

REPORT TITLE: Report of the Independent Remuneration Panel

To:

Civic Affairs Committee (12th May 2025)

Report by:

Dan Kalley, Democratic Services Manager

Tel: 01223 457011 Email: dan.kalley@cambridge.gov.uk

Wards affected:

None

Director Approval: Robert Pollock, Chief Executive, confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Committee

1. Recommendations

1.1 That Civic Affairs Committee recommend Full Council:

1. Consider the report and recommendations of the Independent Remuneration Panel, as set out in Appendix 1;
2. Decide whether to adopt the recommendations of the panel in relation to the Member Allowance Scheme.

2. Purpose and reason for the report

- #### **2.1**
- The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances. This Panel's function is to provide the local authority with advice on its Members' Allowances Scheme and the nature and level of allowances to be paid based on the 2003 Regulations together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime

Minister and the Inland Revenue (July 2003).

- 2.2 The Council is requested to consider the report and recommendations of the Independent Remuneration Panel, following its review of the Council's current Members' Allowances Scheme and following the work of the Governance Design Group in terms of proposed revised governance arrangements. The panel's report is set out in Appendix 1.
- 2.3 The Council must 'have regard' to the Panel's recommendations but may then determine what actions, if any, it wishes to take.

At the previous meeting in March members agreed to defer the item so that groups could consider with more time the recommendations of the panel. Members are reminded that recommendations on allowances must be agreed by Full Council and this report is to note the panels recommendations and request the report be discussed at Full Council.

3. Alternative options considered

- 3.1 The Council could decide to agree an allowance scheme outside of the recommendations made by the panel.

Member allowances are set by Full Council and the panel can only make recommendations.

4. Background and key issues

- 4.1 The Independent Remuneration Panel met on two days during January 2025 in order to review the current Members' Allowances Scheme. This was held virtually via Teams. The Panel's report, which is attached at Appendix 1, sets out its findings and recommendations.

- 4.2 All Members of the Council were invited to make representations to the Panel, this was done via online survey.

A number of members from across political groups were invited to meet the panel and discuss a series of questions to help inform the panel when completing their recommendations.

- 4.3 Allowances, in their basic form, are paid to Councillors to 'cover all expenses and time incurred by a City Councillor in carrying out his/her duties for the Council'. The last review of councillors' allowances was undertaken at the end of 2021.

- 4.4 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £7,138 per annum and in addition there are councillors who receive special responsibility allowances for undertaking additional duties. Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

Summary of key parts of scheme

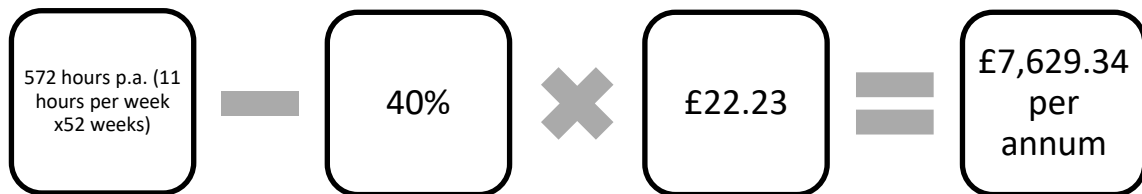
4.5 Basic Allowance

The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors.

The Panel have introduced a formula for determining the level of basic income. This was based on guidance which identified factors that an Independent Remuneration Panel needed to keep in mind.

For the basic allowance the Panel considered three variables in the calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration. After determining the amount of time required each week to fulfil the role

(11 hours), the level of PSD to be applied (40%) and the hourly rate to be used (£22.23), this calculated the basic allowance as follows:



This equated to a recommendation for the basic allowance payable to all Councillors as £7,629 per annum. The panel have made a recommendation that the indexing for increase starts in April 2025, based as outlined below, which means the basic allowance if recommendations are agreed would be £7,819.

4.6 **Special Responsibility Allowances**

In terms of Special Responsibility Allowances (SRA's) these are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance.

It must be remembered that the 2003 Regulations do not put a limit on the number of SRA's which may be paid. The regulations do require that an SRA is paid to at least one Councillor who is not a member of the ruling group on the Council. There is guidance that suggests that if the majority of Councillors receive an SRA the local electorate may question the justification for doing so.

Members of the panel felt that to improve transparency that no Councillor should be entitled to receive at any time more than one SRA for any internal Council role. However, the panel do recommend that a Councillor may receive 'one additional SRA' when representing the Council on any external organisation or body.

The report from the panel outlines those positions they felt were deserving of an SRA, along with recommendations for Group Leaders. The report takes into account the

proposed governance arrangements and some of the proposed changes to Committees including the role of Scrutiny at the Council.

The panel also reviewed the travel and subsistence expenses and agreed that no changes to the scheme be made.

4.7 Indexing of scheme of allowances

The panel reviewed the current indexing and recommended that the allowances be increased annually for the next four years in line with percentage increase in staff salaries based on Spinal Column point 56 of the Council's pay scales. This is to be applied from April 2025.

- 4.8 The panel have also recommended that the allowances be reviewed in 12 months time to ensure they are fit for purpose and take into account any changes that may occur from the proposed governance arrangements being implemented.

5. Corporate plan

- 5.1 The role of members is key to the Council being able to carry out its priorities
[Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

6. Consultation, engagement and communication

- 6.1 Consultation has taken place with members of the Council. The panel have set out recommendations based on that consultation.

7. Anticipated outcomes, benefits or impact

- 7.1 That the Council adopts the updated members allowance scheme based on the

recommendations of the panel.

8. Implications

8.1 Relevant risks

Members will need to be aware of any reputational risks in terms of awarding allowances, however this is within the remit of members to decide at Full Council.

Financial Implications

- 8.2 The proposed scheme may increase the overall financial envelope of member allowances. Members must review the recommendations made by the panel and take these into consideration. The final decision on allowances rests with members of the Council.

Below is a table showing the comparison with the 6.7% uplift from April in line with the current allowances scheme, against the recommendations which includes the uplift index starting in April 2025, based on the staff award of 2.5% on Spinal Column Point 56 which was awarded in November 2024:

Allowance	Current scheme from 2025-26 with 6.7% uplift included	Number	Recommended Allowance (40% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£7,138	42	£7,819	

Special Responsibility:				
Leader of the Council	£21,414	1	£23,459	300% of BA

Deputy Leader	£17,846	1	£17,594	75% of Leader's Allowance
Executive Members	£14,276	7	£14,075	60% of Leader's Allowance
Leader of Main Opposition Group	£7,138	1	£8,210	35% of Leader's Allowance
Minority Group Leaders	No SRA	1	£3,519	15% of Leader's Allowance
Scrutiny Committee Chairs	£2,855 9 (x4)	2	£7,038	30% of the Leader's Allowance
Scrutiny Committee Vice-Chairs	No SRA	2	£3,519	50% of Chair's allowance
Scrutiny Opposition Spokesperson	£2,855		£2,346	10% of the Leader's Allowance
Minority Spokespersons	£2,141		£2,346	10% of Leader's Allowance
Planning Committee Chair	£7,138	1	£7,038	30% of Leader's Allowance
Planning Committee Vice Chair	£3,569	1	£3,519	50% of Chair's Allowance
Planning Committee Member	£2,141		£2,111	30% of Chair's Allowance
Licensing Committee Chair	£1,784	1	£2,346	10% of Leader's Allowance
Licensing Committee Member	£535		£704	30% of the Chair's Allowance
Joint Development Control Chair and City Spokesperson	£3,569	1	£3,519	15% of the Leader's Allowance
Joint Development Control Members	£1,428		£1,055	30% of the Chair's Allowance
Civic Affairs Committee Chair	£1,784	1	£3,519	15% of the Leader's Allowance
Chair of the Council	£1,784	1	£3,519	15% of the Leader's Allowance

Area Committee Chairs	£1,428	4	£1,172	5% of the Leader's Allowance
Employment Committee Chair	No SRA	1	£2,346	10% of the Leader's Allowance
Cabinet Advisory Group Housing- Chair	No SRA	1	£3,519	15% of the Leader's Allowance
Greater Cambridgeshire Partnership Board Member	£3,569		£3,519	15% of the Leaders Allowance
Greater Cambridgeshire Partnership Board Assembly Member	£1,070		£1,172	5% of the Leader's Allowance
Combined Authority Cabinet Member	£7,138	1	£5,865	25% of Leaders Allowance
Combined Authority Committee Members	£1,428		£1,172	20% of Combined Authority Cabinet Member
Police and Crime Panel Members	£1,070		£1,172	5% of the Leader's Allowance
Independent Person	£1000	1	£1,172	5% of the Leader's Allowance
Deputy Independent Person Allowance	£500	1	£586	50% of the Independent Person
Co-Optees Allowance	£12.21		£12.60	Real Living Wage
Overall (inc basic)	£571,217		£632,156	

The overall increase in a like for like comparison is in the region of £50k-£60k, this takes into account some reduction in number of Scrutiny Chairs, but countered with SRA's proposed for Scrutiny Vice-Chairs and allowance for minority opposition leader. There may be some savings on allowances if members approve the 'one SRA' rule outlined in the recommendations from the panel. The table takes into account multiple members who sit on the Planning Committee, Joint Planning Committee and Scrutiny Opposition Spokes.

Legal Implications

- 8.3 Any legal implications are referred to in this cover report and in the report from the panel.

Equalities and socio-economic Implications

- 8.4 The scheme of allowances is put in place to encourage local residents to become elected officials to carry out duties for their local area. There are in place a number of schemes to help encourage all members of the public to become councillors, ranging from the travel and subsistence expenses, childcare and parental leave policies.

Net Zero Carbon, Climate Change and Environmental implications

- 8.5 There are none arising.

Procurement Implications

- 8.6 There are none arising.

Community Safety Implications

- 8.7 There are none arising.

9. Background documents

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 9.1 There are none.

10. Appendices

- 10.1 Appendix 1 – Report and recommendations of the Independent Remuneration Panel
Appendix 2 – Member survey responses

[Appendix 3 – Comparative Data used by panel](#) Link to the comparative data, showing all sheets and breakdown of allowances from comparator authorities.

Appendix 4 – Terms of Reference

To inspect the background papers or if you have a query on the report please contact Dan Kalley, Democratic Services Manager, 01223 457011, dan.kalley@cambridge.gov.uk