The Panel typically consider the Consumer Price Index (CPI) to be the most appropriate benchmark. This is the rate at which the prices of goods and services bought by households, excluding housing, rise or fall and is estimated by using price indices. The data is obtained from the Office for National Statistics.
3. The Panel advocate that Members' allowances should be based on an external benchmark, as this ensures Allowances are maintained at a level appropriate to the wider economic landscape. The consistent use of one external benchmark also allows for decisions to be removed from the political arena and local pressures.
4. The Panel reflected on the importance of the role of elected Members and the importance of clarity in identifying and setting out these roles. This was considered particularly about ensuring that potential future Councillors were able to access information on the requirements of the role, and in ensuring that the Scheme of Allowance is consistent with the expectations of these roles. With this in mind, the IRP were provided with the Council's Member role profiles.
5. Recruitment of Members has always been recognised as an important part of the Panel's consideration. The introduction of the current national Scheme in 2000 was driven by the need to make engagement in local governance more widely accessible.
6. Voluntary Service Element is a reduction in the Basic Allowance paid to all Members to reflect that part of a Councillor's work should be voluntary and not remunerated. There is no statutory requirement to show a discount and only a third of Authorities covered by the Southeast Employers do so. It is important that some element of the work of Members continues to be voluntary - that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected Members, and further to ensure that, despite the input required, people are encouraged to come forward as elected Members and that their service to the community is retained. In this regard, Reigate and Banstead BC applies a voluntary service element of 40%, which has remained unchanged since 2003/4.

Interviews

7. The Panel met and/or corresponded with the following Members and Officers to explore any issues regarding allowances:
 - Councillor Biggs, Leader of the Council and Leader of the Conservative Group
 - Councillor Harrison, Chair of the Overview and Scrutiny Committee and Leader of the Residents' Association Group
 - Councillor Essex, Leader of the Green Group
 - Councillor Kulka, Leader of the Liberal Democrat Group
 - Mari Roberts-Wood, Managing Director and Head of Paid Service, Reigate and Banstead Borough Council

- Pat Main, Chief Finance Officer and Section 151 Officer.
- Alex Vine, Democratic and Electoral Services Manager and Deputy Monitoring Officer
- Annette Wiles, Deputy Democratic Services Manager

Information requested.

8. The Panel was additionally provided with the following information for consideration:
- Committee list detailing the Members of each committee.
 - Members Role Profiles (job descriptions)
 - The Municipal Calendar
 - Copies of previous Independent Remuneration Panel Reports
 - Extracts of Full Council Minutes
 - Schedules of Payments to Members
 - Southeast Employers' Survey of Allowances Paid to Members
 - Committee Agendas and Minutes
 - The Five Year Corporate Plan
 - Recent Quarterly Reports against the Plan
 - Key Service Performance Indicators

Appendix 4 - Commentary on Changes

1. There is no overwhelming demand for an increase in the **Basic Allowance**. However, the Panel noted that Members had declined or taken low increases in the recent years. The increase is between CPI and RPI and Officers' Pay all suggested an increase of 3% is justified. The Basic Allowance is the 4th highest in Surrey.
2. Leaders of All Political Groups receive an SRA based on the number of Members in their Group (£58 per member), plus £147. As far as we can tell and based on the review referred to above, this arrangement is unique to Reigate and Banstead. The Panel proposes that this allowance is paid only to the Minority Party Leaders and the Leader's and Leader of the Opposition's SRA are revised. The Leader's SRA is considered below.
3. We propose that the **Leader of the Opposition** receives an SRA of £3,130 which is 20% of the Leader's SRA and 3rd out of the seven of Surrey Districts and Boroughs that pay this allowance.
4. There was some support for an increase in the **Leader's SRA**. The SRA paid to the Leader is £15,632 (made up of £14,151, plus £58 for 23 members and the £147 as Group Leader) is in the mid-range SRAs paid to Leaders in Surrey. This SRA should be set at a reasonable level so that good candidates are attracted to applying when elections take place. We propose an increase to £15,800. This is in the second quartile of SRAs paid to Leaders in Surrey.
5. The SRA paid to the **Chair of Overview and Scrutiny Committee and Budget Scrutiny Review Panel** (invariably the same person) should be added together. These SRAs are usually (but not currently) paid to the Leader of the Opposition. This again is an unusual situation as the Chair of Overview and Scrutiny tends to be an experienced backbench member who is not tied to represent the official opposition. There is no cost associated with this recommendation. The combined is in the mid-range of SRAs paid in Surrey.
6. The SRA paid to the **Chair of Licencing** is too low and based on regulatory responsibility an increase to £1,500 is proposed this still one of the lowest paid in Surrey.
7. The ability to claim **Childcare and Dependent Carers' Allowance** has a potentially significant impact on the ability of people to stand for election who might not otherwise be able to. The minimum age should be increased to 18 years of age and the maximum limit removed. Adults Care allowance should continue unchanged. The cost to the Council is low as there are few claimants. In this regard, we note that good and accessible Dependent Allowances contribute to inclusion and diversity of membership of the Council.
8. The Panel recommends that we continue the four-year cycle of reviews of the Scheme of Allowances set out above under the 'Future Reviews' subheading on page 7. The programme of work for the Panel over the next four years should ensure a well informed and equitable Scheme.

Appendix 5 – Evaluation of Member drop-in session and SEE data.

A summary of feedback from the drop-in session and the Southeast Employers' data.

Drop-In Session

1. 15 Members attended the Drop-In session offered by the Panel. The main points were:
 - a. Concerns about the costs to Members of having to buy and maintain their own IT equipment – covered in the Report.
 - b. Administrative support for the Opposition Leader – not within the scope of this report.
 - c. Travel and Subsistence- clarification of the rules – this was passed onto Democratic Services.
 - d. Workloads and times of meetings – The Panel has recommended an increase in the Basic Allowance. Timings of meetings is matter for the Chair of the meeting to agree with members.

SE Employers' Data

This data set provides some interesting, but limited external comparisons. The only relevant comparisons are:

2. Within Surrey, but excluding Mole Valley which did not submit complete data, Reigate and Banstead spends £2.65 per member of the population on Members' Allowances (eighth out of 10 Authorities) and £8,900 per member (second out of eight)
3. Looking at Surrey Districts and Boroughs the rankings of key SRA holders is:
 - a. Leader 4 out of 11 authorities paying this SRA.
 - b. Deputy Leader 3 out of 9
 - c. Portfolio Holder 3 out of 7
 - d. Chair of Planning 5 out 11
 - e. Chair of Audit 7 out of 10
 - f. Chair of Licencing 8 out 10
 - g. Chair of OSC 4 out of 8.
4. All authorities pay travel and subsistence (the majority pay the HMRC maximum of 45p a mile) and run schemes that allow claims for childcare and maternity, paternity and adoption. Most deal with these claims on a case-by-case basis.
5. Almost all Authorities have the opportunity to pay a Co-optees Allowance in their Scheme of Allowances