

SURREY COUNTY COUNCIL

Review of the Special Responsibility Allowance for Deputy Cabinet Members

Report of the Independent Remuneration Panel

November 2018

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1. EXECUTIVE SUMMARY

- 1.1. The Independent Remuneration Panel (IRP) last reported to the Council at its AGM in May 2018. At that point the role of Deputy Cabinet Member did not exist. At the AGM the Council approved the Leader's recommendation to introduce a new role of Deputy Cabinet Member with an associated Special Responsibility Allowance (SRA) of £10,000.
- 1.2. As part of that recommendation, the Leader stated his intention to ask the IRP to review the role and the associated SRA, reporting back to the Council in late 2018.
- 1.3. The IRP has conducted an investigation into the role and SRA as requested by the Leader and this Report presents our findings and recommendation. This report does not consider any other SRA, the basic allowance, or Member expenses.
- 1.4. Following our review, the IRP recommends that the SRA for the Deputy Cabinet Member is set at £10,000.**
- 1.5. The remainder of this report presents the context and evidence for this recommendation.

2. FINDINGS

Evaluation of the Deputy Cabinet member role

- 2.1. The IRP interviewed the Leader of the Council, two Cabinet Members and two Deputy Cabinet Members to gain an understanding of the new Deputy Cabinet roles. The IRP's understanding from these discussions follow.
- 2.2. There is no role description available and therefore no formal indication of time requirement for this role. The Leader of the Council said between two and three days a week was his expectation, typically including every Tuesday and at least one other day. Cabinet Members reported the same expectation although acknowledged that this was early days for this role which may change over the coming months. The existing Deputy Cabinet Members broadly agreed with the above adding that they felt the role could possibly expand to fill a week. Overall, the IRP feel, whilst this role is developing, it would appear reasonable to assume it will take up two to three days a week.
- 2.3. The Deputy Cabinet Members will add additional capacity to enhance the decision making of the Cabinet by providing additional and higher quality information within, often limited, timescales. In addition, these posts will be expected to take a leading role in 'Task and Finish' groups, providing Cabinet Members with a deeper knowledge of the subject than they could obtain themselves. They will act as leads on the development of business plans for the current transformation programme.
- 2.4. It was reported that the Deputy Cabinet Members would also provide additional political and social context to decision making. The IRP did consider whether Council Officers could provide this input but felt that the role of officers is to provide specialist advice and it would not be appropriate for them to provide political advice.
- 2.5. The existence of these roles significantly enhances the Council's succession planning. The IRP noted both the Leader of the Council and the Cabinet stated that the post holders for these roles were able to experience the workings of Cabinet without any voting rights, giving them an insight into Cabinet working whilst affording an opportunity for them to assess the capabilities of possible future Cabinet Members.
- 2.6. There was no automatic right of succession for those carrying out Deputy Cabinet Member roles. This was also the observation when the Cabinet Associate role existed.
- 2.7. Only four months had elapsed, at the time of this review, since these roles were created and the IRP recognised that these roles were still immature and should be reassessed in a year. Despite this, the IRP thought early indicators are that these roles are making a positive impact.

What is our conclusion?

2.8. Based upon the above, we believe that a Special Responsibility Allowance of £10,000 is appropriate for the Deputy Cabinet Member role.

2.9. The IRP recommends that these roles are reviewed within twelve months as they are currently immature and may be subject to change.

Benchmarking data

2.10. The IRP collected and analysed data from the other 26 English County Councils regarding whether they engaged Deputy Cabinet Members or their equivalent, how many, and what allowance if any was attached to the role. The findings were:

- Eighteen of the 26 County Councils engaged Deputy Cabinet Members or their equivalent, and all 18 pay Deputy Cabinet Members an SRA;
- The eight County Councils that do not use deputies tend to be the smaller in terms of cost of services;
- Of the eighteen councils that have deputies, twelve employ at least as many deputies as cabinet members, Surrey is in a minority in having fewer deputies than full Cabinet members;
- At £10,000, the recommended allowance ranks fifth in size compared with other County Councils. As a reference, the current Cabinet allowance of £22,545 ranks third on the same basis; and
- The total cost of the allowances, at £40,000, would place Surrey thirteenth on the list of total cost of deputy allowances. This ranking is low because most Councils have more deputies, as noted above.

2.11. The IRP therefore considers that the recommendation for four allowances at £10,000 each benchmarks favourably with other County Councils.

Contextual considerations

2.12. With the total cost of allowances around £1.5 million, the IRP is aware that the recommendation that £40,000 is made available for Deputy Cabinet Members increases the total cost by around two and a half per cent - at a time when Surrey is undertaking a transformation programme so that it can operate with reduced resources.

2.13. The IRP did consider whether a rebalancing of existing allowances was possible so that the total cost did not rise. The IRP felt that the Leadership roles within the Council were becoming more onerous not less, and that reducing their allowances would not be fair. With the total cost therefore rising, there is an imperative on the Leader and the

Cabinet to demonstrate that the £40,000 spent on Deputy Cabinet Members delivers value for money for the people of Surrey. The IRP will be asking this question at our next review, and in the meantime, the IRP expects that the Council will consider how it could best evidence the value for money obtained from these posts.

- 2.14. The IRP were told by the Leader of the Council that the number of Deputy Cabinet Members is limited to four. This has been taken into account by the IRP when recommending the corresponding SRA.
- 2.15. The IRP has considered the time commitment of a Deputy Cabinet Member and has concluded that this would preclude them from taking up realistic employment elsewhere (with the possible exception of other district/borough responsibilities which can to some extent be dovetailed with county responsibilities). Accepting a role as a Deputy Cabinet Member would therefore mean a total allowance of just under £22,500 potentially preventing the individual from other paid employment. Given the seniority of the role and the experience of the individuals performing it, the IRP does not consider this excessive.

3.ACKNOWLEDGEMENTS

- 3.1. The IRP was grateful for the support provided by Vicky Hibbert and her colleagues in Democratic Services.
- 3.2. The IRP thanks Carol Deakins for her contribution as IRP Chair. Carol will be leaving the IRP on completion of this report having performed the role of Chair since October 2016.

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