

Report to **National Park Authority**
Date **9 July 2024**
By **Head of Governance**
Title of Report **South Downs National Park Authority Scheme of Members’ Allowances 2024/25**

Decision

Recommendation: The Authority is recommended to:

- 1. Note the recommendations to local authorities in the South Downs National Park area by their Independent Remuneration Panels, as set out in Appendix 2;**
 - 2. Adopt the Scheme of Members’ Allowances for 2024-25, as set out at Appendix 1, to be backdated to take effect from 1 April 2024; and**
 - 3. Note that a review of Members’ allowances will be undertaken and will report back to the National Park Authority no later than March 2025.**
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1. Introduction

- 1.1 The Authority is required to have in place a scheme for the payment of Members’ allowances, the last such scheme being adopted at the NPA AGM in July 2020, backdated to 1 April 2020 which has now lapsed.
- 1.2 This report recommends the adoption of a one-year scheme to address this, covering the time period of 1 April 2024 to 31 March 2025. During this time a thorough review of Members’ allowances will be undertaken which will report back to the NPA no later than March 2025 to consider the recommendations of the review and the adoption of the future Scheme of Members’ Allowances.

2. Policy context

- 2.1 The adoption of a scheme of Members’ allowances by the Authority is governed by the Local Authorities (Members’ Allowances) (England) Regulations 2003 (the Regulations). The Regulations require the Authority to have in place a scheme of allowances and where indexation is in place as part of this scheme, this be reviewed at least every four years.

3. Issues for consideration

- 3.1 As set out in the introduction, the Authority is required to have in place a scheme for the payment of Members’ allowances, the last such scheme being adopted at the NPA AGM in July 2020, backdated to 1 April 2020. The previous scheme, with its provision for annual indexed increases for up to four years, expired on 31 March 2024.
- 3.2 It is proposed at this time that a Scheme of Members’ Allowances be adopted for 2024-25 only. In adopting a scheme, the Authority is required by regulation 19(2) of the Regulations to have regard to the recommendations to local authorities in the South Downs National Park (SDNP) area by their Independent Remuneration Panels (IRPs).

- 3.3 The IRP recommendations to all 15 local authorities in the SDNP have been reviewed and the reports of these 15 IRPs are included at **Appendix 2**. All include the general recommendations in relation to the basic allowance, special responsibility allowances, and travel and subsistence. General themes that came out from the recommendations which may be relevant to the South Downs National Park Authority include:
- Annual allowance increases linked to officer pay awards.
 - Allowances for childcare and carers.
 - Allowances for members of certain committees.
 - Allowances for representation on external bodies.
 - Making provision for the sharing of a role.
 - Parental leave policy.
- 3.4 It is proposed that these matters be considered as part of a thorough review of Members’ allowances to be undertaken later this year. The results of the review will be reported to a meeting of the Authority no later than March 2025 alongside a proposed new scheme of allowances.
- 3.5 The proposed Scheme of Members’ Allowances for 2024/25 is attached at **Appendix I**. It is a scheme for one year only. An uplift to Members’ allowances of 4%, in line with the average cost of living pay award to staff, is proposed as part of the scheme at **Appendix I**.

4. Options and cost implications

- 4.1 The Authority is free to adopt any allowances rate it wishes, including maintaining the existing allowances scheme as proposed.
- 4.2 The proposed scheme at **Appendix I** has no additional financial implications over the previous Scheme of Member’s Allowances as the payment of Member allowances is factored into the Authority’s budget for 2024-25.

5. Next steps

- 5.1 Once adopted, Officers will take the necessary steps to implement the scheme, including updating the Authority’s website.

6. Other implications

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	The resource implication of the recommended scheme has been factored into the Authority’s budget.
How does the proposal represent Value for Money?	The previous scheme was informed through an independent review of allowances which took into account the levels of allowances at other NPAs and local authorities within the area of the SDNP. The uplift is in line with previous schemes and the general practice of other allowances schemes of the 15 local authorities in the SDNP. No uplift is proposed as part of this scheme; an independent review later this year will consider any such provisions.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	The role of Members in setting the strategic direction of the Authority and effective decision-making contributes to the delivery of all PMP Outcomes and Corporate Plan objectives.

Implication	Yes*/No
Links to other projects or partner organisations	Regard is had to the recommendations to all 15 local authorities in the SDNP area by their IRPs.
How does this decision contribute to the Authority’s climate change objectives	The role of Members in setting the strategic direction of the Authority and effective decision-making contributes to the delivery of its climate change objectives.
Are there any Social Value implications arising from the proposal?	None
Have you taken regard of the South Downs National Park Authority’s equality duty as contained within the Equality Act 2010?	The scheme of allowances helps to enable representation from all sectors of society by addressing, in part, financial barriers to participation.
Are there any Human Rights implications arising from the proposal?	The provision of allowances to Members recognises the principle that Members are expected to give part of their time voluntarily, whilst also trying to ensure that they are not they are not financially disadvantaged.
Are there any Crime & Disorder implications arising from the proposal?	None
Are there any Health & Safety implications arising from the proposal?	None
Are there any Data Protection implications?	None

7. Risks Associated with the Proposed Decision

7.1 The Authority is required under The Regulations to have an adopted scheme of allowances. The report seeks to address that during the period since 31 March 2024 the Authority does not have an adopted scheme of allowances.

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Appendices 1. Scheme of Member Allowances 2024-25
2. Independent Remuneration Panels reports to local authorities in the area of the SDNP.

SDNPA Consultees Chief Executive; Chief Finance Officer; Monitoring Officer; Director of Planning.

External Consultees None

Background Documents None

SDNPA Scheme of Members' Allowances

To be approved 9 July 2024 with effect from 1 April 2024

1. INTRODUCTION

- South Downs National Park Authority's scheme provides for payment of:
 - **Basic Allowance** which is a flat rate payable to each member, excluding co-opted members.
 - **Special Responsibility Allowance** for members undertaking additional roles as defined by the Authority.

2. GENERAL POINTS

- The term "member" means a member of the South Downs National Park Authority.
- Members have the option of not claiming all or part of any allowance. The Chief Executive must be notified in writing by the Member if they wish to choose this option.
- All enquiries relating to Members' Allowances should be made to the Head of Governance.

3. BASIC ALLOWANCE

- Is payable to all members, excluding Co-opted Members.
- Where the member's term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.
- **The basic allowance is £3,990.45 per annum.**

4. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

- Is payable in addition to the Basic Allowance.
- Is payable to members who have been given significant additional responsibilities e.g. Chairman, Deputy Chairman.
- Where a member does not have throughout the whole of a year any such special responsibilities as entitled him/her to a special responsibility allowance, he/she is entitled to the appropriate proportion of the annual allowance.
- Does not include any element for travel expenses, which are claimable in the normal way for any Special Responsibility Allowance duty.
- **Special responsibility allowance rates are set out below:**

ALLOWANCE	RATE
Chairman of the Authority	£7215.70
Deputy Chairman of the Authority	£5386.84
Chairman of Planning Committee	£4309.69
Deputy Chairman of Planning Committee	£1077.15
Chairman of Policy and Resources Committee	£2394.27
Deputy Chairman of Policy and Resources	£359.40

5. CO-OPTED MEMBER ALLOWANCE

- Is payable to Co-opted Members, the amount of which is dependent upon the basis of the individual appointment.
- Where the Co-opted Member’s term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.
- **The co-opted member allowance is £2149.96 per annum for Independent (CIPFA) Co-optees and £3224.94 for other co-optees.**

6. TRAVEL ALLOWANCE

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in Appendix I).
- Can be claimed by Co-opted Members and the Independent Person.
- Should be claimed promptly (within two months of expenditure being incurred) on the members’ claim form.
- Expenditure on tolls, parking fees etc. may be claimed for re-imbursement on production of receipts.
- Members using electric/hybrid vehicles shall be entitled to claim travel expenses at the same rates as petrol/diesel vehicles.

7. SUBSISTENCE ALLOWANCE

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in Appendix I).
- Can be claimed by Co-opted Members and the Independent Person.
- Is claimable for the actual cost of the meal or overnight expenses up to the same maximum set out for staff which is updated annually.
- Should be claimed promptly (within two months of expenditure being incurred) on the members’ claim form. Receipts must be attached to the claim whenever possible to support the claim.
- Is not claimable in respect of alcoholic drinks.

8. PAYMENT OF ALLOWANCES

- Basic Allowance and Special Responsibility Allowance are paid automatically monthly.
- Travel and subsistence Allowances should be claimed within two months on the members' claim form.
- Allowances must not be claimed where the member is entitled to receive payment from another public body in respect of the same duties.

9. WITHHOLDING ALLOWANCES

Where payment of any allowance has already been made in respect of any period during which the Member concerned:

- (a) ceases to be a Member or
- (b) is in any other way not entitled to receive the allowance in respect of that period

the Appointments, Management and Standards Committee may require that such part of the allowance that relates to any such period be repaid to the South Downs NPA.

Appendix I

Definition of Approved Duties:

- (a) The attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- (b) The attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and one or more local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee provided that -
 - (i) Where the authority is divided into two or more political groups it is a meeting to which Members of at least two such groups have been invited, or
 - (ii) If the authority is not so divided, it is a meeting to which at least two Members of the authority have been invited;
- (c) The attendance at a meeting of any association of authorities of which the authority is a Member;
- (d) The attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements;
- (e) The performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are opened;
- (f) The performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises; and
- (g) The carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees

**REPORT OF ADUR AND WORTHING COUNCILS
JOINT INDEPENDENT REMUNERATION PANEL
ADUR DISTRICT COUNCIL**

1.0 Introduction

The Local Government Act 2000 and the Local Authority (Members' Allowances) (England) Regulations 2001 require local authorities to set up an independent panel to review Member Allowances. These regulations specifically abolished the payment of Attendance Allowances and also allowed for a dependent carers' allowance. These regulations have been subsequently updated by further acts and regulations.

2.0 Composition of the Panel

2.1 The current composition of the Council's Joint Independent Remuneration Panel (JIRP) is:-

Mr Barry Hillman (Chairman)
Ms Verity Lockhart
Mr Andrew Murton
3 x Vacancy

3.0 Terms of Reference

3.1 The Panel's terms of reference are set out below:-

The Panel shall, unless a Council has adopted a scheme under (f) below which has been in place for less than 4 years, by 31st January 2015 and thereafter by the 30th November each year, including 2015, produce a Report making recommendations to each of the Borough, District and Parish Councils as to:

- a) the amount of the basic allowance which should be payable to its Elected and Co-opted Members;
- b) the responsibilities, roles or duties where special responsibility allowance should be payable and the amount of such allowances (District and Borough Councils only);
- c) the amount of any traveling and subsistence allowance which should be payable to its Elected and Co-opted Members;
- d) whether dependants' carers' allowance should be payable and the amount of such allowance;
- e) whether payment of allowances may be backdated in cases where a scheme is amended at a time which would affect allowances payable in that year;

- f) whether adjustments to the level of allowances may be determined according to an index, and which index and for how long before its use is reviewed (subject to a maximum of 4 years);
- g) those items of expenditure that Elected and Co-opted Members may reclaim as expenses; and
- h) any other Members' allowances or reimbursement matters reasonably falling within the remit of the Panel; this may include to relevant bodies on matters of joint working and parity;
- i) such other functions as may be allocated to the Panels by Statute.

3.2 The Panel's Reports shall be submitted to the Councils by way of the Joint Governance Committee.

4.0 Background Papers

4.1 In preparing its recommendations the Panel considered the following research provided by the Council's Officers which detailed:-

- the current budget provision made for Members' Allowances;
- the current scheme of Members' Allowances paid to Members;
- the previous report of the joint independent remuneration panel;
- Members Allowances paid by other local authorities in the south east were obtained from South East Employers (SEE);
- Part Four of the Constitution of Adur District Council;
- Fees and charges for babysitting and caring.

4.2 Group Leaders were canvassed on their views regarding levels of allowance and were invited to give their views to the Panel.

4.3 Members of the Panel are aware that the scheme is late coming forward this year. The review was slowed by a number of factors including availability of officer time, the delay in the NJC pay bargaining agreement (for 2021/22) and the proposed creation of a new committee adding uncertainty to the scheme overall.

5.0 General Principles

5.1 The Panel last undertook a review in late 2019 for the years 2020/21 and 2021/22 as a result of it's recommendations the council agreed that the basic allowance be referenced to the outcome of the Officers' NJC Pay bargaining agreement for a period of two years until March 2021/2022 as well as a change to the Special Responsibility Allowance for Chairmen of the Joint Overview and Scrutiny Committee and Joint Governance Committee that it be raised in line with what was offered at Worthing. An additional 1% for 2020/21 was also agreed. At the time the panel acknowledged that they could have referenced the level of allowance to the NJC pay bargaining agreement for a period of four years, however they chose to do this for two years in case something significant arose in the intervening period (i.e the NJC levels fluctuated significantly).

5.2 The level of the NJC bargaining agreement has stayed close to the 2% budgeted for over the previous two years

- 5.1 The Members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government, whilst at the same time, it should aim to attract and retain Members who are representative of the demographic makeup of the District.
- 5.2 The panel recognised the functions of Councillors and the hard work, long hours and sometimes significant pressures involved.
- 5.2 That the level of Basic Allowance paid to Adur Councillors is lower than that of other Authorities in the West Sussex Area and less than its close partner, Worthing Borough Council. This gap in basic allowance has been reduced over the past five years (between Worthing and other West Sussex Authorities) and both authorities maintain the same multipliers to determine special responsibility allowances.

6.0 Basic Allowance

- 6.1 The basic allowance on average pays less than the current minimum wage. The Panel felt that a paid similar role, given the levels of responsibility, would attract a higher than minimum wage rate. Therefore the panel was of the view that (if looking at hard figures) Councillors performing their role give a significant public discount rate for the hours that they put in. However, as stated before in the report, the Panel is minded that the members' allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government. The allowance should be in place so that members are 'not out of pocket' for taking up the responsibility.
- 6.2 Given comparisons regionally the level of allowance for Adur District Council is slightly below average when compared with other Boroughs and Districts in the South East. It is also lower than its partner authority to the West, Worthing Borough Council. The panel has held a long standing belief that members from both authorities should be paid the same or similar amounts. This finding led from a previous survey in 2016/17 which showed that members from both authorities spent similar amounts of time on their work for the councils. A further Survey in 2020/21 had shown that Adur Councillors on average spend similar amounts of time as Worthing Councillors and in some areas more time. The panel acknowledges that this issue is complex and that other factors could be taken into account such as the larger population and budget of Worthing or the Housing stock maintained by Adur.
- 6.5 Previous decisions of Adur District Council have led the panel to believe and acknowledge that there is little desire for the level of basic allowance to increase significantly and be brought into line with the level of allowance in Worthing.
- 6.6 Given what is set out above and the fact that inflation is a pressure on personal finance, on balance the Committee felt that it was reasonable for members to expect some increase in the level of allowances.
- 6.7 The Panel has noted that over the previous six years that the basic allowance had been indexed to the Officer's NJC National Pay Bargaining agreement and believed that the principle of linking the basic allowance to raises in Officer remuneration is a fair method and should be retained.

7.0 Consideration

- 7.1 As previously stated, the Panel feels that the basic allowance across Adur and Worthing should be equal. Having said that, the panel has for this review given more weight than in previous reviews to the wider financial environment and also to the previous decision of Council for the 2020/21 and 2021/22 review of allowances.
- 7.2 The Panel has noted that the Authority has increased its level of allowance and although it is still lower than other authorities in West Sussex it is not as grossly low in comparison as it has been in the past.
- 7.3 After consideration of the matters listed above the panel is putting forward one costed option for the council to consider
- 7.4 The Panel is aware that the creation of a new committee is imminent and that recruitment will be undertaken for the panel in the next municipal year. Given these facts the panel believe that there needs to be a fresh review in the next municipal year

8.0 Proposals

- 8.1 That the basic allowance be linked to the outcome of the Officers' NJC Pay bargaining agreement for the year 2022/23

8.2 Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance

- 8.2.1 The panel is satisfied that the current scheme is satisfactory and is therefore not proposing any changes.

8.3 Special Responsibility Allowances

- 8.3.1 The panel is satisfied that no changes need to be made to the levels of special responsibility allowances.

9.0 Recommendation

- 9.1 The Panel recommends that the Council determine the level of allowances for 2022/23 based upon the options given above.

Mr Barry Hillman (Chairman)
Ms Verity Lockhart
Mr Andrew Murton

**REPORT OF THE
INDEPENDENT REMUNERATION PANEL
ON
MEMBERS' ALLOWANCES
FOR
ARUN DISTRICT COUNCIL**

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1. Introduction

1. Under the Local Authorities (Members' Allowances) (England) Regulations 2003, 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. See Appendix 1 for details.
2. The Panel has recommended separately that the 2023-24 Basic and Special Responsibility Allowances be increased by 5.72% based on the total average of the increase in Officer's pay (excluding Apprenticeships, Directors and the Chief Executives) and in line with the national LGA pay award.
3. The Panel accepts that its role is to make recommendations and it is for the Members to decide what to do with the Panel's recommendations.

2. The Independent Remuneration Panel (IRP)

The current IRP was appointed at Council in November 2018 and further extended in March 2023 by the Audit & Governance Committee. The Panel consists of five Members: John Thompson MBE (Chair), Alan Ladley, Andrew Kelly, Sarah Miles and Celia Thomson-Hitchcock. The Members of the Panel come with a wide range of experience. Their profiles are at Appendix 2.

3. Executive Summary

The Panel believes that access to democracy is an important objective - while people should not take on public office mainly for the allowances, good candidates should not be put off standing by financial pressures. If they are, then those who can stand for election come increasingly from unrepresentative groups. The Panel have tried to reflect this in its recommendations, while being mindful of the effects on the Authority's Budget.

The Panel met over a period of five months to conduct a wide-ranging review of Members' Allowances. It listened to Members and Officers and examined a broad range of written data. The Report contains a series of recommendations, which are set out on page 9. In arriving at these, the Panel considered a range of issues.

The Panel found that due to the ongoing effects of Covid, the financial crisis and the change in governance structure to a Committee system, the workload of Members has increased, so a modest increase in the Basic Allowance (BA) would be appropriate.

The Chairs of Service Committees SRAs were set before the workloads and levels of responsibility were known. It is now clear that these SRAs are too high when compared with Regulatory Committee Chairs. The Panel was advised that the Chairs have very limited decision-making responsibilities, with Members having an increased decision-making role, therefore it is right that the remuneration is re-allocated from the Chairs of the SRAs to all Members, via the BA, thus making the rise in the BA almost budget neutral.

The Panel considered carefully and in great detail the role of Vice Chairs and Deputies and have standardised their Allowance at 30% of the Chairs' and Leader's SRAs.

Both Members and the Panel are aware that the SRA payable to the Leader of the Council is one of the lowest in the Southeast, including the five Authorities in the Southeast operating service Committee arrangements. Therefore, the Panel recommends an uplift to ensure that applicants of sufficient calibre are attracted to the role.

The SRAs payable to the Chair and Vice Chair of the Authority are higher than average in the area. It does however include an allowance, which is taxed, for out-of-pocket expenses so the Panel recommends no change in the amount currently paid.

The Planning Committee has been identified as having a significantly higher workload and responsibility than others, so the Panel proposes a modest increase to the SRAs of the Chair and Vice Chair. Some minor changes to other SRAs are recommended. As is the introduction of a modest SRA for the Vice Chair of the Standards Committee.

Travel and Subsistence Allowances should continue to be paid at the current rate (the maximum allowed under HMRC guidelines).

The Panel has considered at length the need for realistic Allowances for Dependent Adults and Children. Current levels are found to be too low, so it is recommended they are increased, together with improved arrangements to further ensure the Allowances are well publicised, easily accessible and flexible while easily auditable. Additionally, the Authority is asked to consider arrangements for Maternity, Paternity and Adoption leave.

The Panel continues to recommend that a Member should be able to claim all SRAs to which they are entitled. Obviously, Members are free to renounce any SRA if they choose.

Parish Allowances were looked at; it is the decision of individual Parishes if any are paid, most do not. The Panel do not see any reason to recommend changes to the current arrangements.

The Panel has identified that the proposed changes to the Basic and Special Responsibility Allowances will increase costs in the region of £1,933 a very modest 0.443%, while assuring that Roles and Responsibilities are fairly and correctly rewarded.

Finally, the Panel recommends all allowances should be linked to any rises in Officers' Pay, so removing the anomaly of some allowances not being so linked. This keeps the allowances reasonably up to date in the four-year gaps between reviews. If workloads and responsibilities for which SRAs are payable change considerably during this period, a light touch review in the intervening period is recommended.

4. Investigation Methodology

The Panel carried out a full review of the Scheme of Allowances. Before starting work they met with the Audit and Governance Committee in July 2023. The Panel then held a well-attended open seminar for Members. (Ap 3) Following this, all members were invited to complete a detailed questionnaire and 25 responded: more than in previous years (Ap 4). A series of 12 interviews were held with selected Members; (Ap 5), Senior Officers' views were also obtained (Ap 5), Reference was made to comparisons with other West Sussex and Southeast Authorities (Ap 6&7). Additional, desk-based research was undertaken, examining Members' roles and responsibilities in ADC and comparisons with other Authorities, together with National and Local Policies (Ap 6)

The Panel also considered the outcomes following the previous Panel Report. This information was helpful and was used as a significant element of the evidence upon which the Panel has based its report and recommendations.

5. General Principles

1. With rising energy and other costs of living increases, the Panel is very aware that the Council is faced with great challenges in setting a balanced budget for 2024-25 and beyond.
2. 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.
3. The Panel reflected on the importance of the role of elected Members and the importance of clarity in identifying and setting out these roles.
4. Voluntary Service Element is a reduction in the BA 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. The Panel and Members believe it is important that some element of the work of Members continues to be voluntary, ie, 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 Arun this is set at 30% a figure accepted by most Members.

5. The Panel advocates that Members' allowances should be based on an external benchmark, so ensuring Allowances are maintained at a level appropriate to the wider economic landscape, removing them from the political arena and local pressures. The Panel considered the Consumer Price Index (CPI) as a useful benchmark. There is universal support within the Members and the Panel that to continue to link the BA and Special Responsibility Allowances (SRAs) to Officers' pay is the best benchmark for the Authority.
6. The Panel also felt it is important that both current and potential future Councillors were able to easily access information on the requirements of the role, and to ensure that the Scheme of Allowances is consistent with the expectations of these roles. With this in mind, the Panel had access to ADC Member role profiles.

Findings

1. Feedback to the Panel was that due to the ongoing effects of Covid, (an increase in digital working has led to greater public involvement with the workings of the Council) the financial crisis (leading to more constituents' demands) and the move to the Service Committee system, a modest increase in the **Basic Allowance** would be appropriate. (Recommendation 1)
2. The **Chairs of Service Committees** SRAs were set before workloads and levels of responsibility were known. With some years of experience of how these Committees work, it is now clear to the Panel that these SRAs are too high and should be brought in line with Regulatory Committee SRAs. The Panel was advised that the Chairs have very limited decision-making responsibilities, with Members having an increased decision-making role, therefore it is right that the remuneration is re-allocated from the Chairs of the SRAs to all Members, via the BA. (Recommendation 4)
3. By the same argument **Vice-Chairs of Service Committees** should also be reduced and be set at 30% of the Chairs' SRA. Some Members expressed the view that SRAs should not be paid to Deputies and Vice-Chairs. The Panel focussed on this in interviews with Members and were convinced that the Vice Chairs played an important role in agenda setting and supporting the Chair; as well as deputising for the Chair. (Recommendation 5)
4. There was some support and justification for an increase in the **Leader's SRA**. The allowance paid to the Leader, even with the SRA as Chair of the Policy and Finance Committee added, is one of the lowest in the Southeast (41 out of 56). The allowance was set by removing the former Cabinet Member SRA from the Leader's SRA. Even before then the Leader's SRA had been in the lowest quartile of Southeast Leaders' SRAs. This SRA should be set at a reasonable level so that good candidates are attracted to applying when elections take place. The Panel therefore recommends an increase in the Allowance, noting it is still below the average SRA paid to Leaders in the Southeast (2nd lowest overall) and lowest by District population paid in West Sussex. (Recommendation 2)
5. The **Deputy Leader's** SRA is increased very slightly so that it is 30% of the Leader's Allowance. (Recommendation 3)

6. The SRAs paid to the **Chair and Vice Chair of the Council** are much higher than elsewhere in West Sussex. However, unlike other Authorities, their out-of-pocket expenses are included in the allowance, which means also they are subject to tax. Although administratively more difficult, out-of-pocket expenses could be paid as flat allowances per month, possibly with larger items claimed against an invoice. No recommendations are made: the Authority might compare their arrangements with other authorities.
7. The **Chair of the Planning Committee** SRA is clearly too low. This Committee meets twice as frequently as any other Committee, meetings can extend into a second day. The high profile and level of external scrutiny and challenge to the decision-making responsibility in a District with major housing building projects were taken into account by the Panel. The increase would take the SRA to near the top SRAs paid in West Sussex. (Recommendation 6)
8. The **Vice-Chair of the Planning Committee** should also be increased and set at 30% of the Chairs' SRA. (Recommendation 7). The Panel proposes no change to the SRAs paid to Members of the Planning Committee or named substitutes.
9. The Panel propose a new SRA for the **Vice Chair of the Standards Committee**. It corrects the anomaly of the Standards Committee being the only Committee where the Vice Chair does not receive an SRA, although they fill similar roles to Vice Chairs on other committees. In line with other Vice Chairs the SRA is set at 30% of the Chair's SRA. (Recommendation 8)
10. The SRA paid to the **Leader of the Opposition** who has limited decision-making responsibilities is in the Panel's view too high and should be reduced. It should be about 50% of the Leader's SRA and similar to the SRA for Chairs of Service Committees. (Recommendation 9)
11. Some Members expressed concern about a few Members' poor attendance at meetings and failure to undertake statutory training, particularly for planning and licensing. This does not fall within the remit of the review. However, the panel were reassured that Group Leaders recognised the importance of good attendance and behaviour.
12. Similarly, the Panel believes the SRA paid to **Panel Members and Co-optees Allowances** should increase by £5, to partly mitigate the effects of inflation, and from now on be linked to Officers' Pay. (The Panel declare an interest as they are remunerated at the rate paid to Co-opted Members). (Recommendation 10)
13. The Panel makes no recommendation to change any of the other SRAs currently in payment.
14. 33% of Districts & Boroughs in the South-East operate a **one SRA per Member policy**. This Council is amongst the majority who do not. The Panel's agrees strongly with Members that if a Member undertakes a responsibility, they should be remunerated for it. (Note that the split of the Leader's and Deputy Leader's SRAs from their constitutional responsibilities to lead the Policy and Finance Service Committee make the one SRA policy well-nigh impossible.)
15. The ability to claim **Child and Dependent Carers' Allowances** has a potentially significant impact on the ability of people to stand for election and work effectively as a Member, who might not otherwise be able to do so. Research shows current hourly rates are too low and should be set at levels that allow these costs to be met in full. The cost to the Council is low as there are few claimants. The panel has made

recommendations to increase the rates to more realistic maxima. The setting of annual limits is unrealistic as the need is usually ongoing and the Member may be disenfranchised. The Panel heard that claiming arrangements need to be both clearer and more flexible, whilst still ensuring that claims are properly evidenced. However, the Panel do not consider a Business receipt is always possible or indeed necessary. Councillors face particular challenges in finding babysitters or carers, as the demand is sporadic and often in the evening, where for example it is difficult to access nurseries or child minders. The Head of Paid Service should continue to arbitrate on claims made where there is uncertainty. (Recommendations 11 and 12).

16. There is a scheme covering **Adoption, Maternity and Paternity for Members** in line with a scheme for Officers. This should be reflected in the Scheme of Allowances and the Officers' scheme should be published on the Authority's public facing website. (Recommendation 13)
17. There were no demands to change the **Travel and Subsistence allowances**. The arrangement for claiming these allowances needs to be clearly communicated to Members. They remain linked to the rates payable to Officers (and are currently set at HMRC maximum).
18. No recommendations are made to change the list of approved duties for which allowances, etc may be claimed.
19. **Town and Parish Councils** were invited to complete a short questionnaire 7 did so. There was no desire to change the current arrangements whereby Town and Parish Councillors may be paid up to 10% of District Council's Basic Allowance. Few Councils chose to pay any allowance. Those who do, meet the cost from their own precept.
20. Continuing a **four-year review** process works well. Targeted reviews can be commissioned at any time.

Recommendations

Having considered the Scheme in line with the Terms of Reference laid out in Appendix 1 following the Methodology (Ap 3-7) and the General Principles above, the Panel's recommendation for each allowance paid are as follows:

Basic Allowance	
Recommendation 1:	The Basic Allowance be increased from £6,378 to £6,638 .
Special Responsibility Allowances (SRAs)	
Recommendation 2:	The Special Responsibility Allowance paid to the Leader of the Council be increased from £6,654 to £8,000 .
Recommendation 3:	The Special Responsibility Allowance paid to the Deputy Leader be increased from £2,355 to £2,400 .
Recommendation 4:	The Special Responsibility Allowance Service Committee Chairs be reduced from £5,667 to £4,000
Recommendation 5:	The Special Responsibility Allowance Service Committee Vice-Chairs be reduced from £1,869 to £1,200
Recommendation 6:	The Special Responsibility Allowance paid to the Chair of Planning be increased from £6,982 to £7,500
Recommendation 7:	The Special Responsibility Allowance paid to the Vice-Chair of Planning be increased from £2,305 to £2,500
Recommendation 8:	A Special Responsibility Allowance of £349 be paid to the Vice-Chair of Standards
Recommendation 9:	The Special Responsibility Allowance paid to the Leader of the Opposition be reduced from £4,559 to £4,000 .
Recommendation 10:	The Appeals Panel and Co-optees Allowances be increased from £60 per meeting to £65 per meeting and now be linked to Officers' Pay.
Recommendation 11:	That the hourly rate for Childcare be increased from £10 an hour to a maximum of £12 per hour for one child and £15 per hour for two or more children. That the annual limit be removed and the rules for claiming be clarified.
Recommendation 12:	That the Adults Dependant Care rate be raised to a maximum of £24.95 an hour. The rules be clarified, annual limit be removed, and that Head of Paid Service will decide on the rate be paid on a case-by-case basis.
Recommendation 13:	A scheme of allowances covering Adoption, Maternity and Paternity be adopted for Members in line with a scheme for Officers and the Officers' scheme be published on the Authorities public facing website.
Recommendation 14:	Town and parish Councils may pay up to 10% of the Authority's Basic Allowance to their own Members.

Effective Date for Changes

The Panel recommend that the effective date for changes to the Scheme be 1 of April 2024 for all Allowances.

Budget Impact

The net cost of these changes is £1,933 for both the Basic Allowance and Leader's SRA increases. The proposed increase to the Dependent Adults and Child Carers' Allowances 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 0.443% increase to the 2023/24 cost for the Scheme of Allowances.

Renunciation

Any Member may, on notifying the Head of Paid Service, renounce all or part of any allowance to which they are entitled. The request must be made in writing and clearly state the period for which the reduction is to be applied.

Future Reviews

The Panel recommends a four-yearly cycle of full reviews, with a light touch review of SRAs in the intervening period.

Revocation of Previous Schemes

The previous scheme of Members' Allowances as approved by Council on 19 July 2019 is revoked with effect from 1 April 2024.

Acknowledgements

The Panel is grateful for the support and co-operation received from Members and Senior Officers and for the excellent assistance of Jane Fulton in Committee Services.

Appendix 1. Terms of Reference

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

- to the authority as to the amount of Basic Allowance that should be payable to its elected members
- to the authority 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
- to the authority about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
- as to the amount of co-optees' allowance
- as to whether the authority'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.
- on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended
- 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 an authority are to be entitled.

The Panel should also have regard to:

- the nature and type of role and responsibility of Elected Members and the level of commitment involved.
- the difference in responsibility and time commitment of Leading Members; Service Committee and statutory Committee Chairs and back-bench Members and the Chair and Deputy Chair of the Council.
- schemes operating in similar authorities elsewhere.
- the level of remuneration paid for other types of public duties.
- whether allowances should be payable to meet Members' out of pocket expenses
- the need to attract and retain Members of appropriate calibre and representative of the demographic make-up of the district.
- 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.
- 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.
- a scheme that encourages Councillors to work flexibly and to develop themselves and their role in the community.

Appendix 2. Members of the Independent Remuneration Panel

The Panel Members are:

- John Thompson MBE – has worked in the public, private and charity sectors. Has been on IRPs and an Independent Person for various Authorities since 2001. He was appointed to the Board of Governors of Chichester University in July 2022. He has been a School Governor for many years. He is Chair of the Avisford Medical Group Patient Participation Group.
- Celia Thomson-Hitchcock – Owns Head to Toe Beauty Salon. She was Chair of the Littlehampton Traders Partnership for eight years and continues to work closely with local businesses, veterans and the wider community promoting Littlehampton and good causes.
- Alan Ladely – has lived in West Sussex for nearly 50 years and was a police officer with Sussex Police for 36 years, serving in Horsham, Bognor Regis, Littlehampton and Chichester as well as the police HQ in Lewes. He retired in 2009 at the rank of Detective Superintendent. Subsequently he worked for six years for Sussex Police as the Force Information Manager, overseeing the forces' information assets as well as the management of Data Protection and Freedom of Information. Alan now lives in Bognor Regis and helps his wife who runs a retail business in the town.
- Andrew Kelly - has lived in West Sussex since the late 1980s. He is a Fellow of the Chartered Institute of Personnel and Development and has had a career in Human Resources spanning over 35 years. Initially he worked in the private sector -hospitality, food retailing and financial services, then as HR Director for several NHS Trusts and more latterly worked in local government. Now retired after operating his own HR consultancy business, he has continued with voluntary work for local organisations, currently as Chair of Trustees with Arun Counselling Centre in Littlehampton.
- Sarah Miles MBA- has worked in the academic, public, private and charity sectors. A former entrepreneur, University Lecturer at Portsmouth Business School, Business Improvement Director and private Business Consultant, she has recent experience as a Trustee at Mind (Brighton and Hove) and Dove Lodge (Littlehampton).

Appendix 3. Methodology- Seminar

The main points from Members were as follows, including the Panel's response:

- The Vice Chair of Standards Committee should receive an SRA – Recommended in the Panel's Report.
- Re Panel interviews with Members, can previous SRA holders and Members be interviewed as they will bring experience/views covering the years since the last review to the attention of the Panel? On advice the Panel decided not to interview former Members, even with recent changes there remained a wealth of experience and corporate knowledge that the panel was able to draw up on.
- How do we ensure that IRP members are independent and do not make political comments? The Panel relies entirely on the evidence, the process is clear and transparent -For example, the questionnaire is managed by Committee Services, the names of respondents are not known; the interviews are based on what interviewees

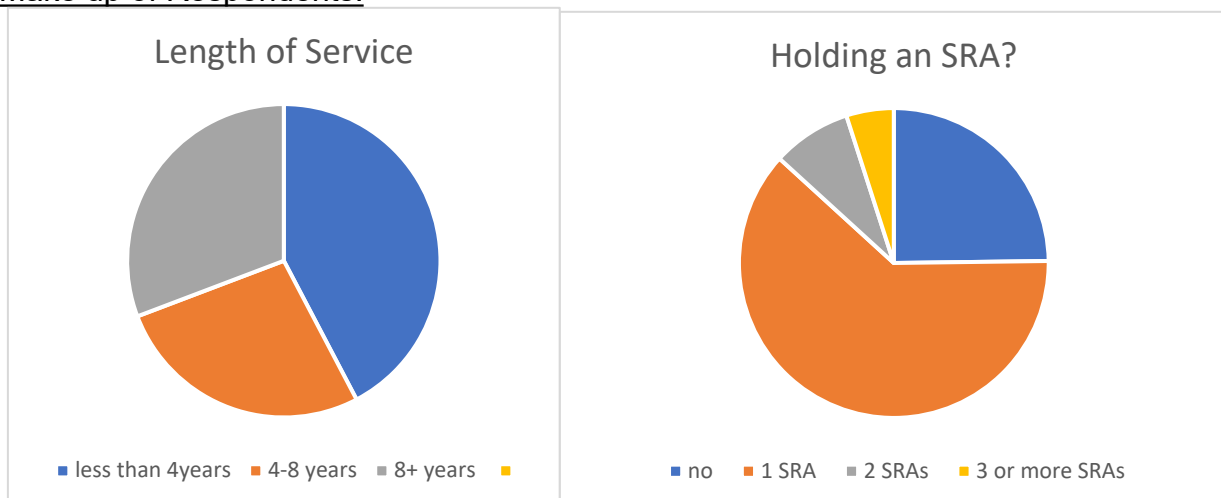
do, not which party they belong to. None of the Panel hold any political office in or without the District.

- How will interviews be organised? They were set up by the Committee Services Manager and wherever possible at least two members of the panel attended all meetings with Members and Officers.
- Can interviewees see the questions beforehand? All interviewees were sent a copy of questions before interview.
- Full Council resolved to look into reducing the number of Cllrs that the Council has. Would any revised Councillor numbers figure into what you are doing as this could affect workload? This review was conducted on the basis of the existing number of Members and structure of the Council. Should there be a reorganisation a Panel would be convened to consider the impact of the changes on responsibilities and workload.
- Have you spoken to any Councils who have an alliance as this could impact allowances paid? We have looked at other Authorities that operate a Committee system and to an authority where groups work in a similar way to Arun. We could find no near model to what was operating at Arun during the period of our review.
- Will you be interviewing members of the Planning Committee in terms of what that role is and what a Planning Committee Member does and does not do? The role is a massive responsibility. The Panel interviewed a Planning Committee Member and had hoped to interview the Chair. The Panel's report reflects the concerns expressed in the seminar.
- No requests were made for the data collected to be provided before interviews.
- What other data is used? The hours spent by members in all Council meetings form an important part of the review. The Panel also comments on attendance at meetings and training. Ward work responsibility was covered in the survey and interviews.

Appendix 4. Methodology- Questionnaire

All members were emailed a questionnaire to complete anonymously. 26 completed them (around 50%, a higher proportion than previously). The findings were valuable and helped to inform areas to explore at interview.

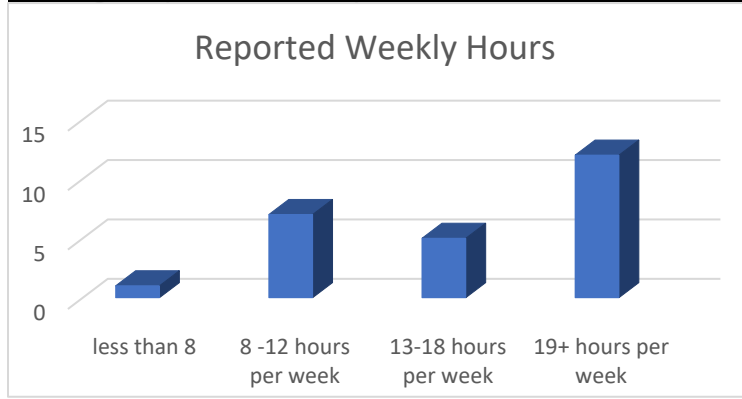
Make up of Respondents:



84% said they were happy with the Travel and Subsistence Allowance

60% thought the Childcare Allowance was too low.

4% said the BA was too high, the remaining 92% said about right or too low.

Average reported hours per week on Basic Members work:

Although not scientifically valid, the self-reported hours are a useful insight into the hours Members spend on Council work, not including any work that attracts an SRA. Note that the proposed increased allowance equates to approximately 18 hours a week for 45 weeks of the year x National Living Wage of £11.42, minus 30% PSE.

Appendix 5. Methodology- Interviews

The Panel met and/or corresponded with the following Members and Officers to explore any issues regarding allowances:

- Councillor Matt Stanley, Leader of the Council and Chair of the Policy & Finance Committee
- Councillor Carol Birch, Chair of the Housing and Well-being Committee; Member of the Policy & Finance Committee, Deputy Leader of the Green Group
- Councillor Billy Blanchard-Copper, Chair of the Licensing Committee; Member of the Planning Committee, Member of the Environment Committee,
- Councillor James Walsh, Chair of the Audit and Governance Committee; Vice-Chair of the Council; Vice-Chair of the Economy Committee, Member of the Housing & Wellbeing Committee
- Councillor David Huntley, Chair of the Standards Committee; Leader of the Independent Group; Member of the Planning Policy Committee;
- Councillor Shirley Haywood, Vice Chair of the Licencing Committee; Vice-Chair of the Housing & Wellbeing Committee; Member of the Audit & Governance Committee; Named Substitute for Planning
- Councillor Richard Bower, Member of the Planning Committee; former Chair of the Planning Policy Committee and Planning Committee; Member of the Corporate Support Committee;
- Councillor Francis Oppler, Chair of the Corporate Support Committee; Member of the Policy & Finance Committee; Member of the Audit & Governance Committee;
- Councillors Alison and Andy Cooper, Chair of the Council; former Chair of Housing & Wellbeing Committee; and former Chair of the Council; former Chair of the Licensing Committee and former Chair of the Economy Committee – current Member of the Policy & Finance Committee and Economy Committee and Licensing Committee

- Councillor Sue Wallsgrove – Leader of the Green Group; Chair of the Environment Committee; Vice-Chair of Planning; Member of the Audit & Governance Committee
- Councillor Mike Northeast – Leader of the Labour Group and Member of the Planning Committee and Economy Committee
- Daniel Bainbridge, Group Head of Law & Governance and Monitoring Officer
- Jane Fulton, Committee Services Manager
- The Corporate Management Team and Officers from the Finance Team

Several Councillors were unable to fix mutually convenient dates for interview.

Appendix 6. Information examined.

The Panel accessed the following:

- The Arun District Council Constitution
- The Arun District Council website
- Committee Memberships list
- The Municipal Calendar
- Copies of previous Independent Remuneration Panel Reports
- Extracts of Full Council and Committee Agendas and Minutes
- Annual Schedules of Payments to Members
- Southeast Employers' Survey of Allowances Paid to Members
- Details of the Basic and SRA Allowances in payment and increase due following the 2023 pay award to Officers.
- Other Authorities' Schemes of Allowances, particularly. Gosport, Runnymede, Spelthorne, Swale and Tandridge where Service Committee systems are operated.
- Various local and national Policies.

Appendix 7. SE Employers' Data

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

- Looking at West Sussex Districts and Boroughs the current rankings of key SRA holders in ADC are:
 - Leader 7th out of 7 authorities paying this SRA.
 - Deputy Leader 6th out of 6 – One authority did not report an SRA.
 - Service Committee Chairs – not reported and vary between the 5 authorities referred to at App 6.
 - Chair of Planning 3rd out of 7
 - Vice Chair of Planning 3rd out of 7
 - Chair of Audit 2nd out of 7
 - Chair of Licencing 2nd out of 7

- All authorities pay travel and subsistence (the majority pay the HMRC maximum of 45p a mile) and run schemes that allow claims for dependents and maternity, paternity and adoption. Most deal with these claims on a case-by-case basis.

Report by the Independent Remuneration Panel for Brighton & Hove City Council

Mr Ken Childerhouse (Chair)

Mr Martin Andrews

Mr John Bateman

Ms Rachel Potter

18th June 2021

1. Introduction: The Regulatory Context and Background to the Report

- 1.1 The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003. These Regulations require all local authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances. All councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme, and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 1.2 The functions of the Panel are set out in the Regulations, namely to produce a report in relation to Members of the Council making recommendations:
- (a) as to the amount of basic allowance which should be payable to Members;
 - (b) as to the duties in respect of which such Members should receive a special responsibility allowance and as to the amount of such allowance;
 - (c) as to whether the allowance scheme should include allowances in respect of the expenses of arranging for the care of children or dependants of such Members and the amount of such allowances;
 - (d) as to the responsibilities or duties in respect of which a travel and subsistence allowance should be available;
 - (e) as to the responsibilities or duties in respect of which a co-optees' allowance should be available;
 - (f) as to whether payment of allowances may be backdated in accordance with Regulation 10(6) in the event of the scheme being amended at any time;
 - (g) as to 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;
 - (h) as to which Members of an authority are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972;
 - (i) as to treating basic allowance or special responsibility allowance, or both, as amounts in respect of which such pensions are payable;
 - (j) as to whether any allowances to Members should be withheld in the event of the Member concerned being suspended or partially suspended.
- 1.3 This report relates to a request for the Panel to advise the Council in relation to proposed changes to the Members Allowances Scheme covering the period 2019 to 2023.

2. The Panel

2.1 Brighton & Hove City Council has appointed the following to its Independent Remuneration Panel, namely:

- Ken Childerhouse (Chair) (retired university lecturer);
- Martin Andrews (civil servant);
- John Bateman (teaches Corporate Governance in the Department of Business and Management at the University of Sussex);
- Rachel Potter (JP, Journalist and Editor specialising in local government and the public sector).

2.2 The Panel was asked to consider the following issues that may require amendments to the Scheme:-

- Job sharing and co-chairing of committees by councillors
- The provision of support for car parking for councillors
- A proposal to provide an allowance for co-optees to Council Committees, where the individual is not representing an organisation

2.3 The Panel considered the issues highlighted through an on-line questionnaire to councillors, virtual meetings with councillors impacted by the new co-chairing arrangements and virtual meetings with the Leaders of the Opposition Groups. The Panel sought to take into account:

- The current Allowances Scheme;
- Councillors' views on the proposed changes to the Scheme;
- The council's decision-making structure;
- The council's budgetary position and savings targets.

2.4 The Panel met on 19th January, 2nd March and 25th May 2021, with councillors in attendance on 2nd March and 25th May. The Panel carefully considered the representations they received from councillors and officers, together with the written information presented, before they reached their conclusions.

3. Recommendations

The following recommendations are put before the Council:-

- 3.1 That the Scheme is amended to reflect the changes in relation to job sharing roles as set out in paragraph 4.8 of this report;
- 3.2 That Option 1 in relation to support for car parking for members is agreed as set out at paragraph 5.5-5.7 of this report;
- 3.3 That an allowance of £500 is included in the Scheme, payable to co-optees and standing invitees to Council Committees who attend in a personal capacity as set out more fully at paragraph 6 below.

4. Job sharing and co-chairing of committees by councillors

- 4.1 In November 2019 full Council considered a report on Women in Local Government and agreed a recommendation that Member positions of special responsibility are open to job share.
- 4.2 At full Council on 13th August 2020 appointments were made to Committees and Sub-Committees, including the appointments to positions of special responsibility. This included a number of roles which were identified as job share roles. A Chair's job share protocol was included for information with the papers for full Council.
- 4.3 In view of the above, the Independent Remuneration Panel (IRP) were invited to consider whether changes or clarification of the agreed Member's Allowances Scheme 2019-2023 was necessary.
- 4.4 On 25th March 2021 full Council considered a report from the IRP and made the following resolutions in relation to the issue of job sharing:-
- (1) That the comments of the IRP regarding their encouragement to the Council to consider further information being shared regarding the nature and practical implementation of job share roles for Councillors be noted;*
- (2) That a report be brought to the next meeting of Policy & Resources Committee to detail which jobs could be job shared in any revisions to the Scheme.*
- 4.5 The Panel noted from previous council debates and decisions that principle of job-sharing seemed to be generally accepted. However, there was concern expressed relating to (a) perceived difficulty in operating the job-share arrangements in terms of members and officers knowing who does what; (b) perceived duplication of representation where both job share members attend meetings and (c) perceived potential additional costs to the Council.
- 4.6 The IRP wish again to make clear in this report that they were confined to considering the allowances applicable to the posts that had been agreed by full Council in August 2020, which included job share roles. The IRP made no comment on the structure or division of roles that had been agreed. They noted that it was a matter for full Council to determine the positions of responsibility and to make any changes to these, including whether or not a role could be a job share. The IRP noted that a job share protocol was in place that was published as part of the Council agenda on 13th August 2021 and further noted that the Council may wish to consider amendments or updating of that protocol to address the concerns that have been raised and to consider keeping that protocol under regular review.
- 4.7 The IRP considered that the Allowances Scheme should enshrine a general principle that arrangements for job sharing should not result in additional costs which would be more than the total cost of the scheme if there was no job sharing ie the arrangements should be cost neutral to the overall Scheme.

- 4.8 The IRP considered the division and application of SRA's between roles that are job shared to be in line with the Fair Remuneration principle set out in the Scheme. The IRP concluded that the proposals to enable the division of SRAs between roles that are job shared will support younger members, working members, and those with other responsibilities, to be able to hold senior positions and have the opportunity to develop in their roles.

Recommendation

- 4.9 Taking the above principles into account, the IRP recommend that the Allowances Scheme is amended to reflect that:
- (a) A Member who job shares a role receives 50% of the SRA for that post;
 - (b) If a Member job-shares two roles, they receive 50% of the SRA for each of the posts they share;
 - (c) A Member should not be allowed to job share more than two roles;
 - (d) Deputy Leader arrangements be rationalised so that:
 - (i) A single Deputy Leader will be expected to Chair a Committee and get the full Deputy Leader Allowance (currently £20,039.)
 - (ii) If 2 Members job share the Deputy Leader position and share the Chairing of the same committee, they share 50% of the Deputy Leader's allowance (currently £10,020)
 - (iii) If the 2 Members job share the Deputy role but also Chair one committee each full time, they shall both receive 50% Deputy Leader's allowance and 50% committee chair's allowance (meaning they would receive a total SRA of £15,030 currently).
 - (e) If the Leader's position is job-shared, the joint Leaders will be expected, between them to chair the equivalent of a full time policy committee (Policy & Resources Committee) and the Leader's allowance will be shared between them equally.
- 4.10 The IRP noted that at Annual Council in May 2021, appointments were made to the role of Leader of the Official Opposition on a job share basis (referred to as Co-Leaders). As set out above, the IRP recommend that each Member job sharing that role should receive 50% of the SRA for that post.

5. The provision of support for car parking for councillors

- 5.1 Independent Remuneration Panels have direct responsibility for making recommendations in relation to travel and subsistence allowances.
- 5.2 At the Budget Council meeting in February 2021 it was agreed that a £25k saving should be attributed to car parking provision for councillors at the Norton Road car park, subject to consideration by the IRP. The IRP were

asked to review the recommendations and consider the implications for the Allowances Scheme.

- 5.3 Full Council on 25th March 2021 made the following resolution in relation to car parking:-

(3) That an Options Paper be brought to the next meeting of Policy & Resources Committee to decide on any revisions to the Members Allowances Scheme with regards to car parking passes, and for the options to include:

- *separating the two car park concessions and reducing them,*
- *for permits to be limited in number per political group,*
- *choosing to have permits for one site only,*
- *allowing Councillors to make a larger monthly contribution for both car parks near the Town Halls*
- *or other suggestions which the IRP believe relevant.*

- 5.4 The IRP considered the representations received from Members and the information presented by officers. The following options were identified:-

Option 1

- 5.5 Car park passes continue to be provided for both Norton Road and the Lanes and councillors make a monthly contribution, (deducted from their basic allowance payment) of £22.60.

- 5.6 The 12 spaces to the rear of the car park at Norton Road are held for councillors on a first come, first served basis. Any additional spaces required would be subject to availability in the main car park and if no spaces were available the councillor would need to find alternative parking and pay for it.

- 5.7 Additional spaces would continue to be reserved in the main Norton Road car park for full Council meetings to ensure all councillors with passes are able to attend.

Option 2

- 5.8 No car park passes are provided, and councillors are expected to use public transport or pay for parking when attending meetings.

- 5.9 The Panel noted that the Members Allowances Scheme provides that the use of taxis when leaving a meeting late at night can be claimed for.

Option 3

- 5.10 Passes are issued to those opting for a car park pass at Norton Road without the 12 designated councillor spaces being reserved to councillors, so that councillors would have to rely on finding an available space when attending meetings. This would free up the 12 spaces currently held in Norton Road and therefore generate a saving.

- 5.11 No passes are issued for the Lanes as the majority of meetings take place at Hove Town Hall, but arrangements would be made to enable those councillors wishing to park when attending full Council meetings are able to do so (Democratic Services to manage the arrangements).

Recommendation

- 5.12 The IRP noted the feedback from elected Members in relation to this issue. There were a wide range of different views expressed, from retaining the status quo to removing all support for Member parking. There was no consensus on the way forward to deliver this saving. The IRP considered the size of the saving that could be made from the withdrawal of the provision of the 12 spaces in Norton Road and balanced this against the representations that had been received and the potential impact on accessibility for councillors to council meetings.
- 5.13 In the absence of a majority view from the Groups supporting one option, the IRP did not consider that a case had been made to significantly alter the current arrangements. The Panel also considered that the potential impact on the accessibility of meetings to councillors and anyone considering becoming a councillor in the future would be disproportionate to the saving that could be achieved. The Panel also felt that this remained in line with the objectives of the Women in Local Government report as it maintained an option of choice for accessibility.
- 5.14 Therefore the IRP recommend Option 1 to full Council, which maintains an option for a monthly contribution for a car park pass to be paid by members who wish to use this (Mon- Fri) on the basis of 12 reserved spaces being available at Norton Road car park, as well as ongoing access to the Lanes car park.

Allowances for co-optees to Council Committees who attend in a personal capacity

- 6.1 On 13th May 2021 Policy & Resources Committee received a report on the Council's constitution which included the following proposal:-

Co-optees and standing invitees

- 4.11 *It is proposed that the Council's existing arrangements for encouraging input from relevant groups in the area be enhanced by appointing the following additional non-voting co-optees to those of the Council's Committees specified below. It should be noted that options for future representation on other Committees will be kept under review, while the project to explore all available means of supporting co-optees and standing invitees to participate effectively in the Council's decision-making remains ongoing:*
- *An additional co-optee to Environment, Transport and Sustainability Committee to represent the perspective of disabled people;*
 - *A representative from Parent Carers' Council (PaCC) to be co-opted onto Children, Young Persons and Skills Committee.*

4.13 *It is further proposed that a role description is developed for co-optees and standing invitees and that a report is brought back to this Committee to consider whether co-optees and standing invitees who are appointed and attend Council Committee meetings in a personal and voluntary capacity should receive an allowance to acknowledge the value they bring to the Council's decision-making. Such a proposal would also require consideration by the Independent Remuneration Panel.*

6.2 Following this request from Policy & Resources Committee, the IRP have considered the proposal to offer an allowance to co-optees and standing invitees who attend Council Committee meetings in a personal and voluntary capacity. The IRP understand that this proposal would impact on the following roles:-

Committee	Role	Representing	Number of positions
Policy & Resources	Standing Invitee	BME representative	1
TECC	Standing Invitee	BME representative	1
ETS	Non-voting co-optee	Representative of disabled people	1

6.3 Under the current Scheme co-optee's allowances are currently paid to the two Independent Members of Audit and Standards Committee as follows;-

Independent Member of Audit & Standards Committee (x2) £1,058

Independent Member of Audit & Standards Committee (when serving as the Chair of a Standards Hearing Panel) £200

6.4 The IRP considered that there should be a differentiation in the allowances paid to the Independent Members and other co-optees/standing invitees because of the nature of the demands of the audit and standards role. The Independent Member role carries with it prescribed statutory responsibilities outside of the committee cycle which are embedded in the Council's Standards Procedure. These responsibilities require the Independent Members to undertake assessments of complaints of breaches of the Code of Conduct for members and to advise the Monitoring Officer of their findings. They are also involved in member training and policy review in relation to audit, governance and standards matters. They are required to manage and chair Standards Panel Hearings for which they receive a per meeting payment of £200.

6.5 The IRP considered the role of the co-optees and standing invitees against the draft job descriptions that have been prepared. The IRP considered that it was appropriate to apply the principles of the Scheme to those non-voting co-optees and standing invitees who do not represent organisations but attend in

a personal capacity. These principles include supporting the public service ethos, whereby there is a recognition of giving time voluntarily in the public interest, and also the Fair Remuneration principle, which recognises the advantage of a range of people being encouraged and enabled to be involved in local government from all walks of life.

Recommendation

- 6.6 Taking into account the above principles, and the decision of the Council to introduce a number of co-optee and standing invitee roles to its Committees, the IRP considered that an allowance of £500 per annum should be recommended for applicable roles. This sum would be intended to recognise the attendance of co-optees and standing invitees who do not represent organisations but attend in a personal and voluntary capacity at Council Committees (approximately 6-7 per annum) and to recognise their time engaged in preparation for those meetings. The IRP did not consider a per meeting payment would be appropriate because of the additional resource required to administer and time taken to apply for this and because the number of meetings is clearly set out in advance in the Council diary, so is a known quantity.

7. Conclusion

- 7.1 The IRP have listened carefully to all of the different representations from members in relation to the proposals addressed in this report, which have been referred to the IRP to support their consideration of amendments to the current Scheme. The IRP recognise that amendments to the Scheme may be necessary where there are developments in Council arrangements and recommend to full Council the proposed changes to the Scheme as set out in the report.

Appendix 1.1
Chichester District Council

Report of
the Independent Remuneration Panel

on the review of the

Members' Allowances Scheme

December 2019

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1. Introduction by the Panel

This is the fifth review of the Council's Members' Allowances Scheme undertaken by the Independent Remuneration Panel – the previous reviews having been undertaken in 2003, 2007/08, 2011 and 2015. The Panel comprised John Pressdee who has been on this Panel since 2007 and Chairman since 2011, Michael Bevis who has been on the Chichester Panel since 2011 and was previously on the Arun DC Panel from 2001 to 2008 and John Thompson who has been on the Arun DC Panel since 2001 (with a short break) and Chair of that Panel for most of the time.

We were supported by Nicholas Bennett, Member Services Manager and Fiona Baker, Democratic Services Officer. We wish to record our thanks for all their help with our review.

We carried out our review from September to December 2019, holding four meetings.

The scheme of allowances has always been set at levels that recognise that there is a very strong voluntary public service element to this service.

Our recommendations continue that tradition. They aim to ensure that councillors are not out-of-pocket, and that the allowances reflect a fair recognition of the responsibility and time devoted to the various roles they fulfil. The allowances should, therefore, strike a balance that avoids financial penalties on members and does not impose an unreasonable burden on council taxpayers.

We are aware of the Council's financial situation. This has not been our primary concern, but we have felt it important that our recommendations should be realistic and consistent. Our recommendations, if accepted, would maintain members' allowances in Chichester District generally close to the average for neighbouring councils and for comparable councils in South East England. We recognise that it is difficult for councillors to make judgments in public on their own remuneration, which is why they are required to consider a report from an Independent Panel before they do so. We believe our recommendations represent good value for council taxpayers, who have the benefit of dedicated representatives of their choosing.

It is for the Council to consider our recommendations and weigh them against other priorities in deciding on their scheme of members allowances.

John Pressdee (Chairman)
Michael Bevis
John Thompson

2. Summary of the Panel's Recommendations

The recommendations of the Panel are summarised as follows:-

2.1 The Basic and Special Responsibility Allowances should be fixed for four years, unless exceptional circumstances arise, and therefore some allowance for inflation should be made in setting them.

2.2 The Basic Allowance

The Basic Allowance should be increased to from £4,725 to £5,200 with effect from 1 April 2020.

2.3 Special Responsibility Allowances

The Special Responsibility Allowances should be paid to the same post holders as now.

Our recommendations as to the level of Special Responsibility allowances are summarised in the following table:

Position	Current allowance	Proposed allowance
Council Chairman	£5,000	£5,000
Leader	£14,500	£15,500
Deputy Leader	£7,700	£8,150
Cabinet Member	£7,000	£7,400
Leader of Opposition	£4,500	£4,750
Chairmen of Committees:		
<i>Planning</i>	£6,000	£6,350
<i>Overview & Scrutiny</i>	£4,800	£5,050
<i>Corporate Governance & Audit</i>	£4,800	£4,800
<i>Licensing</i>	£4,800	£4,300
Chairman of Standards Committee	£500	£500
Members of Licensing Sub-Committees	> 5 mtgs pa £ 318	> 5 mtgs pa £300

Other provisions relating to Special Responsibility Allowances remain unchanged:-

- (a) Councillors are entitled to receive only one Special Responsibility Allowance at the same time.
- (b) If the Chairman of the Council or a committee is absent for a continuous period of more than 2 months his SRA will be paid instead to the Vice-Chairman if he takes on the responsibilities during that period of absence.

2.4 Travelling and Subsistence Allowances

Travelling and subsistence allowances should continue to be paid at the same rates as those applicable to staff.

Travelling and subsistence allowances should continue to be paid for the same range of official duties as now, but in addition travelling allowances should be payable for attendance at political party group meetings (subject to restrictions), for meetings relating ward matters with officers at the Council's offices, and for members with wards in or partly in the National Park to attend meetings of the Planning Committee of the South Downs National Park Authority.

2.5 Co-optees Allowance

We recommend that this should remain as a payment of £50 per meeting in appropriate cases for independent persons, such as ourselves, who advise and assist the Council.

2.6 Carers Allowance

We recommend that this be increased in line with the WSCC Domiciliary Allowance to £18.20 per hour and that the Child Care Allowance should be increased to £10 per hour

2.6 Other changes

In other respects the Members' Allowances Scheme should remain substantially unchanged.

2.8 Commencement

The above changes to the Allowances Scheme come into effect on 1 April 2020.

3. The Panel's review of the allowances scheme

Background

3.1 We received and considered the following background information:

- Extracts from Government Guidance on Members Allowances Schemes (Appendix 2)
- Report of the Independent Remuneration Panel on the review of the Members' Allowances Scheme 2015
- The current Members' Allowances Scheme
- South East Employers' Survey of Members' Allowances November 2019 of allowances paid in comparable councils.
- The Council's pre-election 'Become a Councillor' leaflet, used to encourage people to stand for election
- The Council's role profile of a councillor
- A list of the Council's committees
- The photographic list of members, identifying those who were newly elected
- A list of members with special responsibilities
- The views of members of Chichester District Council. We approved a questionnaire, which was sent to all members in September 2019. Where practical this repeated questions included in a similar survey in 2015, in order to provide comparative data. 24 out of the 36 members completed a questionnaire – a response rate of 66%.
- We also interviewed the following eight members, as a representative sample by role, gender, political party, length of service and geographical location:-
 - Mrs Eileen Lintill
 - Mr Roy Briscoe
 - Mr Francis Hobbs
 - Mr Tim Johnson
 - Mr Adrian Moss
 - Mrs Sarah Sharp
 - Mr Alan Sutton
 - Mrs Susan Taylor
 -

In addition we also interviewed Lucie Daughtrey who administers payments to councillors.

Issues

3.2 There have been four previous reviews of Members Allowances – in 2003, 2007/08, 2011 and 2015. The Review in 2003 was the first after new Regulations and Government guidance, and was quite fundamental in character. The Review in 2007/08 was carried out with a lighter touch. In 2011 and 2015 and now in 2019 the reviews were somewhere between the two - not as comprehensive as in 2003, but more fundamental than 2007/08.

3.3 We saw our core tasks as being to advise on:-

- The amounts to be paid in the Basic Allowance and the Special Responsibility Allowances (SRAs)
- Whether the list of recipients of SRAs should remain the same
- Whether the roles of committee chairmen should all carry the same allowance
- Whether the allowances should be fixed until the next review or an index should be used for annual up-rating (or down-rating) of the allowances
- Whether the members' travelling and subsistence allowances should continue to be the same as those for staff
- The duties for which travelling and subsistence allowances should be payable
- The Dependants' Carers' Allowance
- How ward activities should be recognised

3.4 Some of the factors we wished to consider in reviewing the above issues were:-

- Have the roles and responsibilities of councillors changed?
- Has the workload/time commitment of councillors changed particularly with the reduction in the number of wards?
- How do the allowances paid compare with those of other similar authorities in the region and with changes in staff pay?
- Are the differentials between the various roles for which SRAs are paid right?
- How should ward activities be recognised?

Index Linking

3.5 The current Members' Allowances Scheme provides that the levels of the Basic Allowance and Special Responsibility Allowance shall remain fixed until the next review and not be index linked.

3.6 We have considered whether this should continue and the possible use of alternative indices such as the Consumer Prices Index (CPI) or a link to staff pay awards.

3.7 However, we believe that, particularly at this time of low inflation, there are advantages in fixing the allowances until the next review, which normally be in 2023. It provides certainty for budgeting purposes, and it avoids members having to consider annually whether or not to adjust their allowances. If inflation increases or other factors vary significantly, it will be perfectly possible to invite us carry out the next review earlier.

3.8 **We recommend that there should be no indexation and the allowances should be fixed for four years or until the next review.**

The Basic Allowance

3.9 The basic allowance is payable to all members of the Council. It must be the same for each member, and so we are not allowed to vary it to take account of factors such as the size and make-up of the ward, its distance from the

Council headquarters or variations in individual councillors' commitment. It is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as 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 and telephones.

- 3.10 The allowances are not intended to be a wage. The Government guidance states:
 "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."
- 3.11 Since our 2015 review, the Retail Prices Index has increased by approximately 12%. During the same period the Officers Pay has increased by 6%
- 3.12 According to the replies to our questionnaire, the hours spent by members on council duties vary widely, so much so that it is difficult to conclude that there is a "typical" time commitment. Whether or not a councillor is spending too little or too much time is outside our brief and should be left to the Group leaders to monitor.
- 3.13 However our survey did show that of those councillors who were members of the council in 2015, the majority believed that their time commitment had increased whilst 2 thought it had stayed the same. It was also noted that the majority of new members felt that the workload was greater than anticipated.
- 3.14 The variation in hours can partially be explained by the reduction in the number of wards. We understand that since the last review some wards have changed in size and others are represented by different numbers of Members.]
- 3.15 In response to our questionnaire, 6 members felt that the current level of basic allowance should remain the same, compared with 18 who did not. Of those who did not, most thought it should be a little higher, but two suggested a reduction.
- 3.16 Members feel that the allowances paid in neighbouring authorities should be an important influence in determining allowances. According to the South East Employers (SEE) survey, the median basic allowance in the South East district councils was £5,430. Chichester ranks 55 out of 65 in the SEE data. In the CIPFA table the median was £4,965 and Chichester ranked 6 out of 11.
- 3.17 In making our recommendation about the basic allowance, we have made some allowance for inflation over the next four years and taken into account the decrease in the number of wards.

- 3.18 We consider it appropriate that the basic allowance should continue to be a little below the median, and **recommend a Basic Allowance of £5,200.**

Special Responsibility Allowances (SRAs)

Recipients of SRAs

- 3.19 SRAs are for those members of the council who have significant additional responsibilities, over and above the generally accepted duties of a Member. At least one member of a minority political group must be entitled to a SRA.
- 3.20 The present Members' Allowances Scheme provides SRAs for the following:-
Chairman of the Council
Leader of the Council
Deputy Leader
Leader of the Opposition
Member of the Cabinet
Chairman of the Overview and Scrutiny Committee
Chairman of the Corporate Governance and Audit Committee
Chairman of an Area Development Control Committee
Chairman of the Licensing and Enforcement Committee
Chairman of the Standards Committee
Members of the Alcohol and Entertainments Licensing Sub Committees and/or the General Licensing Sub Committees (including Substitute members) who attend more than 5 such meetings a year
- 3.21 We have reviewed this list. We believe all the above roles should continue to receive an SRA.
- 3.22 A few suggestions were made in replies to our questionnaire about payment of SRAs to possible other recipients, such as vice-chairmen of council and committees. We did not find any of these suggestions to be strongly supported and make **no recommendations** for additions to the list of SRAs.
- 3.23 The current scheme also provides that:
- (a) Councillors are entitled to receive only one Special Responsibility Allowance at the same time.
 - (b) If the Chairman of the Council or a committee is absent for a continuous period of more than 2 months his SRA will be paid instead to the Vice-Chairman if he takes on the responsibilities during that period of absence

We recommend that these provisions continue.

Level of SRAs

- 3.24 We have carefully considered the level of SRAs in the light of members' replies to our questionnaire and data on SRAs paid in other councils. Our conclusions are as follows:-

Chairman of Council

- 3.25 This is a time-consuming role. In addition to chairing Council meetings there is a substantial civic and ceremonial role. On the other hand, it is also an honour and there is a separate budget for Chairman's expenses. **We recommend that this SRA should remain at £5,000.**

Leader, Deputy Leader and Cabinet Members

- 3.26 Our questionnaire survey showed that the time spent on special responsibility duties by Cabinet Members was very much higher than that of committee chairmen. It is arguable that the level of responsibility also is greater. We, therefore, believe that the widened differential between Cabinet Members and Committee Chairmen that we established in our previous reports is fully justified.

- 3.27 The following table shows where Chichester ranks in the South East Employers (SEE) survey.

Leader	45/65
Deputy Leader	41/55
Cabinet member	44/60

- 3.28 **We recommend the following SRAs:**

	Recommended	Current
Leader	£15,500	£14,500
Deputy Leader	£ 8,150	£ 7,700
Cabinet member	£ 7,400	£ 7,000

Leader of the Opposition

- 3.29 Since our last review this role has increased. There are now four minority party groups of varying sizes, and the role is held by the Leader of the Liberal Democrats. The combined number of minority councillors is 17, compared with six in 2015. **We recommend that this SRA is increased to £4,750.**

Chairmen of Committees

- 3.30 In the last review we noted the differences in workload and number of meetings for each committee and we believe that should continue to be recognised in the level of the SRAs.
- 3.31 The Chairman of the Overview and Scrutiny Committee carries considerable responsibilities. This frequency of meetings is higher than other committees, and the Committee also works through a number of Task and Finish Groups.

The Committee has the important role of holding the Cabinet to account, and also scrutinises the activities of other public organisations external to the Council. The Chairman has a particular personal role in this, not least being responsible for adjudicating on call-in requests and requests to proceed with urgent agenda items of which full notice has not been given.

3.32 The Corporate Governance and Audit Committee and the combined Licensing Committees, meet less frequently than the Overview and Scrutiny Committees and the Planning Committee and, in our judgement, the roles of the chairmen are less demanding. We also continue with our recommendation in 2015 for an allowance for the Chairman of the Standards Committee (which meets far less frequently

3.33 **We recommend that the SRAs for Chairmen of Committees are as follows:**

Chairman	Recommended	Current
Planning	£6,350	£6,000
Overview and Scrutiny	£5,050	£4,800
Corporate Governance and Audit	£4,800	£4,800
Licensing (combined)	£4,300	£4,800
Standards	£500	£500

3.34 **We recommend that an allowance of £300 continues to be paid to members of the Licensing Committees who attend more than five sub-committee meetings in any one year.**

Travelling and Subsistence Allowances

Level of allowances

3.35 We share the view of the overwhelming majority of members that allowances should be available for travel and subsistence, and believe that they should broadly cover costs.

3.36 According to our questionnaire, the majority of members feel that the current link with allowances payable to staff should be maintained. We **recommend** accordingly.

Duties for which the allowance should be payable

3.37 The Regulations list the duties for which travelling and subsistence allowances can be paid, and Appendix 3.1 of the current Members' Allowances Scheme broadly follows that list. However, the Regulations have a catch-all clause which states that these allowances can also be paid for "any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees". Appendix 3 (2) of the Scheme includes a list of such duties already approved by the Council.

- 3.38 We have considered whether we should recommend any clarification or additions to this list. In particular, suggestions were made to us about party group meetings, meetings of the South Downs National Park Authority, and various aspects of ward responsibilities.
- 3.39 In considering our recommendations, we are very conscious of the large geographical area covered by the District, and that Chichester is not centrally located within it. We consider it important that residents in the more distant parts of the District should not be disadvantaged or feel less well-served because their elected members incur additional expense in making important journeys to the Council offices.
- 3.40 In an executive form of governance, where many important decisions are made by the small number of members comprising the Cabinet, the party group meetings can be an important means of enabling the majority of non-Cabinet members to bring influence to bear on these decisions. We believe, therefore, that there is a justifiable case for paying travelling expenses for attendance at such meetings. However, because these meetings are not subject to public scrutiny or officer support, we believe safeguards are needed to prevent abuse. Drawing on a similar arrangement at West Sussex County Council, we, therefore, **recommend that travelling expenses be payable for attendance at party group meetings held specifically for the purpose of, or in connection with, the discharge of the functions of the Council, subject to:**
- (a) the approval not extending to more than twelve meetings a year; and**
 - (b) each group secretary being required to certify that any such group meeting has been principally concerned with District Council business and to provide records of attendance to the Member Services Manager.**
- 3.41 It was pointed out to us that in the South Downs National Park, it is the National Park Authority, rather than the Council, which is the Local Planning Authority. Although most planning applications are dealt with by the Council under an agency agreement, major applications and the Local Plan for the National Park are dealt with by the Park Authority. **We recommend that members whose wards are partly or wholly within the South Downs National Park should be able to claim travelling expenses to attend meetings of the National Park Authority's Planning Committee.**
- 3.42 We have considered what expenses, if any, should be paid in relation to ward business. The scheme already provides for payment of expenses for attendance at meetings of parish councils and for certain visits to the sites of planning applications. We additionally **recommend that travelling expenses should be paid for meetings with officers at the Council's offices to discuss business relating to the Member's ward.**
- 3.43 We also considered whether travelling expenses should be paid for other duties, such as meetings with organisations or individuals within members' wards. However, we believe that such journeys would be difficult to verify and, therefore, **recommend that, apart from those duties specifically covered**

by the scheme, travelling expenses should not be payable for duties that take place within the Member's ward.

- 3.44 We also support some tidying up of the list of official duties, which are highlighted in Appendix 3 to this report, which the Member Services Manager assures us reflects what happens in practice.

Dependants' Carer's Allowance

- 3.45 The current Members' Allowances Scheme provides:-

"A Councillor shall be entitled to be paid a Dependants' Carers' Allowance at the rate specified in Appendix 1 (*the National Minimum Wage*) to enable him to provide for the care of children, disabled or sick relatives whilst the Councillor is engaged on the duties set out in Appendix 3. Such an allowance shall not be paid in respect of carers who are parents, spouses, co-habitees or members of the same household as the Councillor."

- 3.46 We feel that councillors should all be able to participate in council business irrespective of their dependant relative responsibilities and that the Allowances currently being paid should be increased.

- 3.47 **. We recommend that this allowance should remain as currently applicable, and that the Child Allowance should be increased to £10 per hour and the Carers allowance should be in line with the WSCC Domiciliary Allowance which is currently £18.20 per hour.**

Other aspects of the Members' Allowances Scheme

- 3.48 We make no recommendations for any other changes to the Members' Allowances Scheme.

A note on taxation

- 3.49 Member allowances and expenses are paid through payroll and are subject to PAYE. All member allowances are subject to tax. The amount of tax paid, of course, depends on the individual's tax code. However, HMRC have agreed that a proportion of the allowances is tax free, and these tax free allowances are updated annually based on the March retail prices index and are notified to members by the Payroll Manager. The tax-free element of the current Basic Allowance is £800 and there are different allowances for holders of SRAs. These should be claimed through the Self Assessment Tax Return.

- 3.50 Mileage paid in excess of the HMRC mileage rate is also subject to tax. The current mileage rate for staff and members is 46.9 pence per mile whilst the HMRC rate is currently 45 pence per mile. Therefore 1.9 pence per mile is taxable. Again, the amount of tax paid would depend on the individual's tax code.

Co-optees' allowances

- 3.51 We were asked in 2015 to advise on remuneration of Co-optees who assist the Council. These include, for example, Independent Persons appointed under the Localism Act 2011 to advise on Standards matters and Members of the Independent Remuneration Panel, but there may from time to time be others such as those invited to advise the Overview and Scrutiny Committee. The Standards Independent Persons have a contract of employment whereby they receive a modest payment equivalent to the allowance which used to be paid to the former independent Chairman of the Standards Committee, and we do not wish to disturb that arrangement.
- 3.52 We suggest **that an appropriate level of remuneration should continue at the rate of £50 per meeting, unless there is an existing contract of employment as in the case of the Standards Independent Persons.**

Appendix 11.2

Financial Summary of the Panel's recommendations.

Summary of recommendations	No. of Members	Current Allowances 2014-2015 £	Recommended Annual Allowances £	Total £
<i>Basic Allowance</i>				
Members of Council	36	4,725	5,200	187,200
<i>Special Responsibility Allowances</i>				
Chairman of the Council	1	5,000	5,000	5,000
Leader	1	14,500	15,500	15,500
Deputy Leader	1	7,700	8,150	8,150
Leader of the Opposition	1	4,500	4,750	4,750
Member of the Cabinet	6	7,000	7,400	44,400
Chairman of Planning Committee	1	6,000	6,350	6,350
Chairman of the Overview and Scrutiny Committee	1	4,800	5,050	5,050
Chairman of the Corporate Governance and Audit Committee	1	4,800	4,800	4,800
Chairman of Licensing Committees	1	4,800	4,300	4,300
Chairman of Standards Committee	1	500	500	500
Members of the Licensing Sub-Committees (including Substitute Members) if 1 – 5 meetings	0	0	0	0
6 or more meetings attended per annum	0	300	300	Not applicable

Summary of recommendations	No. of Members	Current Allowances 2014-2015 £	Recommended Annual Allowances £	Total £
Total of Annual Basic and Special Responsibility Allowances				286,000

The schedule of recommended annual allowances establishes a new base effective from 1st April 2020.

EAST HAMPSHIRE DISTRICT COUNCIL

REPORT OF THE INDEPENDENT REMUNERATION PANEL TO REVIEW THE COUNCILLORS' ALLOWANCES SCHEME

NOVEMBER 2023

1. INTRODUCTION

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 Councillors' Allowance Scheme.

1.1 In the case of East Hampshire District Council (EHDC), the Panel makes reference to the Scheme last reviewed in August 2020.

1.2 EHDC formally appointed the following persons to undertake the review and to make recommendations:

Andrew Kirk, David Heck and Peter Moore. Sadly, Mr Moore could not continue on the Panel during the review period due to ill health.

1.3 The same Panel undertook the review of allowances for Havant Borough Council in 2021, albeit using a different Scheme and formula to that used by EHDC.

1.4 The Panel was provided with Terms of Reference in accordance with the requirements of 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). Those requirements are to make recommendations to the Council as to:

- The amount of Basic Allowance (BA) to be payable to all Councillors.
- The level of allowances and whether allowances should be payable for:
 - Special Responsibility Allowances (SRA);
 - Travelling and subsistence allowance;
 - Dependent Carer's allowance.
- Whether payments of allowances may be backdated if the Scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
- 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.

1.5 Prior reviews were undertaken in 2008 when a full review took place, followed by light touch reviews in 2010, 2011, 2012 and 2016. A further review was undertaken in 2020 where a series of recommendations to increase allowances were made. An Extraordinary Council meeting held on 13 August 2020 noted that due to the economic uncertainty at the time and risk to local resident jobs, it would be inappropriate to accept the recommendations for increases. It was agreed to defer those recommendations for one year. However, this was not followed up. In effect, no increases in Councillors' allowances have been accepted since 2016, the only time in the past 13 years.

- 1.6 The panel began its work in September 2023 and during this period the panel:
- Were provided with brief details of Councillors’ responsibilities, particularly for those currently in receipt of Special Responsibility Allowance (SRA) and what those allowances were;
 - Carried out two benchmarking exercises against local authorities in the South East of England (South East Employers’ data – SEE), as well as a breakdown of allowances paid for SRA positions in more local and comparative authorities (based on population).
 - Circulated a short questionnaire to all Members.
 - Interviewed a representative cross section of Members including the Leader, Cabinet, a number of Chairs and some from the new intake. We also spoke to Senior EHDC Officers including the Chief Executive, S151 Finance Officer and the Monitoring Officer (21 interviews in all). The panel wish to extend its thanks to all those who gave up their time to speak to us, including some Councillors that provided us with their own benchmarking research and suggestions for possible levels of SRA. All this was very helpful and much appreciated.
- 1.7 The Panel wish to note at the outset that the review comes at an opportune, if not overdue, time. The Council structure has changed significantly following the May 2023 local elections. This has resulted in 22 new Members joining the Council and has led to a Leadership coalition and increased numbers in opposition.
- 1.8 Compared to when the last review was undertaken in 2020, there has been a significant increase in the cost of living. The Office of National Statistics show that the cost of living increased sharply across the UK during 2021 and 2022. The annual rate of inflation reached 11.1% in October 2022, a 41 year high, before easing in subsequent months. The inflation rate was 6.3% in September 2023.

2. OBSERVATIONS AND KEY MESSAGES

2.1 Councillor Questionnaires

- 35 out of 43 Members responded to our questionnaire.
 - 51% did not think the current Allowances Scheme was fair, 37% thought it was, and 11% were unsure, often because they were new.
 - 60% supported an increase in allowances, while 34% were against and 6% unsure.
 - 83% were against a decrease and 17% unsure.
 - 83% agreed that we should benchmark against similar sized authorities, whilst 11% were unsure and 6% said no.
- 2.1.2 What became clear to the Panel was that a review was long overdue and that EHDC was lagging behind similar authorities, particularly as there had been a long ‘freeze’ on allowances. Benchmarking was therefore important.
- 2.1.3 For many, the current levels of allowance do not reflect the time and effort devoted to Council work and the BA in particular was too low. It was difficult to gain accurate figures for the hours worked in various positions attracting SRA (in some cases 30 hours+/week), as well as just the day-to-day business of being a Ward Councillor. However, most pointed to an overall increase in the workload as well as an immediacy of response to constituents. Councillors said they were more in the public eye. New Members were finding their feet, learning about their responsibilities, undergoing training and mentoring, all of which takes time. For some the workload was surprising and daunting.

- 2.1.4 There is a strong desire to encourage diversity within the Council, to bring in new ideas and opinions, approaches and energy. The May 2023 election has brought a new blend of political parties. It was questionable if levels of allowances were a motivating factor in encouraging potential candidates to stand for election. Given the evidence, the Panel felt Councillors portrayed a strong sense of public duty and were sensitive to the level of payment they receive for the work they do within their respective Wards. They are also sensitive to the impact of these overall costs to the EHDC Budget and any potential influence on the Community Tax. But crucially, the majority of members do not believe that the current allowances are representative of the existing economic climate. The public service element is strong but for some the allowances are helpful financial support, whilst for others, more vital. In common with their constituents, even small increases in income can make a significant difference.

3. PRINCIPLES AND METHODOLOGY

3.1 The Public Service Principle

- 3.1.1 This is the recognised principle that an important part of being a Councillor is the desire to serve the public, and therefore, not all of what a Councillor does should be remunerated. Part of a Councillor's time should be given voluntarily. The Panel believes, through its review, that this principle is embraced by the high majority, if not all, of Members. This is particularly relevant in relation to the payment of Basic Allowances where the Public Service Discount (PSD) comes into play.

Remuneration should not be an incentive for service as a Councillor. Nor should lack of remuneration be a barrier. The Basic Allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local Councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.

The Panel subscribes to this statement and seeks to ensure that the Scheme for allowances provides reasonable financial compensation for Councillors. Equally, the Scheme should be fair, transparent, evidence-based and as simple and straightforward as possible.

- 3.1.2 Government guidance ('New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances, July 2003') identifies three variables that the IRP need to set the Basic Allowance. The majority of benchmarked authorities (62) use this formula which applies a required time input, a Public Service Input and a Remuneration Rate. The Panel's calculation for EHDC which has led to its recommendation for Basic Allowance is set out below.
- 3.1.3 The majority of benchmarked authorities used a multiple of the Basic Allowance to calculate the Special Responsibility Allowance for the Leader of Council. In most cases this was 300% or x3. It then followed that a majority of authorities calculated SRA as a percentage of the Leader's SRA. Other authorities have simply based their calculations on a 'points system' whereby a workload and responsibility weighting was given, OR based calculations on the averages of other authorities and providing an uplift based on the Consumer Price Index.

The Panel decided to remain with the Government recommended methodology for the calculation of BA, and the multiplier for the Leader's SRA, followed by a percentage of the Leader's SRA for

other SRA recipients such as Members of Cabinet and Chairs of Committees, as recognised by EHDC.

4. THE CALCULATION FOR BASIC ALLOWANCE

4.1 The IRP benchmarked BA against 17 regional and comparative authorities and determined that the average current allowance was **£6496**. 8 authorities paid above this figure and 9 were below. The EHDC allowance is £5200 and currently lies 14th of 17 authorities. Some examples are set out below.

Isle of Wight District Council	£8832
Test Valley Borough Council	£8388
Eastleigh Borough Council	£7842
Fareham Borough Council	£7704
Waverly Borough Council	£5609
Chichester District Council	£5460
Hart District Council	£4875

- ***It should be noted that figures will vary following IRP recommendations and there is an inevitable trend to 'leapfrog' amongst Councils depending on the year of the review and recommended increases.***

4.2 The Required Time Input:

4.2.1 The average number of hours necessary per week to fulfil the role of a Councillor (with no special responsibilities). **The Panel for EHDC has determined that this should be 12 hours/week.**

4.3 The Public Service Input:

4.3.1 This is the percentage of time that the panel considers should be given voluntarily and not remunerated. **The Panel has determined that this figure for EHDC should be 40%.**

4.4 The Remuneration Rate:

4.4.1 This is the rate the Panel considers should be paid per hour. It is normally based on the average wage for white collar workers in a specified area, full-time gross wage per hour for the South East as published by the Office of National Statistics. In this case, the Panel has based its figure on East Hampshire figures for 2022.

	East Hants	South East	UK
Gross weekly pay (30 hours)	696	685	642
Male Full-Time	725	735	687
Female Full-Time	611	610	584
Hourly Full-Time	18.60	17.58	16.37

Male FT	19.42	18.49	16.97
Female FT	17.75	16.26	15.49

4.5 The Panel has determined that the hourly rate figure for EHDC should be £18.60.

4.6 Based on these determinations, the Panel made the following calculation:

The required time input per annum – Public Service Discount % x Remuneration Rate = Basic Allowance.

$(12 \times 52) = 624$ hours per annum – 40% PSD (= 374 hours) x £18.60 = £6956

The Panel is minded to round this figure up to £7,000 p.a.

WE RECOMMEND that the Basic Allowance payable to all members of East Hampshire District Council be set at £7,000 per annum.

This amount is intended to recognise the overall contribution made by Councillors, including their work on Council bodies, Ward work, and attendance on external bodies, as well as some extraneous costs in fulfilling their role.

4.6.1 As noted earlier, the benchmarking exercise of 17 comparable Councils gave the Basic Allowance average as £6496. The recommended BA of £7,000 will clearly place EHDC above this average, but on current benchmarked figures, 7 other Councils still pay more.

5. CALCULATING THE SPECIAL RESPONSIBILITY ALLOWANCE FOR THE LEADER OF THE COUNCIL

5.1 When using this method of calculating Basic Allowance, most Councils will use the multiplier to determine the SRA for the Leader of the Council. This is often a multiple of 3 x BA. This would provide an SRA of £21,000. Such a figure would place the Leader's SRA 4th in a table of 17 benchmarked Councils with the highest payment being £24,945 and above an average SRA of £18,131.

5.2 The Leader is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Executive. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility. The role carries the most significant additional responsibilities and is the most time consuming. The current incumbent is also the Leader for the majority Group of 19 members within the coalition.

5.3 The time that the Leader dedicates to his/her responsibilities varies widely amongst the 62 SEE authorities that provided this information and ranged between 10 and 40 hours per week. The majority of Leaders fulfil a full-time role and the Panel found this to be the case with the Leader of East Hampshire District Council.

5.4 The majority of benchmarked authorities calculate the Leader's SRA as a %/multiple of the BA. Differentials are between x2 and x4 of BA. The multiplier that this Panel used to calculate the Leader's SRA is 300% or x3.

WE RECOMMEND that the Leader of the Council receives a Special Responsibility Allowance of 300% of Basic Allowance and that this is set at £21,000.

6. CALCULATING OTHER SRAs

- 6.1 In applying the multiplier of the BA to establish the Leader's SRA, the Panel followed guidance and benchmarked majorities to value other SRAs to cascade downwards as a percentage of the Leader's allowance. In looking forward to future Independent Panel Remuneration reviews, we concluded that this approach has the advantage that, when future adjustments to the SRA are required, using this formula will have a proportionate, transparent, and easily calculable effect on any changes within this Scheme.
- 6.2 EHDC does not have a set 'job description' or role evaluation formula to determine how a Councillor fulfils the role to which they are appointed, and Councillors often fulfil a number of roles, including those already in receipt of SRA. The Panel has therefore had to use what evidence it had available to determine how a Councillor fulfils a specific role. In undertaking our interviews, it was apparent that there was a cross section of opinion on workload, time and commitment.
- 6.3 The Panel used current EHDC structures to determine a 'Tiered' approach (or a Pyramid). We grouped together roles that were judged to have similar levels of workload and responsibility. The Leader stays at Tier 1 and the Deputy Leader sits in Tier 2. Then cascade downwards by a percentage.
- 6.4 To improve the transparency of the Scheme of Allowances, the Panel, in common with many other authorities, considers that no Councillor should receive at any time more than **one SRA**. The ONE SRA Rule avoids the possible anomaly of the Leader receiving a lower allowance than another Councillor. Our calculations for the SRAs are based on this principle and should be highlighted.
- 6.5 **WE THEREFORE RECOMMEND that no Councillor shall be entitled to receive at any time more than one Special Responsibility Allowance.**

7. DEPUTY LEADER

- 7.1 There was a significant change following the May 2023 local authority elections when a leadership coalition was formed. The new Deputy Leader is also the Leader of a new Group with a total of 6 members. This has added to levels of responsibility. The Deputy Leader must also have knowledge of all key issues to provide continuity, attend regular senior officer meetings, attend outside bodies as well as being held to account by the Opposition. The Panel considers that the role should be positioned at 55% of the Leader's SRA. This would be £11,550.
- 7.2 In the table of 17 comparable authorities, 14 provided details and gave an average payment of £10,101, with the highest being £11,744 and the lowest £5,000.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of £11,550.

8. CABINET MEMBERS

- 8.1 EHDC has a complement of 8 Cabinet Members each fulfilling numerous portfolios. From our interviews and other evidence, time spent on Cabinet business varied but could be as much as 45 hours/week, and underlined the responsibility of members of the Executive for many of the Council's functions. It is high profile work.
- 8.2 The Panel looked at comparable data for SRA and noted that the average SRA for Cabinet members to be £8,588, with the highest being £12,840 and the lowest, which happens to be EHDC, being £6,000.
- 8.3 The Panel considers that an SRA at 40% of the Leader's SRA to be fair and consistent with other authorities. This would give a figure of £8,400.

WE RECOMMEND that Cabinet Members receive a Special Responsibility Allowance of £8,400.

9. CHAIR OF THE COUNCIL

- 9.1 The current incumbent is already in receipt of SRA through Chairmanship of other Committees. Nevertheless, this may change at a future date and the panel considers that an SRA is appropriate if this becomes necessary.
- 9.2 It is a highly representational, 'Ambassadorial' role, and must be in tune with all the Council functions and Chair Council meetings. The Chair is the face of EHDC and will represent the Council accordingly. Some may argue that this is a privilege to be appointed and the panel recognises that some hospitality expenses are already in place in recognition of the duties.
- 9.3 Comparative data shows that 10 similar Councils provide an average SRA of £3,965 with the highest being £6,679, and the lowest at just £664. We do not have details of the respective hospitality budgets. The Panel considers an SRA at 20% of the Leader's SRA to be appropriate. This would be £4,200.

WE RECOMMEND that the Chair of the Council receive a Special Responsibility Allowance of £4,200.

10. CHAIRS OF COUNCIL COMMITTEES

- 10.1 The Panel was of the view that the roles of Chairs of the Committees continue to have a high impact and profile across the Council. Our respective interviews threw up a blend of information on time commitments to a point it was difficult to draw meaningful conclusions as they varied in workload and complexity. We do not have an intimate knowledge of all Councillor functions, the day-to-day work and communications. We looked at comparative data where possible and noted a trend that recognised certain Committees as having more responsibility than others, and hence a higher SRA.
- 10.2 What the Panel can highlight is that the May 2023 local authority elections brought significant change within the political groups and membership of the Committees. 22 out of 43 are new Members. As a result, the burden of responsibility for Chairs has increased, and is likely to continue, as Members learn new roles and understand their responsibilities through, amongst others things, training and mentoring. The greater blend of political parties has created greater democracy and Committee Chairs will have to manage this new dynamic.

11. OVERVIEW AND SCRUTINY COMMITTEE

- 11.1 The Panel concluded that the current SRA for the Chair of the Overview and Scrutiny Committee did not reflect the level of workload and responsibility and was under-recognised. The Chair has an all-encompassing role and is arguably one of the most important Committees, as the interviews would have us believe. The Chair must work closely with the Cabinet and other Committee Chairs in holding them to account. It is a non-partisan role with a significant function that has a statutory legal requirement.
- 11.2 Comparative data shows that the average SRA for the Chair of the O&S Committee to be £6,142. Of the 15 authorities reporting figures, the highest payment was £9,977 and the lowest by far, EHDC, at £2,000.
- 11.3 The Panel concluded that the Chair of the Overview and Scrutiny Committee should be in receipt of 30% of the Leader's SRA. This would mean a significant jump to an SRA of £6260. The Panel consider this to be justified.

WE RECOMMEND that the Chair of the Overview and Scrutiny Committee receive a Special Responsibility Allowance of £6,260.

12. PLANNING AND PLANNING POLICY COMMITTEES

- 12.1 The current incumbent is Chair for both the Planning and Planning Policy Committees and EHDC is just one of 3 out of 17 comparative Councils that have a Chair for Planning Policy. The incumbent is also Chair of the Council. As such only one SRA is paid.
- 12.2 Our evidence shows that this is a demanding position, all the more so with a new intake of Members with inexperience of legislative planning matters that require training and mentoring. There is a great deal to learn and understand in terms of planning regulations and the quasi-judicial functions. The role is very public-facing with a great deal of casework which is often controversial. More contentious planning applications are expected and the Chair has a full-time responsibility.
- 12.3 The Panel noted that the position is supported by a Vice Chairman or Deputy, also in receipt of SRA; that there is greater onus on the South Downs National Park Authority taking a greater role in local planning applications; and that the Committee has support from a team of EHDC Planning Officers. Nevertheless, the Panel considers the position of Chair of the Planning Committee warrants an increase in SRA.
- 12.4 Comparative data using the figures for 13 out of 17 authorities, gives an average SRA of £6,401, the highest being £11,556 and the lowest £3,801.
- 12.5 The Panel considers that the Chair of the Planning Committee should be in receipt of 30% of the Leader's SRA. This figure is £6,260.

WE RECOMMEND that the Chair of the Planning Committee receive a Special Responsibility Allowance of £6,260.

- 12.6.1 An SRA for the position of Chair of Planning Policy does not come into play as the current incumbent assumes the role of both Planning and Planning Policy Chair. Should this change, and the roles separate, **WE RECOMMEND that any SRA for the Chair of the Planning Policy Committee be reviewed as and when.**
- 12.6.2 A Vice Chair of Planning does exist within the current EHDC breakdown of members in receipt of SRA. **WE RECOMMEND that the Vice Chair of the Planning Committee receives a Special Responsibility Allowance of 50% of the Chair's SRA. This would be £3130. However,**

the Panel is minded to slightly increase this figure to £3150 in order that the position sits within Tier 6 of the SRA pyramid (and at 15% of the Leader's SRA). We therefore recommend that the SRA for the Vice Chair of Planning be set at £3150.

13. AUDIT COMMITTEE

- 13.1 The Panel noted that functions had increased with coalition leadership, the Havant Borough Council separation and current Transformation Programme at EHDC. There was a view that the current SRA for the Chair reflects a lack of recognition of the role and responsibilities.
- 13.2 Comparative data of 16 authorities gave an average SRA of £3,565. The highest SRA was £6,026 and EHDC being the lowest at £2,000. The Panel concluded that the SRA should be set at 20% and this would give a figure of £4,200.

WE RECOMMEND that the Chair of the Audit Committee receive a Special Responsibility Allowance of £4,200.

14. STANDARDS COMMITTEE

- 14.1 The Panel notes that there was an average SRA of £3,051 amongst data provided by 7 benchmarked authorities. We consider that an SRA set at 15% of the Leader's SRA to be appropriate. This gives a figure of £3,150.

WE RECOMMEND that the Chair of the Standards Committee receive a Special Responsibility Allowance of £3,150.

15. LICENSING COMMITTEE

- 15.1 The Chairman of the Licensing Committee noted the increase in workload due to recent complex legislation. It is a quasi-judicial role. The function can be very public-facing and some applications, particularly for local events requiring a licence, can be contentious. There are a number of sub-committees and Licensing Members also receive a modest SRA in recognition of the number of meetings and regulatory nature of the work and training (see below).
- 15.2 Comparative data shows that 13 authorities paid an average SRA of £4,098. The highest was £9,977 and the lowest £1,214. We consider that an SRA set at 15% of the Leader's SRA to be appropriate. This gives a figure of £3,150.

WE RECOMMEND that the Chair of the Licensing Committee receive a Special Responsibility Allowance of £3,150.

16. HUMAN RESOURCES COMMITTEE

- 16.1 The Panel was unable to interview the Chair due to work commitments. We note that just 2 of the benchmarked authorities have such a committee. The role will require a sound knowledge of Employment Law, often requiring specialist training. The same would be true of Committee members. One would expect the Chair to deal with delicate and confidential matters such as sanctions and possible dismissal. The Panel has agreed to retain an SRA for the position in line with the Scheme, and consider that an SRA of 15% of the Leader's SRA to be appropriate. This gives a figure of £3,150.

WE RECOMMEND that the Chair of the Human Resources Committee receive a Special Responsibility Allowance of £3,150.

17. PORTFOLIO ASSISTANTS

- 17.1 The Scheme recognises the work done by Portfolio Assistants in support of Cabinet members. The Panel notes that all the current incumbents are new to the role, and all represent the minority Group in the current coalition. The positions have been created to assist the Cabinet lead to champion, develop and implement Council policies, strategies and service delivery within the portfolio of the Cabinet lead to whom they are assigned. As the new incumbents grow into their respective roles, there is the potential to make a significant impact and play an important role in policy development, and in assisting the Council Leader and Cabinet members in respect of policy analysis, research and outcomes. Only 2 benchmarked authorities have such positions- EHDC and Havant Borough Council. In line with the Scheme, the panel considers that an SRA of 15% of the Leader's SRA to be appropriate. This gives a figure of £3,150.

WE RECOMMEND that Portfolio Holder Assistants receive a Special Responsibility Allowance of £3,150.

18. MEMBERS OF THE PLANNING AND LICENSING COMMITTEES

- 18.1 Members (currently 10 in total) play an active role in Planning Applications and Sub-Licensing Committees and this is recognised in the Scheme. Both require regulatory knowledge and are public-facing. The Panel did not have the benefit of comparative data. SRA is a modest amount in this instance and the Panel considers an SRA of 2.5% of the Leader's SRA to be appropriate. This gives a figure of £525.

WE RECOMMEND that members of the Licensing and Planning Committees receive a Special Responsibility Allowance of £525 each

19. MINORITY GROUP LEADERS

- 19.1 The Scheme includes SRA at a flat rate for Minority Group Leaders. Other comparative authorities provide an SRA for the Leader of the Major Opposition. The Panel notes that the average SRA amongst 9 authorities that provided data is £5,188, the highest being £9,977 and the lowest £2,651.
- 19.2 However, the new Council formation at EHDC has been created following the May 2023 elections. A coalition has been formed. The major opposition group now has 14 Members whilst those representing other Groups number 2-1-1. Hence the Leader of the principal opposition group is carrying a greater burden of responsibility and importance. A flat rate payment does not therefore, sit well, and appears unfair and disproportionate. Suggestions were made to the Panel for more graduated payments of SRA based on the number of Councillors represented within a Group. This would be a more transparent and fair approach that could be changed easily should numbers change. The Panel has taken due note.
- 19.3 The Panel considers a more equitable means of calculating SRA for Minority Group Leaders is to provide the Leaders with an SRA based on the numbers of Councillors they represent. We have set this at £450 per Member for Group Leader with two or more group members.
- 19.4 In the current instance, the Group Leader of the major opposition has a total of 14 members. 14 x £450 gives a figure of £6,300.

WE RECOMMEND that Group Leaders that represent 2 or more Members, should receive a Special Responsibility Allowance of £450 per Member within that Group. This is an SRA of £6,300 to the current Leader of the Principal Opposition Group.

This formula will no longer form part of the 'Pyramid' of cascading SRA.

20. THE PYRAMID OF SPECIAL RESPONSIBILITY ALLOWANCES NOW HAS 7 TIERS

TIER 1 100% £21,000

Leader

TIER 2 55% of Leader's SRA £11,550

Deputy Leader

TIER 3 40% £8,400

Cabinet Member

TIER 4 30% £6,260

Chair Overview and Scrutiny

Chair of Planning and Planning Policy

TIER 5 20% £4,200

Chair of Council

Chair of Audit

TIER 6 15% £3,150

Chair Standards

Chair Licensing

Chair Human Resources

Portfolio Assistant (4)

Vice-Chair Planning

TIER 7 2.5% £525

Members of Licensing Committee (8)

Members of Planning Committee (2)

21. INDEXING OF ALLOWANCES

21.1 This matter appears not to have been covered in previous reviews and may account, to some extent, as to why the EHDC basket of allowances has remained static for a number of years. This has led to a 'lag' when considering movements within other comparative authorities. It was made clear to the Panel through the evidence of questionnaires and interviews, that indexing should form part of our deliberations and should provide more transparency.

- 21.2 The most common index formula amongst comparative authorities is to increase allowances in line with an average or group of Officer pay awards as recommended by National Pay bodies associated with Local Government. Failing that, increases in line with the Consumer Price Index (CPI) is used.

WE RECOMMEND that the level of Basic Allowance and Special Responsibility Allowances be increased on an annual basis and until the next Independent Remuneration Panel review (within 4 years), in line with the percentage increase in staff salaries from the new tax year 2024/5. The reserve formula for index-linking should be in line with the Consumer Price Index (CPI).

22. BACK-DATING OF ALLOWANCES

- 22.1 The Panel had hoped that the increases it has recommended, should they be agreed by the Council, might be back-dated to the May 2023 and the time of the most recent local government elections. The Panel was mindful that any increases in allowances were long overdue.
- 22.2 However, we note that the 2003 Regulations provide that the Scheme of Allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the Authority makes a further Scheme for the period beginning with the date of revocation.
- 22.3 The Panel also notes that there may not to be provision within the current Council budget to allow this to happen.

WE THEREFORE RECOMMEND that the new allowances, should they be agreed by Council, be back-dated to the date when the new Council was formed following the May 2023 elections, and should this prove impossible due to current regulations and budget, then the new allowances be implemented with effect from the beginning of the 2024-5 financial year.

23. OTHER ALLOWANCES

23.1 INFORMATION TECHNOLOGY ALLOWANCE

- 23.1.2 The Panel recognises that there are costs associated with the need to use IT to undertake the role of a Councillor. Opinions varied widely. The need for a suitable laptop computer and printer, adequate broadband/bandwidth connectivity, mobile phones etc. come at a cost. Some absorb the costs as a matter of course whilst others find it a financial burden. The Panel notes that some Councillors are comfortable working in a paperless environment where the need for print is less than for those with a preference for paper. Home printing can be costly. Broadband costs vary widely between those living in urban areas where the choice of a competitive provider is greater, than those living in rural areas that find little, if any, choice. It was put to us that some Councillors have had to upgrade their IT to undertake their roles (for example to be able to participate in the increasing number of Teams meetings), and a sizeable chunk of their Basic Allowance has been used for this purpose.
- 23.1.3 Against this background, the Panel was informed that the Transformation Programme may lead to a more digital/paperless approach to communications within the Council and that consideration may be given to the provision of IT equipment to all Councillors for specific Council-related work. In the Panel's view, office supplies include stationery, some of which can be provided by EHDC. We do, however, make a distinction with regard to printer ink. Some Councillors found the cost of home printer ink a burden and expense claims are made.

We understand there is a very small EHDC budget for this. As Councillors move to a more digital approach, claims should reduce. We consider a cap of £70/year on printer ink claims to be appropriate to help towards these costs.

- 23.1.4 The current situation is that a modest IT allowance sits within the Basic Allowance. Whilst the BA is taxed through PAYE, HMRC would have a view on taxation should the IT component stand-alone outside. The amount of tax paid will depend on an individual's tax code. The Panel is aware that HMRC do provide an allowance for Home/Office work. This is set at £6/week or £26/month without having to provide evidence.
- 23.1.5 The Panel did look at comparative data from 11 other authorities. There was a mixture of those which provide IT equipment and those that incorporate costs within the Basic Allowance. The latter was by far the favoured approach.

WE RECOMMEND that the costs of Councillor IT equipment remain within the recommended levels of Basic Allowance, with the exception of printer ink whereby claims are capped at £70 per annum.

24. MILEAGE ALLOWANCE

- 24.1 Within a Council territory covering approx. 200 square miles, a mileage allowance is seen as a necessary help towards Councillors' personal costs.
- 24.2 Comparative data shows that predominantly, the current rates set by HMRC is used. This is 45 pence per mile.

WE RECOMMEND that the claimable rate for Councillor mileage remains at 45 pence per mile and should be adjusted in line with HMRC rates should those rates change.

25. DEPENDENT CARER'S ALLOWANCE

- 25.1 The Child and Dependent Carer's Allowance should ensure that potential candidates are not deterred from standing for election and should enable current Councillors to continue despite any change in their personal circumstances. This was poignant to the Panel when we interviewed those with childcare responsibilities and the associated costs of babysitters, in order to allow Councillors to attend key Council meetings and Ward functions. We noted that the current allowance was insufficient and Councillors were therefore out of pocket in paying the difference. The Panel therefore looked at some national averages. Costs per hour tend to vary between £10 and £12 per hour in South East England. The Panel considers a rate of £11 per hour to be appropriate.
- 25.2 The Panel did not come across any specific comment or views about care required for disabled or sick relatives whilst a Councillor is engaged on approved Council business. Some Councils have set a specific amount that may be claimed for Domiciliary care, and others have considered costs based on receipts. Because of the variations in costs associated with specific medical conditions, the Panel considers that the ad hoc presentation of receipts from care-givers with claims to be the most appropriate.

WE RECOMMEND that the claimable allowance for childcare/babysitting should be £11 per hour.

And that claims for Domiciliary Care be considered on an ad hoc basis when presented with care-giver receipts.

26. TRAVEL AND SUBSISTENCE

- 26.1 The Panel do not have these details but would recommend that rates should be in line with current EHDC Officer rates.

27. CONCLUSIONS

- 27.1 Evidently, EHDC has experienced a significant lag in the uplift of allowances over a prolonged period and this Panel had to relate to this. The Panel have closely considered opinion, evidence, and the need for transparency and fairness. We have sought to find balance and compromise. We recognise that some uplifts are stark. Sadly, some will lose out financially should our recommendations be agreed. Some SRAs were previously set at a low base over the years and this required what may seem as to be a disproportionate increase. We have sought to justify these increases.
- 27.2 The Panel looked closely into the diversity issue. How new candidates might feel and be motivated about a position in public service as a Councillor, to stand for election, and how this has ultimately affected them since being elected in May 2023. We specifically wanted to speak to new Councillors where allowances made a difference to their work/life balance and their commitment to public service. We found a great deal of passion and energy to respond to the challenges.
- 27.3 The Panel also recognises the very valuable input of seasoned Councillors who embrace the needs of new Members, and spend valuable time mentoring those new to the role and helping where they can.
- 27.4 We have noted earlier how much we have found our interviews valuable with Councillors and are thankful for their input.
- 27.5 And of course, we appreciate the work of EHDC Officers who have worked on comparative data that is key to our work, and for their continued support throughout this process.

East Sussex County Council

Report to the Independent Remuneration Panel 2022

1. Background

1.1 The Independent Remuneration Panel (IRP) is required, by the Local Authorities (Members' Allowances) (England) Regulations 2003, to make recommendations to the Council on allowances paid to Councillors. In March 2013, the Council agreed that the Panel be asked to review the Scheme every 4 years in accordance with the Regulations unless the Assistant Chief Executive considers that there is a change in circumstances that justifies an earlier review or a request is received from a Group Leader. The Panel must produce a report making recommendations on:

(a) the responsibilities or duties in respect of which the following should be available:

(i) Special Responsibility Allowances (SRA);

(ii) travelling and subsistence allowance; and

(iii) co-optees' allowance;

(b) the amount of such allowances and as to the amount of basic allowance;

(c) whether dependants' carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;

(d) whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulation 10(6);

(e) 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.

1.2 The last full review of the ESCC Members Allowances Scheme was in 2021. The Regulations allow for the Members' Allowances Scheme to make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority. Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the Independent Remuneration Panel. For the last four years the allowances have been indexed to the percentage increase in the salaries of managers who are on locally negotiated pay. In October 2021, the County Council agreed the Panel's recommendation that this continue for 2021/22 but when the Panel reviewed the Scheme for 2022/23 consideration be given as to whether an index should be used and, if so, what the index should be.

1.3 Since the review of the scheme undertaken in 2021 there have been no changes to the decision making structure of the County Council.

2. The principles of the East Sussex scheme

2.1 The Panel has previously used the following principles when framing its recommendations:

- The review should take into account the value of the work undertaken by members of the County Council and of the functions carried out by the Council.
- The system of allowances should acknowledge that public service, rather than material reward, should remain the primary motivation for involvement in local government.
- The scheme should be fair in terms of relevant comparisons with other public bodies.
- The system for the payment of Members' allowances should be simple to understand and administer.
- The scheme for Members' allowances should take into account the desirability of attracting people to take part in local government who reflect the population of East Sussex.
- The scheme should have regard to statutory guidance and relevant comparative information including local wage rates.
- SRAs should only be paid to reflect significant and exceptional additional work.

2.2 The Panel agreed that these principles should continue to be used when considering the Members' Allowances Scheme.

3. The review process

3.1 The Panel met during 2022 to consider information relevant to the review. All councillors were contacted regarding the review of the scheme of allowances and given an opportunity to submit written representations and/or to make representations in person. A summary of the written representations received is attached at Appendix 1.

3.2 At the Panel's request, a questionnaire was sent to all councillors in order to gain some insight regarding the time spent on various activities related to their role. The responses received were considered by the Panel as part of its deliberations.

3.3 The Panel is required to review allowances based on the facts and information provided to it. Although the Panel is not required to take into account the financial position of the County Council it was mindful of this factor and the impact of coronavirus. It is for County Councillors to decide whether to accept, reject or modify the Panel's recommendations in the light of current budgetary constraints.

4. The Scheme of Allowances

4.1 Annual increments for all allowances

The Panel has previously agreed that the all Member allowances rise incrementally each year in line with increases awarded to East Sussex County Council LMG managers. Over the last 6 years, these have been:

Annual increments of allowances

Year	Percentage increase in ESCC LMG salaries
2021/2022	Not yet agreed
2020/2021	2.75%
2019/2020	2%
2018/2019	2%
2017/2018	1%
2016/2017	1%

4.2 In reviewing whether an index should be used, and if so what the index should be, the Panel considered the arrangements in place at other County Councils.

4.3 Having reviewed the position the Panel see no reason to change the provision for annual increments and recommend that:

- **The basic and special responsibility allowances continue to be adjusted annually in line with the Local Manager Group pay award**

5. Basic Allowance

5.1 The Panel considered all statements presented and compared the allowance with neighbouring and other similar sized county authorities.

5.2 The basic allowance for these authorities at the time of the Panel's report being finalised was as follows:

Basic allowances

County Council (in order of population size)	Basic Allowance (no. of Councillors)
Kent	£15,406 (81)
Essex	£12,000 (76)
Hampshire	£12,833 (78)
Surrey	£12,748 (81)
West Sussex	£12,202 (70)
Oxfordshire	£11,013 (63)
Cambridgeshire	£10,568 (61)
East Sussex	£13,149 (50)

5.3 This table shows that the East Sussex County Council basic allowance is comparable with other authorities and at the current time the Panel is not proposing any increase to the basic allowance.

5.4 **The Panel recommends that the basic allowance remains at £13,149 for 2022/23 (subject to any change arising from the index link to the LMG pay award)**

6. Special Responsibility Allowances (SRAs)

6.1 In reviewing the SRAs the Panel considered representations that had been made and was mindful of the principle that SRAs should only be paid to reflect significant and exceptional additional work.

6.2 SRAs are currently paid in respect of the following roles:

Special Responsibilities Allowances

Role	Number	Amount (per councillor)
Leader	1	£36,817
Deputy Leader	1	£18,792
Other Cabinet members	5	£16,107
Scrutiny chairs	3	£6,711
Chair of Planning Committee	1	£6,711
Chair of Pension Committee	1	£6,711
Chair of the Audit Committee	1	£6,711
Chairman of the County Council	1	£13,420
Vice-Chairman of the County Council	1	£5,374
Leader of the largest opposition group	1	£13,420
Deputy leader of the largest opposition group	1	£3,487
Leader of the second largest opposition group	2	£5,374 in total £2,687 for each co-leader
Chairs of scrutiny review boards	-	£1,341

6.2 **Having reviewed the various SRAs, the Panel recommends that all SRAs remain unchanged (subject to any change arising from the index link to the LMG pay award) and that no additional SRA is payable for other work/roles.**

7. Travel and subsistence

7.1 The basic mileage rate (45p per mile) reflects the rate recommended by the Inland Revenue. The current scheme also allows for an additional payment of 10p per mile for each passenger carried to encourage car sharing and to reduce pressure on parking. The scheme also includes a bicycle allowance of 20p per mile.

7.2 The Panel recommends that the basic mileage rate and supplement for passengers remain at 45p and 10p per mile respectively and that the bicycle allowance remain at 20p per mile. The Panel also recommends that the subsistence rates remain unchanged.

8. Dependent carer's allowance

8.1 The Scheme allows for payment of a dependent carer's allowance of the actual cost up to a maximum of £15 per hour. This was increased from £10 per hour when the Scheme was agreed by the Council in October 2021.

8.2 The Panel recommends that the dependent carer's allowance should be unchanged and remain at the actual cost up to £15 per hour.

9. Co-optees' Allowance

9.1 The Panel noted that co-optees are currently able to claim:

- mileage for their travel to meetings of their respective bodies or to boards when appointed; and
- dependent carer's allowance for the actual cost up to £15 per hour

9.2 The Panel recommends that this remains unchanged and that no other allowance should be payable.

10. Other issues

Maternity and Paternity Leave

10.1 The Panel welcomed the fact that a Maternity and Paternity Leave Policy for councillors had been agreed by the Council in October 2021.

Representation on the Council

10.2 The Panel recommends that the political groups and the Council be proactive in encouraging a greater cross section of the community to stand for election in order to increase the diversity of councillors on the Council. It was noted that the basic allowance had increased by nearly 9% in 2017, partly with the intention of encouraging a greater cross section of the community to stand for election.

Effective Date

10.3 The Panel recommends that the Scheme of Allowances for councillors takes effect from 1 April 2022

Conclusion

The Panel would like to thank the councillors for their contributions and views in assisting the Panel to reach its decisions.

Daphne Bagshawe (Chair of the Panel)

Duncan Keir

Fiona Leathers

The report of the Independent Remuneration Panel
appointed to review the allowances paid to
Councillors of Eastbourne Borough Council.

February 2020

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1 INTRODUCTION AND BACKGROUND

1.1 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.

1.2 Eastbourne Borough Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Daphne Bagshawe .MA JP. Consultant on Local Government
Ian Buckingham- Management Consultant and Local Resident
Mark Palmer – Development Director, South East Employers (Chair).

1.3 Our terms of reference were in accordance with the requirements of 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). Those requirements are to make recommendations to the Council as to:

the amount of basic allowance to be payable to all Councillors.

the level of allowances and whether allowances should be payable for:

- (i) special responsibility allowances.
- (ii) travelling and subsistence allowance.
- (iii) dependants' carers' allowance.

and the amount of such allowances.

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.

1.4 In addition, the Panel was invited to review the allowances payable to the Mayor and Deputy Mayor to meet the expenses of their respective offices under Sections 3 and 5 of the Local Government Act 1972. Whilst the 2003 Regulations do not require councils to include such allowances in any formal review, the Council has agreed that it would be appropriate in terms of openness and transparency to ask the Panel to review these allowances as part of the general review of the scheme of Councillors' allowances.

1.5 We have also made a recommendation in respect of parental leave for Councillors.

2 CURRENT SCHEME

- 2.1 The last full review of Councillors' allowances was undertaken by Eastbourne Borough Council in 2011. The scheme of allowances was brought into effect and have remained at the same level since 2015.
- 2.2 The Scheme currently provides that all Councillors are each entitled to a total basic allowance of **£2,808** per annum. In addition, some Councillors receive special responsibility allowances for undertaking additional duties.
- 2.3 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.

3 PRINCIPLES UNDERPINNING OUR REVIEW

The Public Service Principle

- 3.1 This is the principle that an important part of being a Councillor is the desire to serve the public and therefore, not all of what a Councillor does should be remunerated. Part of a Councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the Councillors we interviewed and in the responses to the questionnaire completed by Councillors as part of our review.
- 3.2 We noted that the principle of public service had been recognised in previous IRP review in Eastbourne BC but was not clearly quantified. To provide transparency and increase an understanding of the Panel's work, we will recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a Councillor.
- 3.3 Further explanation of the PSD to be applied is given below in section 4.

The Fair Remuneration Principle

- 3.4 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2020 subscribes to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a Councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local Councillors. Those who

¹ The former Office of Deputy Prime Minister – now the Ministry of Housing, Communities, and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

*participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.*²

3.5 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for Councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.

3.6 Hence, we continue to acknowledge that:

- (i) allowances should apply to roles within the Council, not individual Councillors.
- (ii) allowances should represent reasonable *compensation* to Councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and
- (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.

3.7 In making our recommendations, we have therefore sought to maintain a balance between:

- (i) the voluntary quality of a Councillor's role.
- (ii) the need for appropriate financial recognition for the expenses incurred and time spent by Councillors in fulfilling their roles; and
- (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a Councillor in Eastbourne.

3.8 The Panel will also ensure that the scheme of allowances is understandable in the way it is calculated, this includes ensuring the bandings and differentials of the allowances are as transparent as possible.

3.9 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual Councillor's performance in the role.

4 CONSIDERATIONS AND RECOMMENDATIONS

Basic Allowance

4.1 A Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all Councillors. The guidance on arriving at the basic allowance states, "Having established what local Councillors do, and the hours which are devoted to these tasks the local authorities will need to take a

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

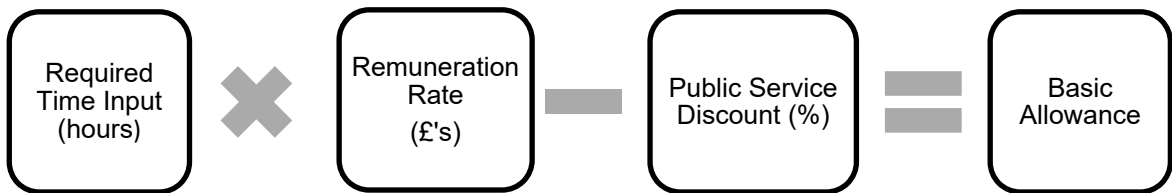
view on the rate at which, and the number of hours for which, Councillors ought to be remunerated.”³

4.2 In addition to the regular cycles of Council and committee meetings, several working groups involving Councillors may also operate. Many Councillors are also appointed by the Council to several external organisations.

4.3 We recognise that Councillors are responsible to their electorate as:

- Representatives of a ward.
- Community leaders.
- Decision makers for the whole Council area.
- Policy makers for future activities of the Council.
- Scrutineers and auditors of the work of the Council; and
- Regulators of planning, licensing and other matters required by Government.

4.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



4.5 Each of the variables is explained below.

Required Time Input

4.6 We ascertained the average number of hours necessary per week to undertake the role of a Councillor (with no special responsibilities) from questionnaires and interviews with Councillors and through reference to the relevant Councillor information. In addition, we considered information about the number, range, and frequency of committee meetings.⁵

4.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a Councillor with no special responsibilities is 11 hours per week.

Public Service Discount (PSD)

4.8 From the information analysed, we found Councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need

³ paragraph 67.

⁴ paragraphs 66-81.

⁵ Summary responses to the questionnaires are available on request.

for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 50 per cent to the calculation of the basic allowance. This percentage sits at the top within the range of PSDs applied to basic allowances by councils in the south east.

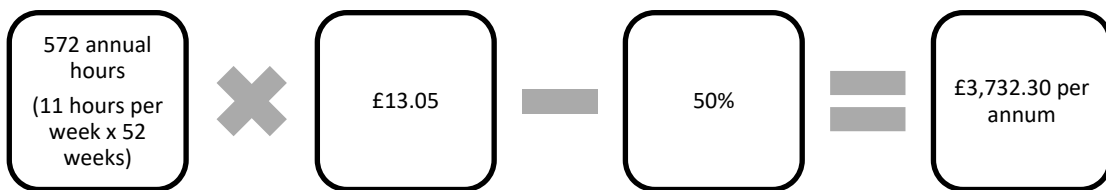
Remuneration Rate

4.9 After establishing the expected time input to be remunerated, we considered a remuneration rate and came to a judgement about the rate at which the Councillors ought to be remunerated for the work they do.

4.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross⁶ wage per hour by place of residence for Eastbourne. The latest available figure is £13.05.⁷

Calculating the basic allowance

4.11 After determining the amount of time required each week to fulfil the role (11 hours), the level of PSD to be applied (50%) and the hourly rate to be used (£16.27), we calculated the basic allowance as follows:



4.12 The gross Basic Allowance before the PSD is applied is **£7,464.60**. Following the application of the PSD this leads to a basic allowance of **£3,732.30** per annum. This is then rounded to **£3,732**.

4.13 This amount is intended to recognise the overall contribution made by Councillors, including their work on council bodies, and ward work and attendance on external bodies.

4.14 We did also note the levels of basic allowance currently allocated by other Sussex district councils (see table below).

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' are taxable as employment income.

⁷ The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2019.

Council	Sussex District and Borough Councils: Basic Allowances (£) 2019⁸
Adur District Council	4,511
Arun District Council	5,481
Chichester District Council	4,725
Crawley Borough Council	6,190
Eastbourne Borough Council	2,808
Horsham District Council	5,070
Lewes District Council	3,260
Mid Sussex District Council	5,000
Rother District Council	4,475
Wealden District Council	4,611
Worthing Borough Council	4,929
Average	4,642

4.15 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 was of the view that the 2020 review has *begun* to make recommendations to ensure that the recommended basic is in accordance with the principle of fair remuneration, although the rate is still low by comparison with similar size district and borough councils and considerably lower than the Sussex average.

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Eastbourne Borough Council be £3,732 per annum.

Special Responsibility Allowances (SRAs)

4.16 Special Responsibility Allowances are awarded to Councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.

4.17 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 to any one Councillor. They do require that an SRA be paid to at least one Councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of Councillors receive an SRA the local electorate may rightly question the justification for this.⁹

4.18 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:

- Leader of the Council
- Deputy Leader of the Council
- Members of the Cabinet

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2019 (November 2019).

⁹ paragraph 72. Local Government Regulations 2003

- The Mayor and Deputy Mayor
- Chair of the Planning Committee
- Other Members of the Planning Committee
- Chair of the Scrutiny Committee
- Chair of the Audit and Governance Committee
- Chair of the Licensing Committee
- Chair of the Licensing Sub-Committee
- Ordinary Member of a Licensing Sub-Committee
- Chair of Joint Staff Advisory Committee
- Leader of the Largest Opposition Group

One SRA Only Rule

4.19 To improve the transparency of the scheme of allowances, we feel that no Councillor should be entitled to receive at any time more than **one SRA**.

4.20 The One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another Councillor. If two or more allowances are applicable to a Councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

WE THEREFORE RECOMMEND that that no Councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.

The Maximum Number of SRAs Payable

4.21 In accordance with the 2003 Statutory Guidance (paragraph 72) the Panel is of the view that no more than 50% of Council Members (14 Members) should receive an SRA at any one time. However, we recognise that due to a relatively low number of Councillors (27) in comparison to similar size councils then this is a future aspiration rather than a recommendation.

Calculating SRAs

4.22 The Panel agreed to apply a criteria and formula for calculating the Leader of the Council's SRA. This will be based on a multiplier of the Basic Allowance. The Leader is the role that carries the most significant additional responsibilities and is also the most time consuming.

4.23 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

4.24 We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



4.25 The rationale for these four tiers of responsibility is discussed below.

Leader (Tier One)

4.26 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Cabinet. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.

4.27 The multiplier we applied to calculate the Leader's SRA is 200%, or 2.0 x the basic allowance. If the recommended option of a basic allowance with a PSD of 50% is adopted, this results in a Leader's Allowance of **£7,464**.

WE RECOMMEND that the Leader of the Council continue to receive a Special Responsibility Allowance of 200% of the basic allowance, £7,464 per annum.

Deputy Leader (Tier Two)

4.28 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered, we consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 50% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of **£3,732**.

- 4.29 From the evidence gathered, including questionnaire response and face to face interviews we consider the members of the Cabinet and the Mayor should also receive an allowance of **£3,732**, 50% of the Leader's Allowance.
- 4.30 Evidence from the from the interviews we undertook with Councillors, underlines the responsibility of the members of the Cabinet for many of the Council's functions. Members of the Cabinet hold considerable responsibility for their respective portfolios. In addition, we found the time commitment for the role to be significant.
- 4.31 The Panel was of the view that the role of Mayor continues to have a high impact and profile across the Borough and has a very high number of engagements and commitments. We therefore recommend that the role continues to be recognised at Tier-Two and receive an allowance of **£3,732**, 50% of the Leader's Special Responsibility Allowance.
- 4.32 The role of the Largest Opposition Group Leader is instrumental to ensure accountability of the leadership and requires a high level of organisation to manage a political group. The Panel therefore recommends that the Largest Opposition Group Leader receive a Tier-Two allowance of **£3,732**, 50% of the Leader's Special Responsibility Allowance

WE RECOMMEND that the Deputy Leader, Members of the Cabinet, the Mayor and the Leader of the Largest Opposition Group receive a Special Responsibility Allowance of 50% of the Leader's Special Responsibility Allowance, £3,732.

The Chair of the Planning Committee and Chair of the Scrutiny Committee, (Tier Three)

- 4.33 The Panel is of the view that the Chair of the Planning Committee performs a significant role that has a high impact across the Borough. The frequency of meetings also mean that the role is demanding of time and resource. The Panel therefore recommend an allowance of 40% of the Leaders Allowance, **£2,986**.
- 4.34 The Scrutiny Committee does not have formal decision-making powers; but are influential and new Government Statutory Guidance (May 2019) has sought to increase the scope and influence of the scrutiny function. We have considered the requirements of the role of Chair and consider that it is a significant statutory function. We consider this role should also receive a Tier- Three allowance of **£2,986**, 40% of the Leader's Allowance.

WE RECOMMEND that the allowance for the Chair of Planning and the Chair of the Scrutiny Committee should receive a Special Responsibility Allowance of 40% of the Leader's Special Responsibility Allowance, £2,986.

The Chair of the Licensing Committee, Chair of Audit and Governance Committee and Other Members of Planning (Tier Four)

- 4.35 The Panel is also of the view that the Chair of Licensing Committee and Chair of Audit and Governance Committee should both receive a Tier 4 Special Responsibility Allowance, 25% of the Leaders Allowance, **£1,866**.
- 4.36 The role of Member of the Planning Committee is both demanding in respect of time, twelve meetings per year plus additional site visits and is also a role that has significant local impact. The Panel therefore recommend that the Members of the Planning Committee should receive a Special Responsibility Allowance of **£1,866**, 25% of the Leader's Allowance.

WE RECOMMEND that the allowance for the Chair of the Licensing Committee, Chair of Audit and Governance Committee and Other Members of Planning should receive a Special Responsibility Allowance of 25% of the Leader's Special Responsibility Allowance, £1,866.

Other Allowances

- 4.37 Following discussion and from an analysis of the role the Panel is of the view that the allowance for Deputy Mayor should be increased in proportion to the increase in the allowance for Mayor. Currently the Deputy Mayor receives an SRA of £1,404. The Panel consider that this allowance should be increased to **£1,866**, 50% of the Mayor's Special Responsibility Allowance.
- 4.38 With regard to the roles of Deputy Leader of the Largest Opposition Group and Reserve Members of the Planning Committees the Panel did not hear any evidence that these are roles that should receive a Special Responsibility Allowance. Therefore, the Panel recommends that no allowance should continue to be payable to the roles of Deputy Leader of the Largest Opposition Group and the Reserve Members of Planning. This will lead to a reduction of five Special Responsibility Allowances.
- 4.39 The Joint Staff Committee is due from May 2020 to become the Joint Staff Advisory Committee with Lewes District Council and will have a rotating Chair. The Panel was of the view that the Chair of the Committee should receive a Special Responsibility Allowance, and this should be calculated as a percentage of the Leader's Allowance for both Councils. The Panel therefore recommends that the Chair of the Joint Staff Advisory Committee should receive an allowance of 5% of the recommended combined Leader's allowance, £7,464 and £14,865, a Special Responsibility Allowance of **£1,116**.
- 4.40 The Panel also recommends that the Chair of the Licensing Sub-Committee should receive an allowance of £100 per meeting and the Ordinary Member of a Licensing Sub-Committee receive an allowance of £65 per meeting.

WE RECOMMEND that the Deputy Mayor should receive an allowance of 50% of the Mayor's Special Responsibility Allowance, £1,866. The Chair of the Joint Staff Advisory Committee should receive an allowance of 5% of the combined Lewes District Council and Eastbourne Borough Councils

Leader's Allowance, £1,116. Other allowances shall be as at paragraph 4.40.

Finally, that no allowance should be payable to the role of Deputy Leader of the Largest Opposition Group and the Reserve Members of Planning.

Travelling and Subsistence Allowance

- 4.41 A scheme of allowances may provide for any Councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations including any other duties approved by the Council. Similarly, such an allowance may also be paid to co-opted members of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.
- 4.42 The amounts payable to Members in respect of car and motorcycle mileage payments will be at the maximum rate per mile that can be paid tax-free as defined by HM Revenue and Customs.

WE RECOMMEND that travelling and subsistence allowance should continue to be payable to Councillors and any co-opted members in connection with any approved duties in accordance with the current scheme of allowances.

Dependants' Carers' Allowance

- 4.43 The current level of dependants' carers' allowance is £8.80 per hour for Childcare and £13.18 for Carers' of Dependents. The dependants' carers' allowance should ensure that potential candidates are not deterred from standing for election and should enable current Councillors to continue despite any change in their personal circumstances. However, the current maximum remuneration for those with caring responsibilities could leave Councillors out of pocket particularly if they are required to cover the cost of specialist care for adults or children with special needs.
- 4.44 The Panel therefore is of the view that the Dependants' Carers Allowance should continue to be based on two rates, general childcare and specialist care. The Panel was of the view that specialist care provision should be reimbursed for the actual cost incurred by the Councillor upon production of receipts. Medical evidence that this type of care provision is required must also be provided and approved by an appropriate officer of the Council. Childcare rates should be at market rates upon production of receipts.

WE THEREFORE RECOMMEND that the Dependants' Carers' Allowance should be based on two rates. Rate one for Childcare be at the market rate, reimbursed upon production of receipts, with no monthly maximum claim. Rate two should be for specialist care based at cost upon production of receipts and requiring medical evidence that this type of care is required.

WE ALSO RECOMMEND that no change should be made to the current eligibility conditions for receipt of this allowance, except that the duties for which this allowance is payable should be in accordance with the list of approved Councillor duties. *The Council should also actively promote the allowance to prospective and new Councillors both before and following an election.*

Approved Councillor Duties

- 4.45 The Panel reviewed the recommended duties for which Dependants' Carers' Allowance and Travelling and Subsistence Allowance should be payable and have recommended that no changes be made.

WE THEREFORE RECOMMEND that the recommended duties for which Dependants' Carers' Allowance and Travelling and Subsistence Allowance should be payable should be in accordance with the Approved Councillor Duties.

Parental Leave

- 4.46 There is no uniform/ national policy to support Councillors who require parental leave for maternity, paternity or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a '*lack of maternity, paternity provision or support*' is a real barrier for women aged 18-44 to fulfil their role as a Councillor'.

- 4.47 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure of another Council, the Panel is aware that the Local Government Association (LGA) has developed a model policy that has been adopted by a growing number of councils across the south east region.

- 4.48 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:

- a) All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence.
- b) Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
- c) Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972

- d) If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.

4.49 The Panel is conscious that these provisions do not replicate the LGA policy but that policy introduces elements that are more akin to employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can expect. Borough Councillors however may wish to further develop the above recommendations so that they reflect the LGA policy.

WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for Councillors.

Information Technology Allowance

4.50 The Council currently has a separate Information Technology (IT) Allowance instead of providing paper and ink cartridges to Councillors when required.

4.51 The Panel is of the view that this arrangement should be continued, with an IT Allowance to the value of £429 per annum, subject to any future Indexation that may apply.

4.52 However, should the Council review its existing approach to IT provision for Councillors during the next four- year period then the Panel will review the recommended IT Allowance when and if required.

WE RECOMMEND that an IT Allowance for Councillors of £429 per annum be continued, this will be subject to any future indexation that may apply. However, should the Council review its existing approach to IT provision for Councillors during the next four -year period then the Panel will review the IT Allowance if and when required.

Indexing of Allowances

4.53 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The previous scheme made provision for the basic allowance, the special responsibility allowances and the dependants' carers' allowance to be adjusted annually. The Panel recommend that this indexation should be in line with increases in staff salaries at Eastbourne Borough Council.

WE RECOMMEND that the basic allowance, each of the SRAs and the IT allowance be increased annually in line with the percentage increase in staff salaries until 2024, at which time the Scheme shall be reviewed again by an Independent Remuneration Panel.

Revocation of current Scheme of Allowances / Implementation of new Scheme

4.54 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2020-21 financial year, at which time the current scheme of allowances will be revoked.

5 OUR INVESTIGATION

Background

- 5.1 As part of this review, a questionnaire was issued to all Councillors to support and inform the review. Responses were received from 14 of the 27 Councillors, which represents 52% of the Council. The information obtained was helpful in informing our deliberations.
- 5.2 We interviewed nine current Councillors, including the Leader of the Council and the Leader of the Largest Opposition Group. We are grateful to all our interviewees for their assistance.

Councillors' views on the level of allowances

- 5.3 A summary of the Councillors' responses to the questionnaire is attached as Appendix 2.

Mark Palmer (Independent Remuneration Panel, Chair)
Daphne Bagshawe (Independent Remuneration Panel)
Ian Buckingham (Independent Remuneration Panel)

February 2020

Appendix 1 – Summary of Panel Recommendations

Basic Allowance:	Current Amount for 2019-20	Number	Recommended Allowance (50% PSD)	Recommended Allowance Calculation
Total Basic:	£2,808	27	£3,732	

Special Responsibility Allowances:	Current Amount for 2019-20	Number	Recommended Allowance (50% PSD)	Recommended Allowance Calculation
Leader of the Council	£4,212	1	£7,464	200% of BA
Members of the Cabinet	£2,808	5	£3,732	50% of Leader's Allowance
Deputy Mayor	£1,404	1	£1,866	50% of the Mayor's Allowance
Deputy Leader of the Largest Opposition Group	£1,404	1	No SRA to be payable	n/a
Chair of Scrutiny Committee	£1,404	1	£2,986	40% of Leader's Allowance
Chair of Planning Committee	£2,106	1	£2,986	40% of Leader's Allowance
Other Members of Planning Committee	£1,404	7	£1,866	25% of Leader's Allowance
Reserve Members of Planning Committee	£702	4	No SRA to be payable	n/a
Chair of Audit and Governance Committee	£0	1	£1,866	25% of the Leader's Allowance
Chair of Licensing Committee	£1,404	1	£1,866	25% of the Leader's Allowance
Chair of a Licensing Sub-Committee	£93 per meeting	1	£100 per meeting	
Ordinary member of a Licensing Sub-Committee	£62 per meeting		£65 per meeting	
Chair of Joint Staff Advisory Committee	£0	1	£1,116 ¹	5% of the combined Leader's allowance
Dependents' Carers' Allowance	Childcare £8.80 per hour Carers of Dependents £13.18 per hour		Childcare and Carers of Dependents: reimbursed at cost upon production of receipts	
IT Allowance	£429	27	£429	

1. Allowance payable every other year, due to a rotating Chair with Lewes DC

AT A MEETING of the Independent Remuneration Panel of HAMPSHIRE
COUNTY COUNCIL held at the Castle, Winchester on Wednesday, 29th
September, 2021

Present:

Julia Abbott, David Heck, Richard Kinch and Martin James (Chairman)

Also present with the agreement of the Chairman: Councillor Keith House

1. **APOLOGIES FOR ABSENCE**

There were no apologies.

2. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

3. **MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on 24 September 2019 were agreed as a correct record and signed by the Chairman.

4. **DEPUTATIONS**

There were no deputations on this occasion.

5. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements on this occasion.

6. **COUNTY COUNCILLOR AND RELEVANT CO-OPTED MEMBER
COMMENTS**

The Chairman confirmed that the Independent Remuneration Panel (IRP) had received one comment in regard to their review of the Members' Allowances Scheme, which would be considered under Item 7 on the agenda.

7. **AMENDMENTS TO THE MEMBERS' ALLOWANCES SCHEME FOR 2021/22**

The IRP considered the report of the Head of Legal and Governance and Monitoring Officer providing information to enable the IRP to make its recommendation as to a Special Responsibility Allowance (SRA) for the following roles:

- Assistant to the Executive – Adult Services and Public Health
- Assistant to the Executive – Children’s Services
- Chairman of the River Hamble Harbour Board

The Director of Adult Services and Public Health, Assistant Director – Performance and Resources in Children’s Services and the Marine Director for the River Hamble Harbour Authority were in attendance to answer the IRPs questions about the roles.

In regard to the two Assistant to the Executive Roles, the IRP noted the depth and breadth of the Adult Services and Public Health, and the Children’s Services portfolios including statutory and safeguarding responsibilities, the importance of robust and effective political engagement to meet the challenges that both these important service areas face against the backdrop of organisational-wide recovery from the Covid-19 pandemic, maintaining and developing key partnerships and supporting the stakeholder and public interface in the light of increasing demand and continuing cost pressures. Full details of the roles were set out in Appendices 1 and 2 to the report.

In regard to the role of Chairman of the River Hamble Harbour Board, the Marine Director provided some background information about the work of the Harbour Authority. The IRP recognised the unique nature of the role, noted its statutory responsibilities, direct accountability and the level of risk attached to the role. Full details of the roles were set out in Appendix 3 to the report.

In reaching its conclusions, the IRP was minded to support an SRA for all three roles from their respective dates of appointment following the County Council Elections on 6 May 2021, with the caveat that the roles be reviewed in 12 months’ time and supported by appropriate evidence to demonstrate their effectiveness.

The IRP were in receipt of a comment from a County Councillor regarding the criteria used to determine whether a Minority Group Leader qualified for an SRA was fit for purpose in light of two smaller minority groups having been formed on the Council. The current criteria, i.e. that an SRA should only be payable to the Leader of a Minority Group on the County Council when the Group comprises four or more Members, was recommended by the Employment in Hampshire County Council Committee, following a recommendation by the IRP, and resolved on by the County Council at its meeting on 23 February 2012.

Following consideration, the IRP were of the view that in the absence of compelling evidence to support an amendment to the current criteria to lower the Group size threshold, that the current threshold remained fit for purpose.

RESOLVED:

That the IRP recommend to the Employment in Hampshire County Council Committee:

- a) That an SRA of £4,645 per annum (25% of an Executive Member SRA) be payable to the Assistant to the Executive – Adult Services and Public Health from the date of appointment to this role (13 July 2021) and reviewed again in 12 months' time.
- b) That an SRA of £4,645 per annum (25% of the SRA for an Executive Member) be payable to the Assistant to the Executive – Children's Services from the date of appointment to this role (13 July 2021) and reviewed again in 12 months' time.
- c) That an SRA of £3,097 per annum (25% of the SRA for a Select Committee Chairman) be payable from the date of appointment as the Chairman of the River Hamble Harbour Board (County Council AGM on 27 May 2021) and reviewed again in 12 months' time.
- d) That an SRA should only be payable to the Leader of a Minority Group on the County Council when the Group comprises four or more Members remained fit for purpose.
- e) That the list of approved duties for the purposes of the payment of travelling and other relevant expenses should be amended to include provision of the roles set out above.
- f) That a Members Allowances Scheme for the years 2022/23, 2023/24, 2024/25 and 2025/26 be prepared, whereby Basic Allowances and Special Responsibility Allowances payable to Members are adjusted from 1 April 2022 and thereafter annually, in line with the pay award (if any) for Senior Managers at grade H, taking into account any amendments to the Members' Allowances Scheme 2020/21 agreed by the County Council following consideration of the recommendations of the IRP.

8. MEMBERS' ALLOWANCES SCHEME 2022/23, 2023/24, 2024/25 AND 2025/26

Following full consideration, the IRP were of the view that a Members' Allowances Scheme for the four-year period 2022/23, 2023/24, 2024/25 and 2025/26 should replicate the current Members' Allowances Scheme for 2021/22 and that no revision to the current level of SRA payments within that Scheme was required, subject to the outcome of the recommended SRAs for the three roles set out in Minute 19 above.

As per the current arrangement, any uplift to the Scheme would be linked to the annual pay award for staff at Grade H.

RESOLVED:

That the IRP recommend to the Employment in Hampshire County Council Committee that a Members' Allowances Scheme for the four-year period 2022/23, 2023/24, 2024/25 and 2025/26 be prepared based on the current Members' Allowances Scheme for 2021/22, subject to the outcome of the recommended SRAs for the three roles set out in Minute 19 above.

The meeting closed at 3.25pm.

Chairman,

AT A MEETING of the Independent Remuneration Panel of HAMPSHIRE COUNTY COUNCIL held at the Castle, Winchester on Thursday, 6th October, 2022

In attendance:

Julia Abbott, David Heck, Pinky Kwok and Rosemary Lynch

Also present with the agreement of the Chairman: Councillors Crawford, Collett, Humby and Tree,

9. APOLOGIES FOR ABSENCE

Apologies were received from Martin James.

10. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

11. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 29 September 2021 were agreed as a correct record and signed by the Chairman.

12. DEPUTATIONS

There were no deputations on this occasion.

13. CHAIRMAN'S ANNOUNCEMENTS

The Chairman noted that despite being unable to attend the meeting, Martin James had contributed his thoughts on the items for consideration and that these would be taken into account.

14. AMENDMENTS TO THE MEMBERS' ALLOWANCES SCHEME 2022/23

The IRP considered the report of the Monitoring Officer regarding Special Responsibility Allowances (SRAs) for a number of different roles and the recommendation of potential subsequent updates to the Members' Allowances Scheme.

The Panel acknowledged the information that had been provided to them in respect of all of the SRAs in the report and noted that they had also taken the opportunity of conducting benchmarking comparisons with other Councils to use as a point of reference.

Deputy Leader SRA

With regard to an SRA for the role of Deputy Leader, the Panel heard from the Monitoring Officer who confirmed that this was a statutory position to which one of the Executive Members must be appointed and who is automatically required to act in place of the Leader in the Leader's absence. The Panel also heard from the Chief Executive, who illustrated the Deputy Leader role and in particular the need to be up to speed on all topics in order to be able to represent the Leader through her own knowledge of the multi-faceted ways in which Leader and Deputy Leader work together, as well as through comparison with her own experience of being a Deputy Chief Executive. She noted that the role of Deputy Leader added vital capacity and support to the Leader in their role in charge of a large and complex organisation. The Leader of the Council also addressed the Panel, explaining that he had previously been Deputy Leader for three years, highlighting the importance of a seamless partnership between Deputy Leader and Leader.

The Panel recognised that the scale of the County Council brought significant pressures on the leadership and noted that although the Deputy Leader did not hold any specific additional decision making responsibility, the role should be particularly recognised in terms of Executive responsibility and representing the County Council within the administrative area of the County Council and the wider community, and consequent reputational significance. It was noted that many other Authorities do pay a Deputy Leader SRA. It was proposed and agreed to recommend to the County Council that:

An SRA for the Deputy Leader equivalent to 70% of the Leader's SRA be added to the Members' Allowances Scheme, to be backdated to the 2022 County Council AGM. That this be subject to review in 12 months.

Opposition Group Leader SRA

With regards to the review of the SRA for Opposition Group Leaders and Opposition Spokespersons, the Panel noted that these were longstanding areas of discussion and expressed their ambition of a solution that was inclusive, future proofed and evidence based. Considering the Group Leader SRA first, the Panel heard from the Liberal Democrat Deputy Leader and the Leaders of the Labour and Independent Groups. It was established that there was no formal Leader of the Opposition role – each Group was a separate opposition to the Administration. The Councillors highlighted a number of key elements of their respective roles and it was noted in particular that the Group Leader role was similar across the board in terms of needing to understand all areas of the

Council and represent their Group. Furthermore, the differing sizes of the Group brought both challenges and advantages and could not be easily related to workload as a larger Group resulted in more Members to manage, but also more capacity to draw upon. A fundamental unfairness in having an arbitrary Group size as the cut off point for a Group Leader SRA was therefore identified.

Noting the content of the report and the representations received, the Panel expressed their view that an alternative calculation for an Opposition Group Leader SRA should be implemented that did not rely on a minimum Group size (it was accepted that a Group was two or more Members). It was proposed and agreed to recommend to the County Council that:

The SRA for Opposition Group Leaders should amount to 55% of the SRA for the Leader of the Council, divided proportionally between all Opposition Groups (consisting of two Members or more) according to the number of seats held by that Group on the County Council. That this be backdated to the 2022 County Council AGM, but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the SRA for Opposition Group Leaders be subject to review in 12 months.

Opposition Group Spokesperson SRA

With regard to the SRA for Opposition Group Spokespersons, the Panel noted that the current threshold for receipt of an SRA was based on a Group size of eight Members or more. Comparison with other Authorities had revealed that many did not pay an SRA for this role, but it was confirmed that it was permissible to do so in accordance with the legislation. The Panel received representations from each of the Opposition Groups who highlighted that in a similar way to the Group Leaders, the Opposition Spokespersons all carried out a similar function regardless of their Group size and therefore a similar unfairness in the Group size criteria existed.

The Panel were keen to introduce a solution that would remove the need for a minimum Group size, however recognised that small Groups did not always qualify for a seat on all of the six Committees for which an Opposition Spokespersons allowance was payable, due to the application of proportionality rules. Having considered a number of alternatives, it was proposed that to resolve this, and to mirror the solution recommended for Group Leaders it be recommended to the County Council that:

That an SRA for Opposition Group Spokespersons should be paid to Opposition Group Spokespersons on each of the County Council's ordinary Select Committees and the Health and Adult Social Care Committee and the Regulatory Committee. The overall SRA payable should amount to 55% of the SRA for the Chairman of an ordinary Select Committee, divided proportionally between all Opposition Groups represented on each respective Committee (following agreement of the proportionality table and appointments by the County Council). The SRA to be divided according to the number of seats on the County Council held by each Opposition Group represented on each respective Committee as referred to above. That this be backdated to the 2022 County Council AGM,

but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the Opposition Group Spokespersons SRA be subject to review in 12 months.

Assistant to the Executive/River Hamble Harbour Board Chairman SRA

The Panel reviewed the SRAs for the roles of Assistant to the Executive – Adult Services and Public Health and Assistant to the Executive – Children's Services and Chairman of the River Hamble Harbour Board. It was noted that there was an error in paragraph 8 of the report as although the agreed SRA for the first two roles was equivalent to 25% of the SRA for an Executive Member, the agreed SRA for the Chairman of the River Hamble Harbour Board was equivalent to 25% of the SRA for a Select Committee Chairman. The Panel acknowledged the supporting evidence relating to each of these roles attached to the report and agreed that they were in line with the size, scale and range of responsibilities of the County Council as originally envisaged. It was therefore proposed and agreed to recommend to the County Council that:

The SRA for the roles of Assistant to the Executive – Adult Services and Public Health and Assistant to the Executive – Children's Services and Chairman of the River Hamble Harbour Board continue at the previously agreed rates.

Chairman,

AT A MEETING of the Independent Remuneration Panel of HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Thursday, 7th September, 2023

In attendance:

Martin James (Chairman), Julia Abbott, David Heck, Pinky Kwok and Rosemary Lynch

Also in attendance: Councillors Roz Chadd, Adrian Collett, Keith House and Rob Humby.

The Chairman welcomed everyone present to the meeting and introductions were carried out.

15. APOLOGIES FOR ABSENCE

All members of the Panel were present.

NB: Councillor Alex Crawford made a submission for Item 6 on the agenda but was unable to attend the meeting and sent his apologies.

16. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

17. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 6 October 2022 were confirmed as a correct record and signed by the Chairman.

18. DEPUTATIONS

No deputations had been received.

19. CHAIRMAN'S ANNOUNCEMENTS

The Chairman noted that since the Panel had last met Barbara Beardwell, former Head of Law & Governance had retired from the organisation. The Panel extended their thanks for the support they had received from Barbara.

20. **MEMBERS' ALLOWANCES SCHEME 2023/24 - REVIEW OF SPECIAL RESPONSIBILITY ALLOWANCES**

The Panel considered the report of the Director of People and Organisation to inform a review of some Special Responsibility Allowances (SRAs) together with a request for an additional SRA.

a) Deputy Leader of the County Council SRA – 12 month review:

The Panel considered the submission detailing the work the Deputy Leader of the County Council had carried out in the preceding 12 months (Appendix 2 to the report).

The Panel were of the view that the information provided justified the current SRA.

b) Opposition Group Leader and Opposition Group Spokespersons' SRAs – 12 month review:

The Panel considered the submissions of the Leader of the Independent Group and the Leader of the Labour Group (Appendices 3a and 3b to the report).

The Panel reflected on the principal argument set out in the submissions that there was no difference between the roles depending on size of group. The Panel were of the view that there was a direct correlation between the role of Opposition Group Leader and Opposition Group Spokesperson and the size of the political group. In essence for a political group comprising four members, the effort required in coalescing views would be less than a political group comprising 30 members. Furthermore, the Panel were of the view that the position was a direct result of the proportionality rules therefore, a political group comprising four or less members would not have as much sway as a political group comprising 17 members.

In regard to the argument that a member of a smaller political group sitting on two Select Committees as the Group Spokesperson has twice as much work, the Panel were of the view that if a member is appointed to two committees as the only member representing their political group, by definition they will be the Group Spokesperson.

The Panel's recommendation at their last meeting on 6 October 2022, subsequently agreed by the full Council, benefited both the Independent and Labour political groups by introducing both Opposition Leader and Opposition Spokespersons' allowances.

On this occasion, the Panel were of the view that the evidence provided did not warrant an increase to the current SRA.

c) Pension Fund Panel and Board Member Responsibilities:

The Panel considered the request for a new Special Responsibility Allowance for the members of the Pension Fund Panel and Board due to the complexity of the matters considered by this committee and the level of training required.

The Panel recognised that pensions are a complicated subject, however the Board was supported by experienced officers and external Fund Managers. All committees and panels of the County Council have an associated time commitment, many of which involve technical and legislative issues together with training, such as the Regulatory Committee. Overall, the Panel considered that the information provided did not warrant the introduction of a new SRA to the Members' Allowances Scheme.

In conclusion the Panel recommended to the Employment in Hampshire County Council (EHCC) Committee:

- a) That there be no change to the current SRA for the Deputy Leader of the County Council.
- b) That there be no change to the level of SRAs for the Opposition Group Leaders and the Opposition Group Spokespersons' allowances.
- c) That an SRA for members of the Pension Fund Panel and Board was not appropriate.

The Chairman thanked everyone for their attendance and closed the meeting.

Chairman,

Report of the Independent Remuneration Panel

April 2021

Executive Summary

The Independent Remuneration Panel was convened in 2020 to undertake a review of the allowances available to Councillors. This report details the rationale and evidence upon which the Panel's conclusions and recommendations are based and is presented for consideration by Horsham District Council.

The Panel has complied with the statutory requirements to gather relevant data, to hear and consider evidence and now makes recommendations on:

- The amount of basic allowances to be paid
- Those positions that should receive Special Responsibility Allowances ("SRA's"), and the level of those allowances
- Travel, subsistence and certain other allowances

Based on comparative evidence on levels of allowances paid in equivalent authorities in South East England, and on the views expressed by Councillors and Officers, the Panel now recommends:

- A 5% increase in the basic allowance of £5,210 currently paid to all Councillors
- A 10% increase in the SRA paid to the Leader of the Council, currently £14,170
- A 10% reduction in the SRA paid to the Leader of the Minority Group, currently £4,285
- The introduction of a £50 per meeting payment to Councillors representing the Council on external bodies in an appointed capacity
- Dependent Carers' Allowance retained at the National Living Wage, but with provision for specialist care to be offered at the West Sussex County Council domiciliary care rate of £20.53 per hour

No amendments to travel, subsistence and other allowances are proposed.

Full Year Effect of SRA Recommendations

(excludes annual settlements in line with officer pay and conditions, and increases in external values such as the National Living Wage)

Basic Allowance increase	+ £12,504.00
Changes in SLAs	+ £ 988.50
Attendance payment for external bodies (est)	+ £ 1,500.00
Total annual impact	+£14,992.50

1. Formation and Membership

- 1.1 The current Independent Remuneration Panel (“the Panel”) was appointed for a four-year period in late 2020 in accordance with The Local Authorities (Members’ Allowances) (England) Regulations 2003/1021 (as amended) (“the Regulations”). It has subsequently met on a number of occasions to review Councillors’ responsibilities, and the current levels of allowances in each of the statutory categories set out in the Regulations. The Panel’s recommendations are contained in this statutory report to which the Council must have due regard in setting its allowances.
- 1.2 It is for the Council to decide on the Councillors’ allowances scheme that is put in place having regard to this Panel’s recommendations. Previous Panel Reports and recommendations were published in May 2009 and May 2015. There was also an interim review undertaken in 2018.
- 1.3 The Panel convened via Zoom meetings on seven occasions in 2020/2021. Six Zoom interviews were also undertaken with a total of twelve Councillors and two senior officers (Details in Appendix 5).
- 1.4 The final Panel comprises: Ian Dewar, Alan Ladley and Martin Loates. Biographical details of the Panel members are set out in Appendix 2.
- 1.5 The Panel undertook its review during an extended period of remote working practice resulting from Covid19 virus restrictions. This, together with the continuing background of austerity and pressure on the public purse, are reflected in the views expressed through surveys and interviews.
- 1.6 It is recommended that the Panel is reconvened at least once a year during its four year tenure to confirm or reassess recommendations and consider any appropriate changes in business practice or legislative / advisory context.

2. The Panel’s approach

- 2.1 In line with the Terms of Reference (Appendix 2), the Panel approached its task with four different perspectives:
 - Examining the levels of allowances paid to elected Councillors and co-optees (the Independent and Parish Council members of the Standards Committee) in terms of responsibilities, the amount paid and the justification for relative differences between the various allowance categories;

- Considering whether any other areas of Councillor activity, not currently in receipt of an Allowance, might be appropriate for consideration and if so the most appropriate way for this to be structured;
- Assessing the most appropriate mechanisms for maintaining periodic changes in allowances and other payments to keep pace with inflationary and staff pay and allowance settlements;
- Assessing whether the level of Basic Allowance might prove a deterrent for people from a wide range of backgrounds and a wide range of skills standing for election or serving as Councillors.

3. Methodology

3.1 The Panel used the following methods of research:

- Scrutiny of background documents and various information and data supplied by officers
- Questionnaires sent to all Councillors to ensure that all had an opportunity to express their views (Appendix 4)
- Interviews with a cross-section of Councillors and Officers (Appendix 5)
- Review of the organisational changes affecting the political management structures within the Council which have taken place since the report of the previous IRP Panel in 2015
- Comparisons with allowances paid by other authorities and public bodies (Appendix 3)
- Review of the age, gender and ethnic profile of the current Councillors against national and population demographic data (Appendix 3)

4. Timeline

- 01 October 2020 – IRP appointed
- November / December 2020 – Research and Survey design
- 27 January 2021 – Survey issued to all Councillors
- 12 February 2021 – Close of Survey period and analysis of responses
- 16 to 24 February 2021 – Interviews with Councillors and Officers

- February to March 2021 – Agreement on recommendations, drafting and finalisation of report
- 06 April 2021 – Final report deadline and presentation to the Senior Leadership Team
- 19 April – Deadline for Committee paper
- 28 April – Consideration and decisions taken at Full Council meeting

5. Overview of duties and responsibilities associated with Allowances (Appendix 6)

More detailed clarification of the duties and responsibilities related to the award of allowances is set out in Appendix 6, and is not replicated here. However some general comments are set out below.

5.1 Basic Allowances

All Councillors are in receipt of the Basic Allowance which is intended to recognise the time commitment of all the basic and ward-related role, including such inevitable calls on their time as 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.

The Allowance is also recognised as covering involvement in committees, working groups and other Member forums in any capacity that does not otherwise attract a Special Responsibility Allowance. Attendance at local Parish Council meetings is regarded as a key element of the local role and also covered by the Basic Allowance.

The national guidance also makes clear that some element of the work of Councillors should continue 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 Councillors, and further to ensure that, despite the input required, people are encouraged to come forward as elected Councillors and that their service to the community is retained.

5.2 Special Responsibility Allowances

Special Responsibility Allowances are assigned to identified key political roles, such as Committee Chairmanship, political and Council Leadership, where these carry significant responsibilities over and above those covered by the Basic Allowance.

SRAs are paid in addition to the Basic Allowance, and unlike the latter, vary according to the demands, responsibilities and impact of individual

roles. A full checklist of the roles, and levels, of SRAs at the time of writing is set out in Appendix 7.

5.3 Voluntary / Public Service

As noted above, an element of the Councillor's basic role is expected to be voluntary and is regarded as falling within the "Public Service" category. There is no definitive guidance on what proportion of time spent should fall into this category, though around 35% is a generally accepted yardstick. The extent to which this may be exceeded is very much a matter of personal discretion for the individual Councillor.

As part of the survey (Appendix 4) Councillors were asked to advise the average number of hours they spend on Council business. Responses varied considerably between 11 and 96, reflecting the discretionary element noted above, with an average value of 35 hours a month.

The Panel also noted that the acceptance of the allowances, or indeed travel and subsistence was also a matter of personal choice and a number of Councillors advised that they do not accept part or the whole of the allowances available to them.

6. Commentary on comparative data (Appendix 3)

6.1 The data at Appendix 3 is drawn from the South East Employers (SEE) annual survey and includes all South East authorities, including County and Unitary authorities as well as District / Borough councils. For more meaningful comparisons the extracts have been made of comparative data of District / Borough authorities as well as a sub-set of seven neighbouring and similar authorities.

6.2 Overall the basic allowance paid to all Horsham District Councillors is slightly lower than the average for all authorities. However, no allowance is paid to Councillors who sit on the two Planning Committees in Horsham whereas a number of other authorities pay an SRA for such membership. We do not consider this a practical approach for HDC as it applies to all Councillors. Therefore, this is something that should be taken into account when considering the level of the basic allowance for this authority.

6.3 The SRAs paid to Committee Chairmen and Vice Chairmen in Horsham broadly compares with other authorities. A notable exception is the remuneration for the Chairmen of the two Planning Committees where the amount paid is some 30% lower.

- 6.4 The SRA paid in Horsham to the Leader of the Minority Group is 38% higher than our seven similar authorities and similarly higher when compared with all other districts in the region.
- 6.5 The SRA paid to the Leader of the Council is some 12% lower than other districts and boroughs in the region, albeit broadly comparable with the seven similar authorities. However, taking into account the limitation on the SEE data detailed in the Appendix we can expect the Leaders SRA in Horsham to be notably lower.

7. Commentary on Councillor responses through survey and interviews (Appendix 4)

- 7.1 The current 47 Councillors were sent the survey and 21 (45%) responded. In addition, 12 Councillors (from 'back benchers' through to the Leader) and 2 officers were interviewed via Zoom. The Panel were content that, although limited in numbers, the responses provided a sufficient reflection of their views as well as and providing the Panel with a useful insight into the workload and expectations of Councillors.
- 7.2 The majority of respondents were retired and over 65. Whilst all members believed that the public service element was an important aspect of the role, it was felt that higher remuneration would attract people more representative of residents including those working and with children. Many felt the basic allowance did not cover the time and costs associated with the role. However, 12 respondents stated the basic allowance was about right with 7 saying it was too low.
- 7.3 The number of hours worked per month varied between 11 and 58, making the average 30. The hours worked was higher for holders of posts attracting an SRA.
- 7.4 The results for the level of SRA's paid was equally split between being about right and too low with only one saying they were too high. There were no suggestions as to additional roles that should attract an SRA. Those interviewed expressed views that the Leader (and Deputy Leader) and Cabinet roles were almost full time meriting higher remunerations. It was also commented that the Overview & Scrutiny Committee has a high workload and carries a high reputational risk for the authority.
- 7.5 The question as to whether HDC should pay an SRA for councillors who represent the authority on outside bodies attracted a mixed response with 9 saying yes and 10 no. Also, the question as to whether such an SRA should be paid in an annual fixed lump sum or as a per-meeting

allowance produced a divided response. From those interviewed, it was suggested that some roles were not filled and a per-meeting SRA would provide an incentive to Councillors to take on the responsibility of what is additional work. The exception being Cabinet members where such external commitments are seen as part of their role. A per-meeting SRA was seen as being more reflective of the varying levels of commitment with the various meetings.

7.6 All respondents agreed the rates for travelling and subsistence were sufficient.

7.7 With regard to the Dependants' Carers' allowance, a number felt it was too low, especially to cover dependant adult care.

8. Summary of recommendations and financial implications (Appendix 7)

8.1 Basic Allowances

The 2003 regulations provide that authorities should pay an allowance to every Councillor and that this allowance should be the same for every Councillor.

Currently the Basic Allowance for Horsham District Council is £5,210 per Councillor. Although based on SEE data, which is now over 12 months out of date, Appendix 3 shows the comparative figures for Horsham and other authorities. It should be noted that at the time of the publication of the SEE survey the Horsham Basic Allowance was £5,070 but has increased through index linking in line with officers pay award. Many other authorities have similar systems to increase their allowances in line with officers pay and so the Basic Allowances shown on the SEE survey will actually be higher now. Unfortunately, it is not possible to obtain updated amounts for the purposes of this review.

What is clear is that even without adjusting the figures, Horsham's Basic Allowance is now below the average for both all councils and our seven similar authorities. Whilst many Councillors who completed the survey, and those we interviewed, were clear that no one became a Councillor for the money they believed that it may help to encourage younger people to stand. Many respondents felt there was scope to increase the Basic Allowance, albeit not excessively. We concur that an increase is merited.

We recommend an increase of 5%, taking the basic allowance to £5,470.50

We recommend that any further increase linked to officer pay awards be suspended in 2021/22, and resumed from April 2022

8.2 Special Responsibility Allowances

An SRA is paid, in addition to the Basic Allowance, to those Councillors who take on special responsibilities as detailed in the 2003 regulations (see Appendix 6).

The SRA's currently paid in Horsham, together with Comparative data from other authorities, are shown in Appendix 3 and 7. Taking the same limitations regarding the older SEE data compared with the up-to-date Horsham figures, the SRA's paid by Horsham are broadly comparable.

From the Survey and interviews the majority of Councillors believe the amounts paid to be about right. In particular the hierarchy of committees in Horsham from an allowance perspective is seen as correct with the SRA based on responsibility and not merely workload. We would not be recommending any changes to the SRA's for the Cabinet, Committee Chairs and deputy Chairs etc.

The notable variations from the SRA's paid by other authorities relates to that paid to the Leader of the Council and that paid to the Leader of the Opposition.

In Horsham the SRA paid to the Leader is well below the average (see Appendix 3). In interviews, Councillors recognised that the role of Leader carried considerable responsibility, including the lead Cabinet role as well as other functions, and should be remunerated appropriately.

We recommend an increase to the SRA for the Leader of 10%, taking the allowance to £15,587

The SRA currently paid to the Leader of the Opposition is the highest amongst the seven similar authorities we have benchmarked against and well above the average for all other district authorities in the region (see Appendix 3).

The 2003 Regulations allow for an SRA to be paid to a person, "*acting as leader of a political group within the authority*". The Horsham Constitution (at section 7.9) defines the post of Leader of the Opposition as a person nominated from the "largest minority group". Whilst there is no role profile for this role, research with other authorities has provided some guidance which seem appropriate to the Panel:

- To lead in holding the decisions made by the majority Group to account.
- To be a political figurehead for the Opposition Group; to be the principal political spokesperson for the Council's opposition and lead any Shadow Executive;
- Provide leadership in the constructive challenge of the Council's policies;
- Constructively challenge the vision for the Council and community where appropriate;
- Provide strong, clear leadership in the co-ordination of alternative policies, strategies and service delivery.

It seems to the Panel that many of these functions are undertaken by the Overview & Scrutiny Committee whose role is defined in the Constitution as being, "to challenge and question...and provide constructive criticism". We note that currently the Leader of the Opposition does not chair this Committee.

It is not within the remit of the Panel to advise on structure or roles undertaken by Councillors. However, should the authority consider in the future to align the roles of Chair of the Overview & Scrutiny Committee with that of the Leader of the Opposition, then it should consider adopting the same constraint on dual SRA's as defined in part 6 on the Constitution for the Leader who is also Chair of the Cabinet and only paid one SRA. If this were to be the case then we believe that in this case the higher SRA should be paid, that of the Chair of the Overview & Scrutiny Committee.

We recommend that the SRA for the role of Leader of the Opposition be reduced by 10% to £3,856.50

From our research there are no SRA's that we feel should be removed from roles within the Authority since the previous review, nor are there any additional roles that have been created since the last review that merit an SRA.

However, we note that section 5 (1) (d) allows for an SRA to be paid to Councillors, "representing the authority at meetings of, or arranged by, any other body." There are a number of external meetings that Councillors attend on behalf of Horsham District Council that are not currently remunerated. Representation at other organisations carries additional responsibility and workload that we feel is beyond that covered by the Basic Allowance. Whilst we accept that the SRA paid to Cabinet members includes such attendance, where representation is provided by the holder of a Basic Allowance only then we feel an SRA should be paid. The exception should be where the outside body itself pays and

allowance, notably the South Downs National Park. Additionally, the attendance by a Councillor at Parish Council meetings within their ward is seen as covered by the Basic Allowance.

Clearly the commitment and responsibility of attendance varies considerably between organisations where representation is provided. Therefore, as opposed to an annual allowance we would propose a “per-meeting” SRA. This is not considered in the SEE survey, however from the Horsham Survey and interviews a figure of £50 is seen as suitable.

We recommend an approved list of external bodies where members represent the authority is clarified.

We recommend an SRA of £50 per meeting is paid to Councillors who represent the Authority at external meetings (subject to the limitations listed).

8.3 Pensions

The possible extension of a Pension scheme to Councillors was reviewed as part of the 2015 IRP process. From 1 April 2014 Councillors in England have been unable to join the Local Government Pension Scheme. The 2015 report took the view that allowances should not be regarded as remuneration, and should not therefore be pensionable. Councillors are, of course, able to make their own pension arrangements in respect of any income they may have.

We recommend that the decision of the 2015 IRP be endorsed, but that this should be reviewed again if there is a change in legislative permissions

8.4 Dependants' Carers' Allowances

Under the 2003 Regulations this allowance is paid to cover, “such expenses of arranging for the care of (a Councillor’s) children or dependants” incurred in attendance at committees or other Council meetings.

Horsham District Council pays the National Living Wage (NLW), currently at £8.72 per hour (due to rise to £8.91 in April 2021). Whilst this may well pay for a babysitter, where specialist care is required for a child or dependant adult then we do not feel this amount is sufficient. Whilst this allowance is little claimed in Horsham, Councillors expressed concern that it may be putting some possible councillors from standing or taking on additional responsibilities within the authority. Research with other

authorities suggests that the rate paid by West Sussex County Council for the maximum hourly payment to home support carer workers for weekday daytime in-house care, may provide a guide for an allowance for the care of a dependant adult. This is currently at the rate of £20.53. Caveats should include that actual cost be claimed and receipts should be supplied. Additionally, payments should not be made where the carer is a parent, spouse, partner or member of the same household as the Councillor.

We recognise the authority may wish to impose a maximum limit of claims and an authorisation process through the finance executive.

We recommend that the Dependants' Carers' allowance be set at the National Living Wage for standard child care (£8.91 p/h from 1/4/21).

We recommend that for Dependant Adult and specialist child care the allowance should be the Domiciliary care rate set by West Sussex County Council (currently £20.53 p/h).

8.5 Travelling and Subsistence allowance

Under the 2003 Regulations payments may be made to Councillors for the cost of travelling and meals in pursuit of the Authorities duties as defined in the regulations including both internal and external meetings. The current rates for travelling and subsistence are defined in the Authorities Constitution and mirror those paid to officers, in line with HMRC limits on vehicle mileage allowances. These increase in line with officers' rates. This standard is adopted by the majority of Authorities and seen as sufficient by Councillors who were interviewed or who completed the survey. We see no reason to amend these amounts.

8.6 Co-optees and Representative roles

This provides for an allowance for independent persons who are not members on the authority but who are a member of a committee. In the case of Horsham District Council this relates to the Independent and Parish Council representatives who sit on the Standards Committee.

The current rate is £1,345 P/A and is paid to four persons.

From research with the SEE data and interviews with Councillors the present rate is seen as appropriate. We therefore do not propose any change to this allowance.

8.7 Other issues

Interim increases of allowances

We note that the Authority considered an interim report of the Independent Remuneration Panel and agreed that the Basic Allowance should continue to be index linked in line with increases with Officers pay. We concur with this and would also suggest that the Co-optees' allowance be included.

We recommend that the Co-optees' allowance be index linked to Officers pay.

With regard to Travelling and Subsistence, these rates should continue to be linked to the rates for Officers and the HMRC rate.

Dependants' Carers' allowances should be index linked to the NLW for standard child care and the WSCC rate for Domiciliary Care for dependant adults or children requiring specialist care.

Councillors with multiple roles

With the exception of the Leader and Deputy Leader whose roles include membership of the Cabinet, Councillors who undertake more than one role attracting an SRA then they should continue to be paid the SRA's for all positions held. However, Cabinet members who represent the Authority on external bodies should not be additionally paid the "per-meeting" SRA proposed.

9. Acknowledgements

The Panel thanks and acknowledges the great support and cooperation received from Horsham District Council Officers and Councillors in assisting them to reach the conclusions set out in this report. This ensured that the review maintained robust and rigorous standards despite the enforced constraints resulting from the Covid19 precautions. Particular thanks goes to Sharon Evans and Liz de Pauley for their support.

APPENDIX 1

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**The report of the Independent Remuneration Panel  
appointed to review the allowances paid to  
Councillors of Lewes District Council**

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November 2023

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1. INTRODUCTION AND BACKGROUND

1.1 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.

1.2 Lewes District Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Daphne Bagshawe - .MA JP. Consultant on Local Government
Ian Buckingham - Management Consultant and Former Local Resident
Mark Palmer - Development Director, South East Employers (Chair)

1.3 Our terms of reference were in accordance with the requirements of 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).

1.4 Those requirements are to make recommendations to the Council as to:

- (a) the amount of basic allowance to be payable to all councillors.
- (b) the level of allowances and whether allowances should be payable for:
 - special responsibility allowances.
 - travelling and subsistence allowance.
 - dependants' carers' allowance.

and the amount of such allowances.

- (c) 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.

1.5 In addition, the Panel was invited to review the allowances payable to the Chair of Council to meet the expenses of the respective office under Sections 3 and 5 of the Local Government Act 1972. Whilst the 2003 Regulations do not require councils to include such allowances in any formal review, the Council has agreed that it would be appropriate in terms of openness and transparency to ask the Panel to review this allowance as part of the general review of the scheme of councillors' allowances.

1.6 We have also again made a recommendation in respect of parental leave for Councillors.

2. CURRENT SCHEME

- 2.1 The last full review of councillors' allowances was undertaken by Lewes District Council in January 2020. The scheme of allowances was brought into effect in April 2020.
- 2.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £3,451 per annum. In addition, some councillors receive special responsibility allowances for undertaking additional duties.
- 2.3 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.

3. PRINCIPLES UNDERPINNING OUR REVIEW

The Public Service Principle

- 3.1 This is the principle that an important part of being a Councillor is the desire to serve the public and therefore, not all of what a councillor does should be remunerated. Part of a Councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the Councillors we interviewed and in the responses to the questionnaire completed by Councillors as part of our review.
- 3.2 The principle of public service had been recognised in previous IRP reviews in Lewes DC and in 2020 was clearly quantified by the Panel. To provide transparency and increase understanding of the Panel's work, we will continue to recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a Councillor.
- 3.3 Further explanation of the PSD to be applied is given below in section 4.

The Fair Remuneration Principle

- 3.4 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2023 subscribes to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local *Councillors*. *Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.*²

¹ The former Office of Deputy Prime Minister – now the Department for Levelling Up Housing & Communities, and HM Revenue and Customs, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

3.5 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.

3.6 Hence, we continue to acknowledge that:

- allowances should apply to roles within the Council, not individual councillors.
- allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and
- special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.

3.7 In making our recommendations, we have therefore sought to maintain a balance between:

- the voluntary quality of a councillor's role.
- the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
- the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor in Lewes District Council.

3.8 The Panel will also ensure that the scheme of allowances is understandable in the way it is calculated, this includes ensuring the bandings and differentials of the allowances are as transparent as possible.

3.9 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual Councillor's performance in the role.

4. CONSIDERATIONS AND RECOMMENDATIONS

Basic Allowance

4.1 A Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all Councillors. The guidance on arriving at the basic allowance states:

*"Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated."*³

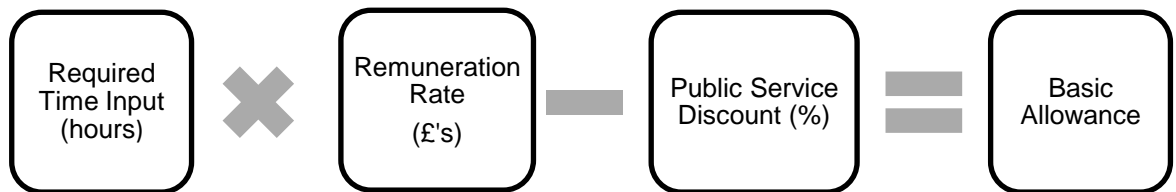
³ paragraph 67.

4.2 In addition to the regular cycles of Council and committee meetings, several working groups involving Councillors may also operate. Many Councillors are also appointed by the Council to several external organisations.

4.3 We recognise that Councillors are responsible to their electorate as:

- Representatives of a ward.
- Community leaders.
- Decision makers for the whole Council area.
- Policy makers for future activities of the Council.
- Scrutineers and auditors of the work of the Council; and
- Regulators of planning, licensing and other matters required by Government.

4.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



4.5 Each of the variables is explained below.

Required Time Input

4.6 We ascertained the average number of hours necessary per week to undertake the role of a Councillor (with no special responsibilities) from questionnaires and interviews with Councillors and through reference to the relevant Councillor information. In addition, we considered information about the number, range, and frequency of committee meetings.⁵

4.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 11 hours per week.

⁴ paragraphs 66-81.

⁵ Summary responses to the questionnaires are available on request.

Public Service Discount (PSD)

4.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 50 per cent to the calculation of the basic allowance. This percentage sits at the top within the range of PSDs applied to basic allowances by councils in the south east.

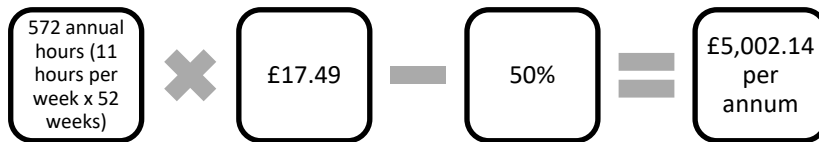
Remuneration Rate

4.9 After establishing the expected time input to be remunerated, we considered a remuneration rate and came to a judgement about the rate at which the Councillors ought to be remunerated for the work they do.

4.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross⁶ wage per hour by place of residence for Lewes. The latest available figure is £17.49.

Calculating the basic allowance

4.11 After determining the amount of time required each week to fulfil the role (12.5 hours), the level of PSD to be applied (50%) and the hourly rate to be used (£17.49), we calculated the basic allowance as follows:



4.12 The gross Basic Allowance before the PSD is applied is **£10,004.28**. Following the Application of the PSD this leads to a basic allowance of **£5,002.14** per annum. This is then rounded to **£5,002**.

4.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, and ward work and attendance on external bodies.

4.14 We did also note the levels of basic allowance currently allocated by other Sussex district councils (see table below).

Council	Sussex District and Borough Councils: Basic Allowances (£) 2023 ⁷
Adur District Council	5,279
Arun District Council	6,033

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' are taxable as employment income.

⁷ Figures drawn from the South East Employers, Members' Allowances Survey 2023 (October 2023).

Chichester District Council	5,200
Crawley Borough Council	6,948
Eastbourne Borough Council	4,573
Horsham District Council	5,739
Lewes District Council	5,002
Mid Sussex District Council	5,700
Rother District Council	4,930
Wealden District Council	4,846
Worthing Borough Council	5,530
Average	5,435

- 4.15 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 was of the view that the 2023 review has begun to make recommendations to ensure that the recommended basic is in accordance with the principle of fair remuneration, although the rate is still below the average for district and borough across Sussex.

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Lewes District Council be £5,002 per annum.

Special Responsibility Allowances (SRAs)

- 4.16 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.17 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 to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive an SRA the local electorate may rightly question the justification for this.⁸
- 4.18 We conclude from the evidence we have considered that the following offices bear significant additional responsibilities:
- Leader of the Council
 - Deputy Leader of the Council
 - Members of the Cabinet with Portfolio
 - The Chair of Council
 - Chair of Planning Applications Committee
 - Vice Chair of Planning Applications Committee
 - Other Members of the Planning Applications Committee
 - Chair of the Policy & Performance Advisory Committee
 - Chair of the Audit and Standards Committee
 - Chair of the Licensing Committee
 - Chair of a Licensing Sub Committee

⁸ paragraph 72. Local Government Regulations 2003

- Member of a Licensing Sub Committee
- Chair of Joint Staff Advisory Committee
- Leader of the Largest Opposition Group

One SRA Only Rule

- 4.19 To improve the transparency of the scheme of allowances, we feel that no Councillor should be entitled to receive at any time more than **one SRA**.
- 4.20 The One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a Councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

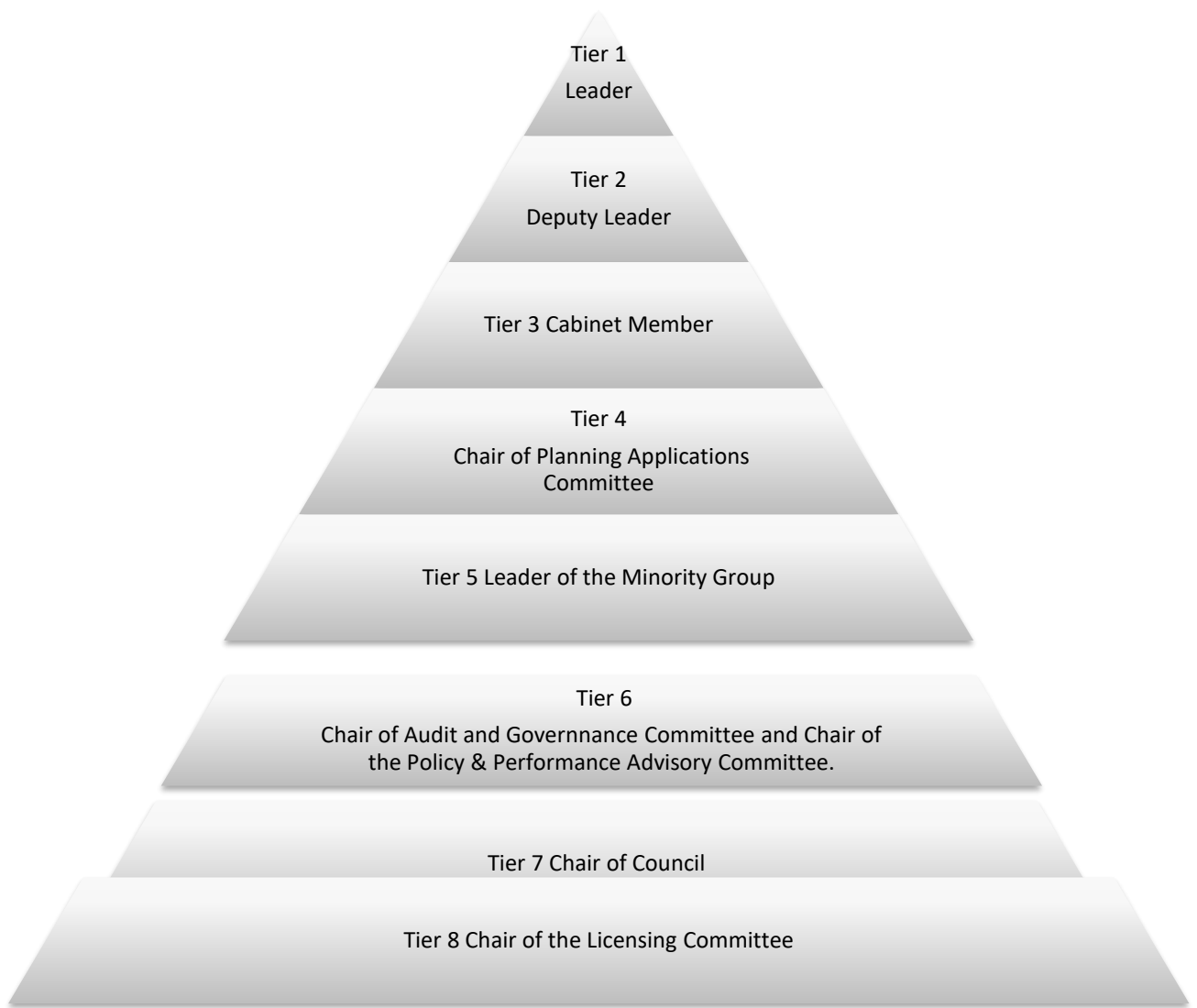
WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.

The Maximum Number of SRAs Payable

- 4.21 In accordance with the 2003 Statutory Guidance (paragraph 72) the Panel is of the view that no more than 50% of Council Members (21 Members) should receive an SRA at any one time. However, we continue to recognise that this is a future aspiration rather than a recommendation.

Calculating SRAs

- 4.22 The Panel agreed to apply a criteria and formula for calculating the Leader of the Council's SRA. This will be based on a multiplier of the Basic Allowance. The Leader is the role that carries the most significant additional responsibilities and is also the most time consuming.
- 4.23 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.
- 4.24 We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



4.25 The rationale for these eight tiers of responsibility is discussed below:

Leader (Tier One)

4.26 The Council elects a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Cabinet. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.

4.27 The multiplier we applied to calculate the Leader's SRA is 375%, or 3.75 x the basic allowance. If the recommended option of a basic allowance with a PSD of 50% is adopted, this results in a Leader's Allowance of £18,756.

WE RECOMMEND that the Leader of the Council receive a Special Responsibility Allowance of 375% of the basic allowance, £18,756 per annum.

Deputy Leader (Tier Two)

- 4.28 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered we consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 55% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £10,316.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 55% of the Leader's Special Responsibility Allowance, £10,316

Cabinet Member (Tier 3)

- 4.29 From the evidence gathered, including questionnaire response and face to face interviews we consider the members of the Cabinet should receive an allowance of £8,440, 45% of the Leader's Allowance.
- 4.30 Evidence from the interviews we undertook with councillors, underlines the responsibility of the members of the Cabinet for many of the Council's functions. Members of the Cabinet hold considerable responsibility for their respective portfolios. In addition, we found the time commitment for the role to be significant.

WE RECOMMEND that the Cabinet Members receive a Special Responsibility Allowance of 45% of the Leader's Special Responsibility Allowance, £8,440.

The Chair of the Planning Applications Committee (Tier Four).

- 4.31 The Panel is of the view that the Chair of Planning Applications performs a significant role that has a high impact across the District. The frequency of meetings also mean that the role is demanding of time and resource. The Panel therefore recommend an allowance of 40% of the Leaders Allowance, £7,502.

WE RECOMMEND that the Chair of the Planning Applications Committee receive a Special Responsibility Allowance of 40% of the Leader's Allowance, £7,502.

The Leader of the Minority Group (Tier Five)

- 4.32 The role of the Leader of the Minority Group is instrumental to ensure accountability of the leadership and requires a high level of organisation to manage a political group. The Panel therefore recommends that the Leader of the Minority Group receive a Tier-Five allowance of £6,565, 35% of the Leader's Special Responsibility Allowance.

WE RECOMMEND that the Leader of the Minority Group receive a Special Responsibility Allowance of 35% of the Leader's Allowance, £6,565.

Chair of the Policy and Performance Advisory Committee and Chair of the Audit and Governance Committee (Tier Six).

- 4.33 The Policy and Performance Advisory Committee performs the role of overview and scrutiny and therefore, does not have formal decision-making powers. The Committee is influential and Government Legislation and Statutory Guidance (May 2019) has sought to increase the scope and influence of the scrutiny function. We consider this role should receive a Tier- Six allowance of £5,627, 30% of the Leader's Allowance.
- 4.34. The Panel is also of the view that the Audit and Governance Committee continues to perform a key role and should receive a Tier- Six allowance of £5,627, 30% of the Leader's Allowance.

WE RECOMMEND that the allowance for the Chair of Policy and Performance Advisory Committee and the Chair of the Audit and Governance Committee should receive a Special Responsibility Allowance of 30% of the Leader's Allowance, £5,627.

Chair of the Council (Tier Seven)

- 4.35 The Panel was of the view that the role of the Chair of the Council continues to have a key role, impact and profile in a similar capacity to a mayor in wards without a town mayor. We therefore, recommend that the role be recognised at Tier Seven and receive an allowance of £3,751, 20% of the Leader's Special Responsibility Allowance.

WE RECOMMEND that the Chair of the Council should receive a Special Responsibility Allowance of 20% of the Leader's Allowance, £3,751.

Chair of the Licensing Committee (Tier Eight)

- 4.36 Currently the Chair of the Licensing Committee receives an allowance based on a per meeting basis (£65.00 per meeting). Following consultation and discussion with Councillors the Panel is of the view that an annual Special Responsibility Allowance should be payable. The Panel recommends that the Chair of the Licensing Committee should receive an allowance of 20% of the Leader's Allowance, £3,751.

WE RECOMMEND that the Chair of the Licensing Committee should receive a Special Responsibility Allowance of 20% of the Leader's Allowance, £3,751.

Other Allowances

- 4.37 Following discussion and from an analysis of the role the Panel is of the view that the allowance for Vice Chair of Planning Applications should be 20% of the Chair of Planning Applications Special Responsibility Allowance, £1,500.
- 4.38 With regard to the role of Other Members of the Planning Applications Committee the Panel consider that they should receive an allowance of 10% of the Chair of the Planning Applications Committee, £750.
- 4.39 In the case of the Chairs of Licensing Sub Committee this allowance should continue to be £65 per meeting and the Chairs of the Policy and Performance Advisory Scrutiny Panels should also receive an allowance of £65 per meeting. A Member of a Licensing Sub-Committee and Member of the Policy and Performance Advisory Panel should receive the following allowances:
- 0-12 meetings £0 p.a.
 - 13-26 meetings £576 p.a.
 - 27-40 meetings £862 p.a and
 - 41+ meetings £1,150 p.a.
- 4.40 The Joint Staff Advisory Committee established in partnership with Eastbourne Borough Council has a rotating Chair. The Panel was of the view that the Chair of the Committee should receive a Special Responsibility Allowance, and this should be calculated as a percentage of the Leader's Allowance for both Councils. The Panel therefore recommends that the Chair of the Joint Staff Committee should receive an allowance of 5% of the recommended combined Leader's allowance, £9,146 and £18,756, a Special Responsibility Allowance of £1,395.
- 4.41 The Panel also recommends that the Co-opted members of the Standards and Audit Committee or Standards Sub- Committee should receive an allowance of £33 per meeting up to a maximum of £160 per annum.
- 4.42 With regard to the vacant role of Cabinet Member (without Portfolio) the Panel recommends that no Special Responsibility Allowance should be payable.

WE RECOMMEND that the afore mentioned Special Responsibility Allowances should be payable as outlined in paragraphs 4.37 to 4.42. The Panel also recommends that no Special Responsibility Allowances should be payable to the role of Cabinet Member (without Portfolio).

Travelling and Subsistence Allowance

- 4.43 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations including any other duties approved by the Council. Similarly, such an allowance may also be paid to co-opted members of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

- 4.44 The amounts payable to Members in respect of car and motorcycle mileage payments will be at the maximum rate per mile that can be paid tax-free as defined by HM Revenue and Customs.

WE RECOMMEND that travelling and subsistence allowance should continue to be payable to councillors and any co-opted members in connection with any approved duties in accordance with the current scheme of allowances.

Dependants' Carers' Allowance

- 4.45 The dependants' carers' allowance should ensure that potential candidates are not deterred from standing for election and should enable current councillors to continue despite any change in their personal circumstances.
- 4.46 The Panel therefore is of the view that the Dependants' Carers Allowance should continue to be based on two criteria, general childcare and specialist care. The Panel continues to be of the view that specialist care provision should be reimbursed for the actual cost incurred by the councillor upon production of receipts. Medical evidence that this type of care provision is required must also be provided and approved by an appropriate officer of the Council. Childcare rates should continue to be at market rates upon production of receipts.

WE THEREFORE RECOMMEND that the Dependants' Carers' Allowance should continue to be based on two criteria. Rate one for Childcare be at the market rate, reimbursed upon production of receipts, with no monthly maximum claim. Rate two should be for specialist care based at cost upon production of receipts and requiring medical evidence that this type of care is required. There should also continue to be no monthly maximum claim

WE ALSO RECOMMEND that no change should be made to the current eligibility conditions for receipt of this allowance, except that the duties for which this allowance is payable should be in accordance with the list of approved Councillor duties. The Council should also actively promote the allowance to prospective and new councillors both before and following an election.

Approved Councillor Duties

- 4.47 The Panel reviewed the recommended duties for which Dependants' Carers' Allowance and Travelling and Subsistence Allowance should be payable and have recommended that no changes be made.

WE THEREFORE RECOMMEND that the recommended duties for which Dependants' Carers' Allowance and Travelling and Subsistence Allowance should be payable should be in accordance with the Approved Councillor Duties.

Parental Leave

- 4.48 There is no uniform/ national policy to support councillors who require parental leave for maternity, paternity or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a 'lack of maternity, paternity provision or support' is a real barrier for women aged 18-44 to fulfil their role as a councillor'.
- 4.49 In 2020 the Panel was of the view that support should be provided for parental leave and we were pleased that this recommendation was approved by the Council and adopted. The Panel recommends that the Parental Leave Policy continues and is actively promoted to both current and prospective councillors.

WE RECOMMEND that the parental leave policy for councillors continues and is actively promoted to new and prospective councillors.

Information Technology Allowance

- 4.50 The Panel is of the view that the current arrangement of a separate IT Allowance to the value of £455 per annum should be withdrawn.

WE RECOMMEND that IT Allowance for Councillors of £455 per annum should be withdrawn.

Indexing of Allowances

- 4.52 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The previous scheme made provision for the basic allowance, the special responsibility allowances, the dependants' carers' allowance and co-optees and Independent Persons Allowances to be adjusted annually. The Panel recommend that this indexation should be in line with increases in staff salaries at Lewes District Council.

WE RECOMMEND that the basic allowance, each of the SRAs and the Dependants' Carers' Allowance be increased annually in line with the percentage increase in staff salaries until 2027, at which time the Scheme shall be reviewed again by an Independent Remuneration Panel.

Revocation of current Scheme of Allowances / Implementation of new Scheme

- 4.53 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2024-25 municipal/financial year, at which time the current scheme of allowances will be revoked.

5. OUR INVESTIGATION

Background

- 5.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 26 of the 41 Councillors, which represents 63% of the Council. The information obtained was helpful in informing our deliberations.
- 5.2 We interviewed ten current councillors, including the Leader of the Council and the Leader of the Minority Group. We are grateful to all our interviewees for their assistance.

Councillors' views on the level of allowances

- 5.3 A summary of the councillors' responses to the questionnaire is attached as Appendix 2.

Mark Palmer (Independent Remuneration Panel, Chair)
Daphne Bagshawe (Independent Remuneration Panel)
Ian Buckingham (Independent Remuneration Panel)

November 2023

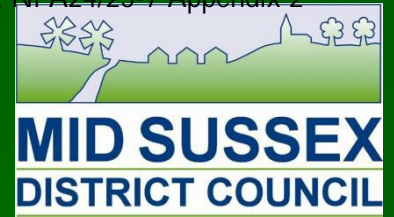
Appendix A – Summary of Panel Recommendations

Allowance	Current Amount for 2023-24 (at time of review)	Number	Recommended Allowance (50% PSD)	Recommended Allowance Calculation
Total Basic:	£3,451	41	£5,002	

Special Responsibility:				
Leader of the Council	£16,003	1	£18,756	375% of BA
Deputy Leader	NO SRA	1	£10,316	55% of Leader's Allowance
Members of the Cabinet	£6,402	8	£8,440	45% of Leader's Allowance
Cabinet Member (without Portfolio)	£3,200	0	No SRA to be payable	
Leader of the Largest Minority Group	£4,800	1	£6,565	35% of the Leader's Allowance
Chair of the Policy and Performance Advisory Committee	£3,840	1	£5,627	30% of the Leader's Allowance
Chair of Council	£2,401	1	£3,751	20% of the Leader's Allowance
Chair of Planning Applications	£4,800	1	£7,502	40% of the Leader's Allowance
Vice Chair of Planning Applications	£800	1	£1,500	20% of the Planning Applications Chair
Other Members of the Planning Applications Committee	£576	9	£750	10% of the Planning Applications Chair
Chair of Audit and Governance	NO SRA	1	£5,627	30% of the Leader's Allowance
Chair of Licensing Committee	£65 per meeting	1	£2,813	15% of the Leader's Allowance
Chair of Licensing Sub Committee	£65 per meeting		£65 per meeting	
Co-Opted Members of	£34 per meeting			

Audit and Governance			£34 per meeting	
Members of the Licensing Sub Committee and Members of the Policy and Performance Advisory Panels	£0 £576 £862 £1,150		£0 £576 £862 £1,150	
Chair of Policy and Performance Advisory Panels	£65 per meeting		£65 per meeting	
Chair of Joint Staff Advisory Committee 1	£1,201		£1,395	5% of the combined Leader's Allowance for EBC and LDC

1. Allowance payable every other year, due to a rotating Chair with Eastbourne BC.



Mid Sussex Report of the Independent Remuneration Panel on the review of Members' Allowances 2023/2024

Mr Neil Gershon (Chair)
Ms Jane Henry
Ms Jane Rothwell



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CHAIRMAN'S FOREWORD

I am pleased to present the report and recommendations of the Independent Remuneration Panel for Mid Sussex District Council, relating to the financial year 2023/24.

There were no resignations from or appointments to the Panel.

The Panel's discussions focused on the level of the Basic Allowance and the factors used to determine Special Responsibility Allowances (SRA's). In respect of the former the Panel took into account the rate of price inflation (CPI) and the forthcoming reduction in the number of Councillors. In respect of the latter the Panel was advised that there had been no material changes in workloads that might have affected the allowances paid to those in receipt of SRA's and consequently did not seek to revisit any of the established linkages.

The Panel wrote to all Councillors inviting comments on the level of the basic allowance and on the amounts paid for SRA's. Eight Councillors responded to our letter, and we comment on those responses in the body of this report. We met with one Councillor who had requested a meeting and also with the Leader of the Council.

The Panel took into account data from other councils in West Sussex and the matters referred to above. **We concluded that an increase in the Basic Allowance to £5,700 (an increase of £500) was reasonable and we recommend the increase but with effect from 1 May 2023 for reasons adduced in the body of the report.**

In the light of the advice we received concerning workloads relating to SRA's we noted that there had been no material changes and consequently we make no recommendations for any changes to the factors used to determine those payments. We learned, however, that there are discussions in progress which might lead to the reduction in Scrutiny Committees from three to two but that no decision was likely before the publication of our report. **Accordingly, we recommend that should this decision be taken the cost of the SRA's (Chair and Vice Chair) be taken as an in year saving on the budget for Councillors' Allowances.**

The Panel recommends no changes to ancillary allowances for matters such as mileage and meals. We re-iterate our view that such allowances should remain tied to those approved by HMRC for the re-imbursment of expenses necessarily incurred. Similarly we recommend maintaining the link between the National Living Wage and the rate paid for dependent care.

The additional costs of our recommendations are £1,302 a year or 0.31% of the current budget.

Neil Gershon

December

2022

INTRODUCTION

This Independent Remuneration Panel has been appointed by Mid Sussex District Council to consider and make recommendations for the 2023/24 financial year. The Panel comprises Neil Gershon (this year's Chair), Jane Henry and Jane Rothwell. Their terms of appointment and a short biography are set out at Appendix A.

TERMS OF REFERENCE

The Panel is required to make recommendations to Mid Sussex District Council on their schemes of allowances. The terms of reference, in so far as they relate to Mid Sussex District Council, are to make their recommendations:

- a) On the amount of Basic Allowance which should be payable to its Elected Members;
- b) About the roles and responsibilities for which a Special Responsibility Allowance should be paid and the amounts thereof;
- c) About the duties for which travelling and subsistence allowances should be paid and the amounts thereof;
- d) As to whether co-optees to committees should receive allowances and the amounts thereof;
- e) As to whether the Council's scheme should include an allowance in respect of arranging for the care of children and dependents and if so, the amount thereof.

WORK OF THE PANEL

The Panel wrote to all Members of the District Council seeking views relating to allowances and expenses and received replies from eight individual Councillors, five of these being a suggestion that the rate of inflation be taken into account. Other suggestions included the possibility that an allowance be paid to members of Planning Committees (two) and a proposal for a radical restructuring of part of the system of allowances with a view to reducing the amounts paid to Committee Chairman and Vice-chairman and introducing an allowance for committee membership.

The Panel met with one Councillor to discuss his proposals and with the Leader for a general discussion.

The Panel met twice between September and November 2022, and also communicated over this period by email. These meetings planned the review, evaluated the evidence received and debated its findings, before formulating both draft and final reports containing its recommendations.

The Panel laid great weight on affordability in the current economic climate and aimed to ensure that our recommendations did not have a material effect on the budget.

We therefore make our recommendations accordingly.

Consideration and Recommendations

1. Basic Allowance

The Panel once again examined the record of Basic Allowance rates since the system was introduced in July 2001. Allowances paid since 2010 are detailed below:

Year	Recommended Rate	Adopted Rate (£):	Percentage increase on previous year	Percentage rate of inflation in same year <small>(Sept CPI of Previous Year)</small>
2010/11	4738	4738	0	4.48
2011/12	4501	4501	-5.0	2.83
2012/13	4501 plus increase in line with Local Government Pay Settlement for 2012/13	4501	0	2.56
2013/14	4501	4501	0	1.69
2014/15	4501 plus increase in line with Local Government Pay Settlement for 2014/15	4501	0	Source: Inflation.eu Historic average inflation rate based upon Consumer Price Index (CPI).
2015/16	4501	4501	0	0
2016/17	4620	4620	2.5	1.0
2017/18	4736	4736	2.5	3.0
2018/19	4878	4878	3	3.0
2019/20	5000	5000	2.5	2.2
2020/21	5100	5100	2	1.7
2021/22	5100	5100	0	0.7
2022/23	5100	5200	2	3.1

The reduction in the number of councillors from 54 to 48 in May 2023 provides a saving equivalent to six Basic Allowances. However, at the same time it represents an increase in the population notionally represented by each Councillor of some 10 – 11%. Together with the rate of the CPI (10.1% at time of writing) the Panel felt there was a strong case to apply the saving referred to as an increase in the Basic Allowance of £500 an increase of 9.6% and one that allowing for the multiplier effect of the SRA factors would make full use of the saving produced by the reduction in numbers.

The Panel recommends therefore that the basic Allowance be increased to £5,700 but with effect from 1 May 2023 being as close as possible to the election of the new Council.

The Panel noted that this increase would still leave the Mid Sussex allowance within the +/- 5% tolerance compared to the average in West Sussex without taking into account any proposed increases that might be applied within other District Councils.

2. Special Responsibility Allowances

In its previous report the Panel finalised its work in providing factors to enable the linking of all SRA's to the Basic Allowance. We received no information to suggest that there had been any material change in the workloads relating to SRA's therefore we make no recommendations for change.

We did note that there are discussions under way that might lead to a reduction from three to two of the Scrutiny Committees but that this decision was not imminent and if taken would certainly come after our report was presented to Council. Should such a decision be taken then the saving arising from the abolition of one post each of chair and vice chair (£5,100 at current rates) should be taken as an in year saving on the budget for Councillors Allowances.

3. Travelling and Subsistence Allowance

The Panel received one general comment on the level of mileage allowances and none on any other allowances. Whilst the Panel is sympathetic to the rising cost of motoring we do not feel that the Council should deviate from the allowances deemed appropriate by HMRC and we recommend therefore that these allowances continue to be linked to those deemed acceptable by HMRC.

Detail	Recommended Rate
Vehicles	
Car Mileage	45p per mile
Car Passenger Mileage Rate	3p per mile for 1 passenger 5p per mile for 2 or more passengers
Cycling Allowance	20p per mile
Subsistence	
Breakfast	£7.00
Lunch	£10.00
Tea	£4.00
Evening Meal	£13.00
Overnight Out of Pocket Expenses Per night	£6.00
Overnight Out of Pocket Expenses Per week	£24.00

4. Childcare and Dependent Carer's Allowances

4.1. Childcare Allowance

The Panel agreed that this allowance should remain linked to the National Living Wage rate. Payment will be on receipt-based actual costs up to a maximum rate of £11.00 per hour for one child, or a maximum of £22 per hour for two or more children.

4.2. Dependent Carer's Allowance

The Panel agreed that the existing payment of receipt-based actual costs, up to a maximum rate of £22 per hour was appropriate.

4.3 Cycling Allowance

The Panel makes no recommendation for change.

5. Other Matters

We had an interesting discussion with one Councillor who had suggested that the allowance paid to chairs and vice chairs of committees should be reduced and standardised. In addition, he proposed that all committee members should be paid an allowance in order to encourage others to join committees and/or to better remunerate those who already sat on them. However, to achieve this would have required a freezing of the basic allowance, a reduction in the amounts paid to chairs and vice chairs and a redistribution of the savings referred to earlier in order to pay for the additional allowances without increasing the budget.

The Panel considered the proposals made but agreed that the priority was to recognise the increased workload for all Councillors and the current rate of inflation both of which supported the Panel's view that an increase in the basic allowance for all Councillors would be a fairer outcome.

6. Summary of Recommendations

The Panel's recommendations for Basic and Special Responsibility Allowances are summarised in the table below (rounded to the nearest whole pound).

Role	Current Allowance (£):	Recommended Allowance (£):
Basic Allowance	5,200	5,700
Leader's Allowance	20,800	22,800
Deputy Leader's Allowance	11,000	11,400
Cabinet Member	42,500 (8,500 x 5)	45,600 (9,120 x 5)
Chairman of the Council	6,750	7,410
Vice-Chairman of Council	2,250	2,470
2 x Planning Committee Chairman	13,000 (6,500 x 2)	14,250 (7,125 x 2)
2 x Planning Vice-Chairman	3,250 (1,625 x 2) 25% of Planning Chairman's allowance	3,562 (1,781 x 2) 25% of Planning Chairman's allowance
Licensing Committee Chairman	1,040	1,140
Standards Committee Chairman	1,040	1,140
Group Leader	250 per group member	250 per group member
3 x Scrutiny Committee Chairman	12,480 (4,160 x 3)	13,680 (4,560 x 3)
3 x Scrutiny Vice-Chairman	3,120 (1,040 x 3) 25% of Scrutiny Chairman's allowance	3,420 (1,140 x 3) 25% of Scrutiny Chairman's allowance
Audit Committee Chairman	3,060	3,420
3 x Independent Persons for Standard Matters	2,250 (3 x 750)	2,250 (3 x 750)

The additional cost of the Panel's recommendations is £1,302 representing 0.31%.

The Panel recommends that Members should continue to only be entitled to claim one Special Responsibility Allowance, with the exception of allowance paid to the Group Leaders.

ACKNOWLEDGEMENTS

The Panel would like to extend its thanks to those who took the time to reply to our request for comments. We would also like to offer our collective thanks to the Member Services Team, for their research and administrative support of our work this year.

**Neil Gershon
Jane Henry
Jane Rothwell**

Report of the Independent Allowances and Remuneration Panel to Wealden District Council for 2022/23

Introduction

1. This is the 21st Annual Report of the Independent Allowances and Remuneration Panel, established by Wealden District Council to make recommendations to the Council as to the amount of allowances which should be payable to its elected and co-opted members and independent members of the public sitting on committees (Allowances Scheme).

Summary

2. Following its deliberations, the Panel **recommends** the following in relation to the Allowances Scheme for 2022/23:
 - (a) The Basic Allowance be increased by 3% and be paid to each of the 45 Councillors at £4,870 per annum, equivalent to an increase of £142 (rounded up and divisible by 12 for payroll purposes);
 - (b) Special Responsibility Allowance (SRA) payments be increased by 3% (rounded up and divisible by 12 for payroll purposes) and paid to the following office holders as indicated below:-

Chairman of the Council	£5,049
Vice-Chairman of Council	£1,248
Leader of the Council	£14,239
Minority Group Leader(s) (where group is 5 or more members) (1)	£1,131 plus £185 per member
Minority Group Leader(s) or Spokesperson (where group is less than 5 members) (0)	£402
Cabinet Member (up to 6)	£5,886
Chairman of Overview & Scrutiny Committee (1)	£3,984
Chairman of a Planning Committee (2)	£4,487
Deputy Chairman of a Planning Committee (2)	£1,483
Chairman of Audit, Finance & Governance Committee	£3,984
Chairman of Licensing Committee	£1,446
Chairman of Standards Committee	£1,446
Independent Persons on the Standards Committee	£871

- (c) The policy to fix Travelling Allowances in line with HM Revenue & Customs 'Approved Mileage Allowance Payment' rates is re-affirmed;
- (d) The allowances for Childcare Allowances to be paid in line with, but not less than, the national minimum wage; however Wealden's policy of reimbursing reasonable actual costs of care above the level of the allowance be endorsed, at the Portfolio Holder's discretion;

- (e) Subsistence Allowance – the following allowances for Councillors to apply:

Breakfast	£6.50	When away from home on approved Council business before 8 a.m.
Lunch	£8.50	When away from home on approved Council business between 12 noon and 2 p.m.
Evening Meal	£15.00	When away from home on approved Council business after 7 p.m.

All claims must be accompanied by a valid receipt and payment is subject to Councillors signing to say they have actually and necessarily incurred the amount being claimed.

- i. Subsistence for Overnight absence – Other than London or specified conferences - £85.
 - ii. Subsistence for Overnight absence – In London or specified conferences - £95.
- (f) The SRA payment of £1,131 plus £185 per member be payable to the leader or spokesperson of the largest minority political group where:
- the group has five or more members;
 - such leader or spokesperson is not in receipt of an SRA which exceeds or is equal to this figure for any other reason; and
 - no other minority political group leader or spokesperson is receiving an SRA for undertaking the role of leader or spokesperson of the largest minority group (unless there are more than one such minority group of equal size, in which case the allowance is payable to the Leader of each group).
- (g) The SRA payment of £402 per year be payable to the leader or spokesperson of the largest minority political group where:
- the group has fewer than five members;
 - such leader or spokesperson is not in receipt of an SRA which exceeds £402 for any other reason; and
 - no other minority political group leader or spokesperson is receiving an SRA for undertaking the role of leader or spokesperson of the largest minority group (unless there are more than one such minority group of equal size, in which case the allowance is payable to the Leader of each group).

Background

3. Under Section 99 of the Local Government Act 2000 a local authority can only amend its Allowances Scheme following a review by an independent panel. The Wealden Independent Allowances and Remuneration Panel established for this purpose comprises three members: Edward Stone (Chairman), Stephen Hallam and Clive Mills.

Consideration

4. The Panel met remotely on Teams on 5 November 2021. The Panel subsequently dealt with the preparation of this report through discussion and advice from officers by email.
5. The Panel in its considerations has taken into account:
 - (a) The Panel report to the Council for 2021/22;
 - (b) The Cabinet and Council decisions in relation to the Allowances Scheme for 2021/22;
 - (c) Members' Allowances Scheme adopted from 1 April 2021;
 - (d) The South East Employers' 2021 Survey of South East local authorities' members' allowances;
 - (e) Information on the current provision in the Council's draft budget for 2022/23 in relation to Members' Allowances and Staff Pay increases for 2022/23;
 - (f) Details of the rate of inflation.
6. Eighteen Members responded to an invitation to all District Councillors to submit their views of the current scheme, prior to the Panel's meeting on 5 November 2021, and these were considered during the discussions of the relevant part of the scheme. A summary is provided below:
 - 11 respondents considered that the current Basic Allowance was not sufficient to attract a wide range of people to become Councillors, particularly younger people.
 - Several respondents made the point that, due to the fact that District Council meetings were held during the day, those working would have to take time off work and this could have financial implications (particularly for those who were self-employed).
 - A comment was made that, whilst the allowance should be reviewed to take into account inflation, the allowance is high enough to compensate for time - whilst still keeping public service being the attraction not the income.
 - One Member stated that Councillors are expected to have a high degree of knowledge on very broad topics as well as take extensive time off work. The amount of work now required, as well as telephone costs, is not reflected in the basic allowance.
 - 16 out of the 18 respondents confirmed that the level of allowance did not affect their decision to become a Councillor; they wanted to stand for election to help their community. One Member stated that many Councillors were unpaid volunteers for a number of organisations.
 - Some confirmed that they were retired so had the time, but would not be able to do the job if working full time.
 - A comment was made that the pay attracts a very limited sample of the population, and we need diversity.
 - One respondent commented that had they not been self-employed and able to manage their own diary then they couldn't afford to become a councillor.
 - Comments on whether the allowance reimbursed Members for the costs of being a councillor ranged mainly from 'fully' to 'partly'. One

Member stated that, if viewed as a salary, then it barely meets minimum wage. Another point was made that this was dependent upon the number of committees a member sat on and how involved they were in their ward.

- One Member stated that the main factor was time and not money, however another mentioned the cost of internet, computer and travel.
 - Regarding the question about being financially disadvantaged, eight Members claimed they were, particularly when they had to turn down work to perform council duties. Others stated that this was irrelevant as they did not do it for the money.
 - 13 replies confirmed that the travelling allowances were appropriate. Comments received included that the basic allowance should cover the travel expenses; however another Member stated that 45p per mile does not reflect the rising cost of fuel. A comment was made that applying for expenses was too difficult, as Members do have to have 'Business Use' on their insurance to claim.
 - The majority of comments received on the subsistence allowances considered that the rates were too low and the tea allowance could be removed.
 - General comments included: allowances are reasonable and work well; day time meetings limit a representative range of people; low allowance limits diversity; low allowance compared to other authorities – particularly County and workloads are similar; Members' allowances should not be seen as 'excessive' - we are supporting our communities and remuneration should cover actual costs and nothing else; it should not be regarded as a paid job; allowances should rise in line with inflation; should at least keep pace with any increase awarded to council officers.
7. The Panel was grateful for the responses received from Members. In response to the feedback, the Panel felt that it was important to remind all Members that this was an **Allowance Scheme**, not a salary, and therefore not intended to compensate the number of hours worked, nor reimburse Members for the effort they put in.
 8. The Panel's role was to look at wider factors such as the economic position and the impact that a decrease in allowances in real times had on the ability to attract people to become Councillors from a wide range of backgrounds. Allowances should be such that no councillor would be in a detrimental financial position through standing for election and carrying out their duties as an elected member.
 9. The Panel considered the information provided to it in the Agenda pack for its meeting, including the responses on the current scheme received from Members.
 10. The Panel noted that the majority of Members who responded to the survey considered that the Basic Allowance was sufficient. The Panel's recommendation of increasing both the Basic Allowance and the Special Responsibility Allowances by 3% was in line with the current rate of inflation and, although it was acknowledged that this recommendation might not match the increase proposed for officers, it was felt that a 3% increase was justified for 2022/23.

11. Last year a suggestion was made by a Member that a national analysis of allowances should be carried out. No request has been forthcoming from Full Council for this data, and therefore the Panel was only provided with the results of the South East Employers' survey of Members' Allowances for 2021, which illustrated all the allowances for authorities within the South East. One of the responses received commented that the East Sussex County Councillors' allowance was much higher than Wealden's. The Panel confirmed that its remit was to compare similar authorities, i.e District Councils; the County Council had very different responsibilities covering a wider area.
12. The Panel confirmed that the Travelling Allowance was in accordance with the official rates published by HM Revenue and Customs and used by the majority of other councils. It was noted that anything paid above this amount would be subject to taxation and would require tax forms to be completed.
13. With regard to the comment made about the bureaucratic nature of the system of claiming expenses, including mileage, the Panel clarified that this was not within its remit and was an internal HR process.
14. Last year the Panel was advised that the Planning Committees had met (remotely) more frequently over the summer months to determine the backlog of planning applications. However it was noted that this had not continued once meetings had returned to 'in person' and therefore no increase in allowance for these committee members was discussed.
15. After deliberation the Panel recommended an increase in the Basic Allowance of 3% (rounded up) to £4,870, per annum for 2022/23.

Special Responsibility Allowances (SRAs)

16. The Panel noted the current schedule of SRAs and discussed the level of allowances for 2022/23. It was felt that the balance between the different Special Responsibility Allowances was broadly correct.
17. The Panel was informed that there had been no change to the current committee structure during the year.
18. The Panel considered that it was appropriate that SRAs were also increased by 3% (rounded up).
19. The Panel therefore **recommends** that the Special Responsibility Allowances for 2022/23 be as set out in paragraph 2 above.

Co-optees

20. The Panel understands that co-option was not a current feature of the Council's Committees, with the exception of non-voting Parish Council representatives on the Standards Committee, although provision was available within the Constitution, if required.
21. The Panel therefore **recommends** that co-optees, should any be appointed, receive payment of out of pocket travel expenses, subsistence expenses and the payment of carers' costs, but that no additional allowance is paid.

Carers' Allowances

22. The Panel considered that it was important to continue to make provision for carers' allowances to enable individuals with caring responsibilities to become Councillors and to support those members whose circumstances change and become carers.

23. The Panel recommends that the current Child Carers' Allowance be in line with, and not less than, the national minimum wage. The Panel endorses the practice of the Authority to reimburse the actual costs incurred above this level, where necessary, with the approval of the Portfolio Holder.
24. In respect of Elderly Dependents/Dependants with Disabilities Carers' Allowance, the Panel **recommends** no change to the current allowance of up to £12 per hour, and continues to endorse the practice of the Authority to reimburse the actual costs incurred above this level, where necessary, with the approval of the Portfolio Holder.

Travelling Allowance

25. The Panel noted some of the comments received from the survey regarding the mileage allowance being too low and that it should be reviewed in line with rising fuel prices.
26. The Panel recommends that travelling allowances continue to be paid in line with the HM Revenue & Customs 'Approved Mileage Allowances Payments' (AMAP). The Panel observed that there was no mention of claims for other travel costs within the Allowance Scheme, such as public transport and taxis, but acknowledged that reimbursement of these was common practice, subject to the Leader's approval.

Approved Duty Status

27. The Panel noted that the Council maintained a list of approved duties for which expenses could be paid, which included Councillors attending parish and town council meetings within their wards, and this was supported.

Subsistence Allowance

28. The Panel considered the subsistence allowance and the comments received from Members suggesting that the evening meal allowance should be increased and that the 'tea allowance' was no longer necessary. The Panel agreed to increase the evening meal to £15.00 and delete the tea allowance completely. The Panel commented that subsistence allowance was a 'top up' on the amount it would cost a councillor to eat at home.
29. It was agreed, as with current practice, payment should continue to be subject to Councillors certifying that they had actually and necessarily incurred the amount being claimed.
30. The rates for 2022/2023 are therefore proposed as follows:

Breakfast	£6.50	When away from home on approved Council business before 8 am.
Lunch	£8.50	When away from home on approved Council business between 12 noon and 2 pm.
Evening Meal	£15.00	When away from home on approved Council business after 7 pm.

31. It was agreed that subsistence for overnight absence other than London or specified conferences should also remain the same as last year at £85, and £95 for London or specified conferences.

Other Business

32. The Panel did not consider that it was appropriate to make any recommendations beyond 2022/23, as it would wish to consider the economic climate and cost of living indicators at that time, together with the views of Members.
33. The Panel would like to express its thanks to the Members and Officers who have assisted it in its work and the preparation of this report.

Edward Stone
Chairman

Dated: 15 November 2021

Report of the Independent Remuneration Panel and Recommendations for the Scheme of Allowances and Expenses from May 2021

November 2020

Summary of Recommendations

1. The Independent Remuneration Panel's recommendations are:
 - a. Continue with the use of remote working and virtual meetings where feasible and effective (paragraph 12) and encourage greater use of the Horsham videoconferencing facility (paragraph 15)
 - b. Lobby central Government to extend the power of councils to use remote working facilities for formal meetings (paragraph 13)
 - c. Reduce the petrol/diesel mileage rate immediately if HMRC adjust the 'official' rate (paragraph 19)
 - d. Set a mileage rate for electric and other non-fossil fuel vehicles in line with HMRC rates (presently 45p per mile) (paragraph 20)
 - e. Publicise other opportunities for members to reduce carbon-intensive travel (paragraph 21)
 - f. An SRA should not be paid to CLC Chairmen (paragraph 25)
 - g. From May 2021, the basic allowance and special responsibility allowances should be set as shown in the table (paragraph 26)
 - h. Allowances in May 2021 should be continued at the amounts set in October 2020 (with the exceptions noted below) following the application of the 2.75% indexing increase (paragraph 27)
 - i. Apply the recommended allowances from May 2021 following County Council elections (paragraph 29)
 - j. Continue with indexing of allowances to reference officer salaries and expenses to CPI (paragraph 30), but
 - k. Forego any indexing of allowances that would otherwise be applied in 2021/2022 (paragraph 31)
 - l. From May 2021, the basic allowance should be £12,202 (0.0% increase) (paragraph 32). Should the Council decide to apply indexing in 2021/2022 contrary to our recommendation, the increase should be limited to no more than 1.0% (paragraph 33)
 - m. Consolidate the present Adviser and Senior Adviser roles into one Adviser role, and set a special responsibility allowance of £4,397 (paragraph 40)
 - n. Adviser roles should be defined by specific, time-limited terms of reference and their eligibility for a special responsibility allowance should be assessed by the Director of Law and Assurance, with the allowance being paid subject to this assessment (paragraph 42)
 - o. Cabinet Members and the Leader should consider the possibility of appointing a member from a different political group to an Adviser role (paragraph 44)
 - p. The present allowance for group leaders should be replaced with one which has a more logical and progressive structure (paragraph 53)

- q. A suitable approach should be followed if the number of members in a group changes (paragraph 63)
- r. Special responsibility allowances for the County Chairman and Vice-Chairman should be adjusted downwards to bring them back into line with the Panel's methodology (paragraph 66)
- s. Payment of a special responsibility allowance while a member is on extended leave should be limited to a maximum of two months or until another member is appointed to the role (paragraph 70).

Introduction

- 2. The last 'full' review of WSCC's Scheme of Allowances and Expenses was conducted by the Independent Remuneration Panel (IRP, the 'Panel') from late 2015 to late 2016, with a report and recommendations prepared for discussion at the Governance Committee in November 2016. That Committee put the Panel's report – with some amendments negotiated between political groups – to the Council meeting in December 2016 where it was approved.
- 3. The scheme has been running successfully since then. There have been two interim reviews conducted by the Panel which have confirmed the basic acceptability and success of the scheme and recommended minor refinements.
- 4. The Council is required to have the Independent Remuneration Panel review the scheme on a four-yearly cycle. Although disrupted by coronavirus pandemic measures, during 2020 the Panel has conducted a review of the scheme, with the intent that any recommendations for revision could be implemented at the time of the next Council elections in May 2021.
- 5. Given the importance and urgency of increased sustainability in all aspects of the Council's business, the Panel has specifically considered what might be done through the scheme of allowances and expenses to support this.

Review Method

- 6. The Independent Remuneration Panel had intended to begin its review in February 2020, but this was delayed by the pandemic. Work began in May 2020.
- 7. Democratic Services reported in January 2020 that compliance with the scheme implemented in May 2017 is very good. Changes to roles are followed up with payroll by Democratic Services, to ensure that special responsibilities are accounted for. Travel expenses, which have to be claimed, are usually claimed correctly and in a timely manner. Since 2017, Democratic Services has received only around one query per annum from an elected member about the application of the scheme.
- 8. The Panel was asked to consider in its review two specific issues that have arisen:
 - The manner in which the group leaders' special responsibility allowance is adjusted when the number of members in the group changes
 - Whether a member in receipt of a special responsibility allowance should continue to receive this if they were to take (extended) parental leave or other special leave.

9. During June 2020, the Panel conducted a programme of interviews with 15 members – representative of all member roles, and with a mix of newer and more experienced councillors. We are grateful to all who participated. Input from the interviewees has been important in informing the Panel's recommendations.
10. The Panel has received updated information on allowances and expenses paid at comparator County Councils, and on officer salaries which are used as reference points for the recommended basic and special responsibility allowances.
11. The Panel shared its draft report with the Council Chairman and Group Leaders on 7 October 2020. It considered the feedback from these senior members and reconsidered several aspects of the report as a result:
 - The Panel considered a suggestion that County Local Committee chairmen should receive an SRA but did not support this (paragraph 25)
 - The Panel's consideration of the minority group leaders' allowance is referred to in paragraphs 54 to 62
 - The Panel agreed to amend the wording of the second bullet point in paragraph 63.

Sustainability

12. The Panel notes that the response to the coronavirus pandemic has resulted in significant changes to the working methods of the Council. In particular, most if not all meetings have been conducted virtually. All members interviewed were generally positive about their experience of working remotely. Many expressed the view that the Council should seriously consider continuing with remote working where this is feasible and effective. The Panel endorses this and recommends that the Council continues the use of remote working, although the Panel is conscious of the value of personal face-to-face contact, especially in fostering effective working relationships.
13. We are conscious that the ability for the Council to undertake formal meetings remotely expires in 2021. We recommend that the Council lobbies central Government to extend these powers.
14. The Panel has undertaken the whole of its review, including the interview programme, remotely. Members of the Panel have had occasional difficulty with the Council's chosen virtual technologies – to the extent of sometimes not being able to participate in a meeting. The Panel strongly encourages the Council to consider and carefully test their remote technology on a variety of different platforms with varying configurations.
15. The Council has been saving some £6,000 per month in reduced travel expense claims since March 2020 during the coronavirus restrictions. At a time of considerable financial difficulty, even these small savings are valuable. Even if virtual formal meetings are not allowed by central government, the Council should maintain its use of remote technology for other meetings where possible. Use of the videoconferencing facilities in the Horsham building should be encouraged, as we understand this is still considerably under-used. We encourage Democratic Services to question expense claims that involve travel that could perhaps have been avoided by the use of remote technology.

16. It would be worthwhile for the Council to prepare good practice guidance for virtual meetings for distribution to chairs and to all members.
17. Not only has reduced travel saved the Council money, it has reduced the Council's carbon footprint. Overall, members have been driving (or at least claiming) some 13,000 fewer miles per month during the pandemic – equivalent to a saving of around 4 tons CO₂ equivalent per month. There has also been a significant saving of members' travelling time, saving some members around two to three hours per saved journey to County Hall. The Panel is of the view that the Council should try to maintain this level of carbon saving and should, in fact, implement travel policies that substantially increase them and lead by example to the Council's Sustainable Strategy.
18. The Panel notes that the Council has issued its Electric Vehicle Strategy 2019–2030, with a firm commitment to build the infrastructure to allow at least 70% of new cars on the road in 2030 to be electric. Although disappointingly not mentioned in the Strategy document, we feel strongly that members should set an example of the change that they are encouraging residents to make; we would hope that by 2030, at least 70% of members' vehicles will be electric or other non-fossil-fuelled vehicles.
19. Accordingly, the Panel wishes to signal clearly now that at its next review in 2024, it is likely to recommend significantly reducing the rate paid per mile for travel in petrol/diesel vehicles. If HMRC lead the way by reducing the 'official' mileage rate in the meantime, the Council scheme should mirror this immediately.
20. The Panel recommends inclusion of a mileage rate for electric and other non-fossil-fuelled vehicles in the expenses scheme, set at the HMRC rate which is presently 45p per mile.
21. The Panel recommends that the Council:
 - Publicises that councillors can obtain a free network card to allow electric vehicle charging (at a reduced rate) at County Hall and at other charging points operated by the same provider
 - Allows councillors to claim the cost of the local Easit railcard which is available to the County Council (bearing in mind that this is intended for travel on Council business)
 - Ensures relevant councillors are aware that they can travel on the U7 bus between Chichester and Bognor Regis free of charge.

Recommended Adjustments to Allowances

22. The overall structure and 'hierarchy' of allowances is still fit for purpose and generally effective. There have been no changes to the 'job descriptions' of those roles which attract special responsibility allowances. Suggestions and concerns raised in interviews and by those officers who manage the scheme have been taken into account in our recommendations below.
23. The expenses scheme is effective and well-managed. The Panel sees no need to recommend changes to any aspects except those set out in the Sustainability section above.

24. A nationally negotiated pay award for Council employees has been agreed (2.75%) which has been applied, we understand, in October 2020 and backdated to April 2020. The Panel's method for assessing recommended allowances includes benchmarking against employee salaries. All allowance figures presented in this report are based on the reference salaries and allowances **after** application of the 2.75% increase.
25. The Panel was asked to consider whether a special responsibility allowance could be paid to members in the role of CLC Chairman. The Panel considered this question in its review in 2015/16 and decided that an SRA should not be paid. The Panel has reviewed and reconsidered this option and has decided again that an SRA should not be paid for the role of CLC Chair.
26. The Panel recommends that the basic allowance and special responsibility allowances should from May 2021 be as shown in the table below:

Role	Allowance	Change from existing
Basic Allowance	12,202	0.0%
As Leader	33,849	0.0%
County Chairman	20,162	(6.9%)
Deputy Leader	24,371	0.0%
Cabinet Member	21,663	0.0%
Committee Chairman	9,552	0.0%
County Vice-Chairman	8,450	(1.9%)
Adviser	4,397	n/a
Foster Panel	3,640	0.0%
Group Leader	variable	n/a

27. The Panel recommends that there should be no increase to any allowance from May 2021. The Panel believes this is appropriate in the present circumstances and taking into account the 2.75% increase applied during 2020. Using the expected number of members in each role, these recommended allowances result in an overall saving of £12,733 (1.0%).
28. The Panel's conclusions and recommendations on specific aspects of the scheme of allowances are set out in the sub-sections below.
29. We recommend that the adjustments recommended in this report are applied from May 2021 following the County Council elections.
30. The Panel recommends continuing with the present mechanisms of indexing for both allowances and expenses:
- Allowances are indexed in line with increases applied to reference officer salaries
 - Expense allowances are, where appropriate, adjusted in line with the Consumer Prices Index published by the Office of National Statistics.

31. However, given the present economic environment in which Council services are being increasingly severely restricted, and constituents are suffering with furlough, loss of business income and possible looming unemployment, we recommend that members forego any indexing increase which would otherwise be applied in 2021/2022. Although the resulting saving on Council budgets will be modest, we believe this action would have symbolic importance after the relatively substantial increase of 2.75% in 2020.

The Basic Allowance

32. From May 2021, the recommended basic allowance is £12,202. This is the same level as in 2020.

33. Should the Council decide to apply indexation in 2021/2022, contrary to our recommendation in paragraph 31, the increase in basic allowance should be capped at 1.0%, which would give an allowance of £12,324.

34. This recommended basic allowance is consistent with that paid by comparator County Councils, for which the average is £12,668 (minimum £10,719, maximum £15,562).

Advisers and Senior Advisers

35. The Panel has devoted considerable attention to these roles and the special responsibility allowances associated with them.

36. During our interview programme a number of interviewees expressed concern about the roles, how they are filled, how they are fulfilled, and about the allowances associated with them.

37. The Panel therefore spoke with four members who presently fulfil one of the advisor roles, a few members who have previously been Advisers or Deputies, and several Cabinet Members with experience of appointing advisers.

38. Democratic Services conducted an additional 'survey' across all of the advisers and senior advisers, to help the Panel understand what the role comprises in practice. We are grateful to all the Advisers and Senior Advisers who took part.

39. The Panel is aware that under the previous Leader these roles were used flexibly. We find it difficult to identify a clear dividing line between the two roles. We can see little value, and a significant potential for confusion and dissatisfaction, in continuing with the two roles.

40. Accordingly, from May 2021 we recommend consolidating the two present roles into one Adviser role. We recommend that the allowance for the 'new' Adviser role be set at about the midpoint of the two present allowances, with an amount of £4,397.

41. In reviewing the information gained from the interview programme and the adviser survey, the Panel came to the conclusion that while there are aspects of the role which merit payment of a special responsibility allowance, there are some other aspects of the role, as presently performed, which we consider do not merit the payment of a special responsibility allowance. Examples include acting as a point of contact with the relevant political group, activities which amount to

'shadowing' the Cabinet Member, or only attending internal or external meetings alongside the Cabinet Member.

42. We recommend that:

- Specific, time-limited terms of reference (ie not the generic role description) should be written for each individual Adviser (for example for a particular project) and each time a new Adviser role is being considered, with an annual review
- This should be written by the Cabinet Member in conjunction with Democratic Services and approved by the Leader. In the event that the Leader wishes to appoint an Adviser, the role terms of reference should be reviewed by another Cabinet Member, not including the Deputy Leader
- A special responsibility allowance will be paid to the role holder to the extent that the specific role terms of reference involve actually providing policy advice, resolving policy/service issues, with delegated responsibility for specific areas, and presenting and representing Council policy and answering questions at either WSCC or external meetings
- The Director of Law and Assurance should assess the degree to which the defined role fits the criteria above, using a simple 0% - 50% - 100% scale. Should the role holder, Cabinet Member or Leader be unhappy with the assessment, they can of course revise the terms of reference appropriately
- The special responsibility allowance will be paid if at least 50% of the role fits the criteria.

43. The Panel expects that appointment to an Adviser role will be made by competency-based interview.

44. Since we believe that the Adviser role is most valuably performed by an individual who has specific knowledge or skills relevant to the subject matter, we additionally recommend that the Cabinet Member and Leader should consider seriously the option of appointing a member(s) from another political party if that person is best qualified.

Committee Vice-Chairs

45. The Panel was asked during the interview programme by a couple of interviewees to consider payment of a special responsibility allowance to Committee Vice-Chairs.

46. This suggestion was considered in prior IRP reviews, when the Panel decided not to recommend such payment. The Panel continues in its view that payment of a special responsibility allowance for Committee Vice-Chairs is not appropriate.

47. No comparator County Council pays a special responsibility allowance to Committee Vice-Chairs.

48. If for some reason the situation arises where the Vice-Chair is in fact conducting most of the Chair's business, then the Panel would consider that to be a performance management issue, with appropriate action to be taken by the group leader.

Minority Group Leaders

49. The present special responsibility allowance for group leaders is a mix of a stepped allowance depending on size of the group plus a small *per capita* amount for each member. This scheme was proposed in 2016 at the last minute by a combination of political group leaders and the then County Chairman. The graph below shows how the allowance varies with group size.



50. The illogicality of this allowance is highlighted by the recent experience of one group leader, whose group reduced from 5 to 4 members, resulting in his allowance reducing by over £6,300.

51. The Panel recognises the importance of scrutiny and challenge of Council policy and performance by members of the minority political groups. This was a factor in the Panel's decision (see paragraph 44) to encourage the majority group to consider whether Advisers could be drawn from minority groups. The Panel acknowledges that the special responsibility allowance paid to minority group leaders is partly to recognise the importance of their group's scrutiny and challenge to ensure democratic accountability.

52. The Panel agrees with the principle that the responsibility and workload of a group leader changes with the size of her/his group. We acknowledge that in a small group, the leader is likely to be spread quite thin if she/he is to be effective in providing minority scrutiny. Equally, we acknowledge that the task of maintaining consistency across a larger group rapidly becomes more onerous as group numbers grow.

53. We recommend that from May 2021 the present group leaders' allowance is replaced with one which rationalises the *per capita* element and removes the underlying stepped allowance. We recommend an allowance of £5,000 is paid to the leader of a group of three members (including the leader), with an extra £500 for each additional member in the group, to a maximum of £14,500 (which would be achieved at 22 members). The graph below shows how the allowance varies with group size, and specific amounts for each size of group are shown in the table in Annex A.



54. In response to the first draft of this report, the leaders of two minority groups argued that the allowances for group leaders should be higher than those recommended.
55. They argued for a starting point of £9,552 for a group of three plus an additional £350 for each member above this up to a maximum of £14,500, and argued that:
- "... minority group leader posts are fundamental to the representational and democratic relevance and smooth working of the Council ..."
 - "... the fairest comparison would be to the SRA for Committee Chairman on the basis that the level of accountability ... is similar"
 - "These requirements are all there whatever the size of a group is and represent a heavy baseline workload. Additional members in a group do mean more work and effort in liaising and co-ordinating ..."
 - "... to reduce [the allowance] in the way proposed would actually undermine the ability of opposition groups to challenge and scrutinise the council ...".
 - "It is already becoming more difficult to attract younger candidates for election to the County Council ... and reducing this allowance will only exacerbate the problem."
56. To give due consideration to these representations, the Panel has researched the allowances granted to group leaders in comparator county councils and has met to discuss and consider the arguments. Comparator information has been included in Annex B, along with the conclusions drawn from this.
57. The Panel agrees that minority groups are important to the operation of representative local government and the scrutiny they provide is a crucial part of this. By contrast with some county councils which pay allowances only to the largest minority group, the Panel believes that in WSCC all minority groups above a minimum size are important to the democratic operation of the council. The role of minority group leader in coordinating and directing their group's contributions merits payment of a special responsibility allowance. Accordingly, the Panel continues to recommend that an allowance is paid to the leader of each minority group with three or more members.
58. Since 2015, the Panel has used a structured method to compare responsibility, accountability and workload between roles that attract a special responsibility allowance. This method has been proven through the overall success of the allowances recommended and then accepted by vote in Council. This method places the level of responsibility, accountability and workload of the leader of a

small minority group slightly above that of a 'new' Adviser role. The level of responsibility, accountability and workload of the leader of a large minority group is placed roughly halfway between that of a Committee Chairman and a Cabinet Member. Thus, the recommended starting point of £5,000 for a group of three members compares with the recommended £4,397 for an Adviser. Similarly, the recommended maximum minority group leaders' allowance of £14,500 compares with that of a Committee Chairman (£9,552) and a Cabinet Member (£21,663).

59. It should be noted that both the recommended starting point of £5,000 and the maximum of £14,500 are significantly generous when compared with other county councils' allowances.
60. The Panel does not understand why changing the minority group leaders' allowance as recommended will "undermine the ability of opposition groups to challenge and scrutinise the council" as all members we have spoken with indicate that financial reward is not why they undertake the role; instead they do it because of the importance of the contribution they can make as a councillor.
61. The Panel acknowledges the continuing difficulty of attracting council members of working age, which has been a topic of discussion among Panel members on a number of occasions. The Panel continues in its view, as originally expressed in its 2016 report, that there is little that the Scheme of Allowances can do itself to address this issue. Increasing the minority group leaders' allowances as requested would have, we believe, minimal impact on this issue.
62. Having considered the representations made by the two minority group leaders, the Panel continues to believe that its recommended allowance for minority group leaders (paragraph 53 above) is appropriate.
63. The Panel recommends the following approach when the number of members in a group changes:
- If a member joins or leaves a group, the group leader's allowance should be amended appropriately at the first opportunity
 - If a member ceases to be a member and a by-election is arranged within a reasonable time of the leaving date (in the opinion of the Director of Law and Assurance), then the group leader's allowance should continue unchanged until the result of the by-election is known, at which stage it should be reduced appropriately if necessary. The Panel considers it to be inappropriate to pay the allowance over a long period of time
 - If a member ceases to be a member and it is not possible or not appropriate to arrange a by-election within a reasonable time, then the group leader's allowance should be reduced appropriately at the first opportunity.

County Chairman and Vice-Chairman

64. The Panel believes that the special responsibility allowance paid to the County Chairman, and to a lesser extent the County Vice-Chairman, is anomalously high. This was a result of the scheme proposed in 2016 at the last minute by political group leaders and the then County Chairman which amended the recommended group leaders' allowance and increased the Chairman's and Vice-Chairman's allowances. The Panel believes this change should now be reversed, bringing

these allowances back into line with the structured and logical mechanism used by the Panel to set the level of recommended special responsibility allowances.

65. The present allowance for the County Chairman (£21,663) is considerably higher than the allowance paid in any comparator County Council (where the average is £15,058 and the highest £19,127). While the Panel acknowledges that the Chairman's role in WSCC is broader than elsewhere, we consider the present differential unjustified.
66. Accordingly, the Panel recommends that from May 2021 the County Chairman's allowance should be £20,162 and the Vice-Chairman's £8,450.

Periods of Extended Leave

67. The Panel was asked to consider what should be done in the event that a member who is in receipt of a special responsibility allowance takes an extended period of leave. This might occur in a planned fashion or might be necessary at short notice. Equally, a short, planned period of leave might need to be extended due to unforeseen circumstances.
68. Ultimately, if a member is unable to fulfil a role, then someone else will need to be appointed to carry out the duties. In this case, the replacement member would be right to expect to receive the relevant special responsibility allowance.
69. The Panel believes that the basic principle should be that if another member takes up the duties of the role, they should be paid the allowance from the time at which they begin to perform the role **and** that the Council should not pay an allowance to two members simultaneously for the same role.
70. Based on this principle, the Panel recommends that the following paragraph is added to the Member Allowance Scheme:

If a member notifies the Council that they are taking an extended period of leave of more than two months, then the entitlement to a special responsibility allowance will cease at the two-month point. If a member takes leave of an uncertain duration that eventually becomes a period longer than two months, then any special responsibility allowance will cease at the two-month point. If at any time another 'replacement' member is appointed to the role, then the special responsibility allowance for the original member will cease at the time that the replacement member begins to perform the role.

Annex A – Minority Group Leaders’ Allowance

71. Specific allowance amounts for each size of group are shown in the table below. These are shown graphically in paragraph 53.

Number of Members	Allowance
3	£5,000
4	£5,500
5	£6,000
6	£6,500
7	£7,000
8	£7,500
9	£8,000
10	£8,500
11	£9,000
12	£9,500
13	£10,000
14	£10,500
15	£11,000
16	£11,500
17	£12,000
18	£12,500
19	£13,000
20	£13,500
21	£14,000
22	£14,500
23	£14,500
24	£14,500
25	£14,500
34	£14,500

(34 is the largest possible minority group)

Annex B – Allowances for Group Leaders in Comparator Counties

72. This table shows information from the most recent Scheme of Allowances from a number of comparator County Councils.

County	Minority Leaders Allowances	WSCC Equivalent
Buckinghamshire	£17,000 to be shared among group leaders, probably not including the majority group leader(?) in proportion to the size of their group.	LD £ 9,067 L £ 4,533 IC £ 2,267 I £ 1,133
East Sussex	£12,554 to leader of the largest minority group. £3,262 to deputy leader of the largest minority group. £5,026 to leader of the second largest minority group.	LD £ 12,554 L £ 5,026 IC £ nil I £ nil
Essex	30% of the SRA for the Leader of the Council to the leader of the largest minority group. To be split equally if two equally sized groups. Leader's SRA = £54,000.	LD £ 10,155 L £ nil IC £ nil I £ nil
Hampshire	£12,708 to leader of LD group (presumably the largest minority group). £5,612 to each of 6 LD spokespersons (aligned to committees).	LD £ 12,708 L £ nil IC £ nil I £ nil
Hertfordshire	(3.5 * basic allowance * no. group members / no. councillors) to: - leader of majority group - leader of main minority group, with minimum of 75% of basic allowance - leaders of each smaller minority group, with minimum of 50% of basic allowance. 50% of basic allowance to each spokesperson from a minority group. Basic allowance = £10,382.	LD £ 9,151 L £ 6,101 IC £ 6,101 I £ 6,101
Kent	Minimum group size = 5. £7,999.44 for each minority group leader plus £633.23 for each additional group member which may be allocated among the group (not clear if leader can retain themselves).	LD £ 12,432 L £ nil IC £ nil I £ nil
Oxfordshire	£8,810.81 to leader of the largest minority group.	LD £8,811 L £ nil IC £ nil I £ nil

County	Minority Leaders Allowances	WSCC Equivalent
Suffolk	Minimum group size = 5. 5% of basic allowance * no. of group members to leader of the largest minority group. 75% of group leader's SRA to deputy leader of the largest minority group. 30% of basic allowance to up to 6 spokespeople from the largest minority group. 5% of basic allowance * no. of group members to leader of the second largest minority group. 75% of the group leader's SRA to the deputy leader of the second largest minority group. Basic allowance = £10,688.79.	LD £ 4,881 L £ nil IC £ nil I £ nil
Surrey	£12,024 to be shared among minority group leaders in proportion to the size of their groups. £170.34 per capita "political group allowance" to each group leader to be used for office holders.	LD £ 7,776 L £ 3,887 IC £ 1,943 I £ 972

WSCC Equivalent shows Group Leaders' allowances in WSCC if the county's scheme were implemented here.

LD = Liberal Democrats = 8 members; L = Labour = 4 members;

IC = Independent Conservatives = 2 members; I = Independent = 1 member

73. The positions in comparator counties on minority group leaders' allowances are varied. The extremes are:

- Substantial flat rate amount to the leader of only the largest minority party, apparently regardless of the size of the group
- Significant flat rate amount to the leader of any minority group no matter how small, plus a per capita amount as well.

74. No county pays more than about £13,000, and most pay nothing or only small amounts to the leaders of smaller minority groups. A few pay a small amount to members of minority parties who are spokespeople on particular portfolios.

75. Two specify a minimum group size (of 5 members).

76. The Panel draws the following conclusions from this information:

- Roughly half of comparators pay an SRA to leaders of all minority groups; the other half to only the largest or two largest
- Setting a minimum group size is not unprecedented, and it might exclude from the SRA the smallest groups (like the two independent groups at present)

- The maximum of £14,500 proposed in this report is significantly greater than any comparator council
- A linear increase with group size is sensible – comparators that pay flat rates regardless of size can seem illogical (especially for very small groups)
- The minimum of £5,000 for the leader of a group of three or more members proposed in this report is very generous when compared to the comparator councils.

Dr Neil Beer (Chairman)

Mr Steve Cooper

Mr John Donaldson

Mrs Charlotte Pexton

Mr Kevin Scutt

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**The report of the Independent Remuneration Panel  
appointed to review the allowances paid to Councillors  
of Winchester City Council**

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October 2022

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1. INTRODUCTION AND BACKGROUND

1.1.1 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.

1.1.2 Winchester City Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Tim Stanbrook- Former High Technology Engineer and local resident
Roger Farrall- Former senior Local Government Officer and local resident
Mark Palmer- Development Director, South East Employers (Chair)

1.1.3 Our terms of reference were in accordance with the requirements of 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). Those requirements are to make recommendations to the Council as to:

- (a) the amount of basic allowance to be payable to all councillors.
- (b) the level of allowances and whether allowances should be payable for:
 - (i) special responsibility allowances.
 - (ii) travelling and subsistence allowance.
 - (iii) dependants' carers' allowance;
 - (iv) parental leave.

and the amount of such allowances.

- (c) whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
- (d) 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.

2. CURRENT SCHEME

- 2.1.1 The last full review of councillors' allowances was undertaken by the IRP for the Council in September 2017 and an interim review in September 2019.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £6,074 per annum. The basic allowance is subject to an indexation linked to the NJC for Local Government Services Staff Salary increase. In addition, some councillors receive special responsibility allowances for undertaking additional duties.
- 2.1.3 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.

3. PRINCIPLES UNDERPINNING OUR REVIEW

3.1 The Public Service Principle

- 3.1.1 This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the councillors we interviewed and in the vast majority of responses to the questionnaire completed by councillors as part of our review.
- 3.1.2 To provide transparency and increase an understanding of the Panel's work, we will recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in Section 4.

3.2 The Fair Remuneration Principle

- 3.2.1 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2022 continues to subscribe to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and

¹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities and The Inland Revenue (now HM Revenue & Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

*contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.*²

3.2.2 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.

3.2.3 Hence, we continue to acknowledge that:

- (i) allowances should apply to roles within the Council, not individual councillors.
- (ii) allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and
- (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.

3.2.4 In making our recommendations, we have therefore sought to maintain a balance between:

- (i) the voluntary quality of a councillor's role.
- (ii) the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
- (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.

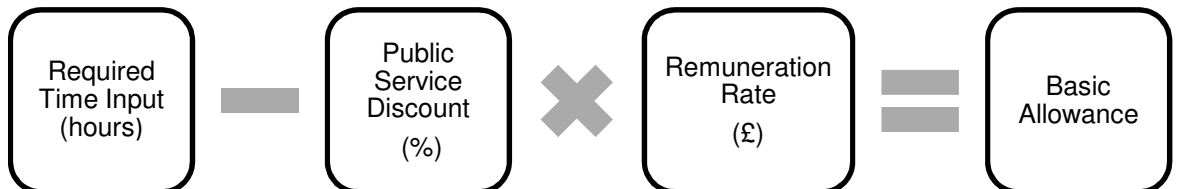
3.2.5 The Panel also sought to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.

3.2.6 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor's performance in the role.

4. CONSIDERATIONS AND RECOMMENDATIONS

4.1 Basic Allowance

- 4.1.1 A Council’s scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, “Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours councillors ought to be remunerated.”³
- 4.1.2 In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.
- 4.1.3 We recognise that councillors are responsible to their electorate as:
- Representatives of a particular ward.
 - Community leaders.
 - Decision makers for the whole Council area.
 - Policy makers for future activities of the Council.
 - Scrutineers and auditors of the work of the Council; and
 - Other matters required by Government.
- 4.1.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



³ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities, and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67.

⁴ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81.

⁵ The summary responses to the questionnaires are attached as Appendix 2.

- 4.1.5 Each of the variables is explained below.

Required Time Input

- 4.1.6 We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant information. In addition, we considered further information about the number, range, and frequency of committee meetings.⁵
- 4.1.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 14 hours per week.

Public Service Discount (PSD)

- 4.1.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 45 per cent to the calculation of the basic allowance. This percentage sits within the upper-range of PSDs applied to basic allowances by councils.

Remuneration Rate

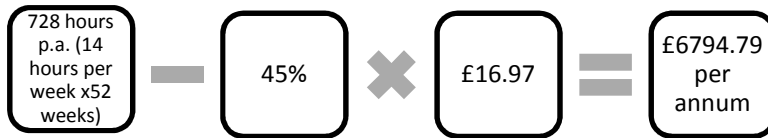
- 4.1.9 After establishing the expected time input to be remunerated, we considered a remuneration rate. We came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.
- 4.1.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross⁶ wage per hour for the South East £16.97⁷ per hour.

Calculating the basic allowance

- 4.1.11 After determining the amount of time required each week to fulfil the role (14 hours), the level of PSD to be applied (45%) and the hourly rate to be used (£16.97), we calculated the basic allowance as follows:

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' allowance are taxable as employment income.

⁷ The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2021.



- 4.1.12 The gross Basic Allowance before the PSD is applied is **£12,354.16**. Following the application of the PSD this leads to a basic allowance of **£6794.79** per annum.
- 4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, division work and attendance on external bodies.
- 4.1.14 We did also note the levels of basic allowance currently allocated by other comparative District and Borough Councils across Hampshire, (see table below and Appendix 3).

Council	Hampshire District and Borough Councils: Basic Allowances (£) 2022 ⁸
Basingstoke and Deane Borough Council	7,445
East Hampshire District Council	5,200
Eastleigh Borough Council	7,012
Fareham Borough Council	7,704
Gosport Borough Council	7,068
Hart District Council	4,875
Havant Borough Council	5,676
New Forest District Council	6,871
Rushmoor Borough Council	5,425
Test Valley Borough Council	7,619
Winchester City Council	6,074
Average	6,451

- 4.1.15 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 was of the view the approach undertaken in this review of a transparent and clear formula for calculating the Basic Allowance will assist a future Panel in recommending a Basic Allowance.

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Winchester City Council be £6,795 per annum

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2022 (October 2022).

4.2 Special Responsibility Allowances (SRAs)

- 4.2.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.2.2 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 to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive a SRA, the local electorate may rightly question the justification for this.⁹
- 4.2.3 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:
- Leader of the Council, Chairperson of Cabinet
 - Deputy Leader of the Council
 - Cabinet Member (6)
 - Chairperson of Scrutiny Committee
 - Chairperson of Planning Committee
 - Leader of Principal Opposition Group
 - Chairperson of Licensing & Regulation
 - Chairperson of Audit & Governance Committee
 - Chairperson of the Business & Housing Policy Committee
 - Chairperson of the Health & Environment Policy Committee
 - Chairperson of the Council
 - Other Opposition Group Leaders
 - Vice Chairperson of Planning Committee
 - Chairperson of Winchester Town Forum
 - Chairperson of Task and Finish Working Groups

One SRA Only Rule

- 4.2.4 To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than **one SRA**. If a councillor can receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.
- 4.2.5 Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

⁹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72.

WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule continue to be adopted into the new Scheme of Allowances.

The Maximum Number of SRA's Payable

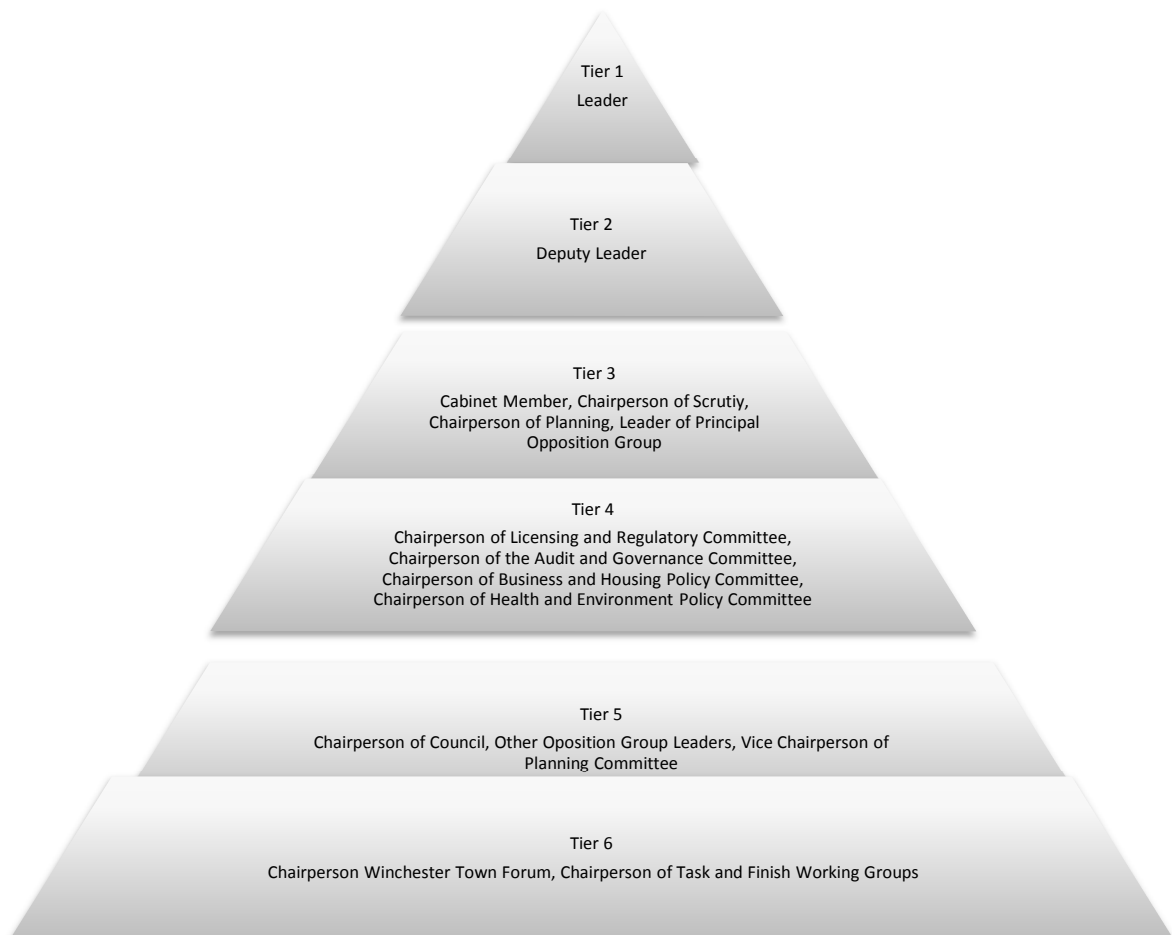
4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should adhere to the principal that no more than 50% of Council Members (23) should receive an SRA at any one time

Calculating SRAs

4.2.7 The Panel supported the criteria and formula for calculating the Leader of the Council allowance based on a multiplier of the Basic Allowance; this role carries the most significant additional responsibilities and is the most time consuming.

4.2.8 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together into six Tiers (Bands) those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility. The rationale for these six tiers (Bands) of responsibility is discussed below.



Leader (Tier One) Band One

- 4.2.9 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Cabinet. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 300% (3 times) the basic allowance. If the recommended option of a basic allowance with a PSD of 45% is adopted, this results in a Leader's Allowance of £20,385.

WE RECOMMEND that the Leader of the Council should receive a Special Responsibility Allowance of 300% of the recommended basic allowance, £20,385.

Deputy Leader With Portfolio (Tier Two) Band Two

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence and is a required role as part of the Leader and Cabinet model of governance. From the information we gathered, we consider this additional responsibility should be reflected in the level of allowance. The Deputy Leader also has an active portfolio. Therefore, we recommend the Deputy Leader's SRA be set at 55% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £11,212.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 55% of the recommended Leader's Allowance, £11,212.

Cabinet Member, Chairperson of Scrutiny Committee, Chairperson of Planning Committee, Leader of Principal Opposition Group (Tier Three) Band Three

- 4.2.12 The Cabinet Members appointed by the Leader of the Council have significant delegated decision-making responsibilities and this responsibility has increased.
- 4.2.13 The Panel was of the view that it is important to provide the Leader with flexibility to appoint a Cabinet that is able to respond to the current and future challenges. The panel is therefore of the view that the Special Responsibility Allowance for a Cabinet Member should be 45% of the Leader's Allowance, £9,173.
- 4.2.14 The Chairperson of the Planning Committee continues to be a role of significant responsibility and the Planning Committee was regarded by councillors in response to the questionnaire as one of the most significant Council Committees in respect of community impact and workload. The Planning Committee has regular meetings, additional site visits and a high level of public engagement. The role of the Chairperson of the Planning Committee requires a significant time and workload commitment from the Chair. The Panel therefore recommends that the Chairperson of the Planning Committee should receive a Special Responsibility Allowance of 45% of the Leader's Allowance, £9,173.
- 4.2.15 From the evidence gathered, including questionnaire responses and face to face interviews, we continue to consider the Principal Opposition Group

Leader to be a significant role and the 2003 Regulations require that the a member of the opposition group receive a Special Responsibility Allowance. The Principal Opposition Group Leader has to both ensure democratic accountability and the holding to account of the administration but also manage and develop a Group of a significant size. The Panel is therefore of the view that the Principal Opposition Group Leader should receive a Special Responsibility Allowance of 45% of the Leader's Allowance, £9,173.

- 4.2.16 Scrutiny is a key role of the Council ensuring accountability and the holding to account of the decisions of Cabinet and external organisations.
It has a significant statutory role supported by legislation. The Panel is therefore of the view that the Chairperson of Scrutiny should continue to receive a Special Responsibility Allowance of 45% Leader's Allowance, £9,173.

WE RECOMMEND that the Cabinet Members, Chairperson of Planning, Leader of the Principal Opposition Group and Chairperson Scrutiny receive a Special Responsibility Allowance of 45% of the recommended Leader's Allowance, £9,173.

Chairperson of Licensing and Regulatory Committee, Chairperson of Audit and Governance Committee, Chairperson of Business and Housing Policy Committee and Chairperson of Health and Environment Policy Committee (Tier Four) Band Four

- 4.2.17 The Panel is of the view that the Chairpersons of both the Licensing and Regulatory Committees and the Chairperson of Audit and Governance continue to be significant roles that receive a Band Four Special Responsibility Allowance, 20% of the Leader's Allowance, £4,077.
- 4.2.18 The Business and Housing and Health and Environment Policy Committees are relatively new committees and in 2019 the Panel recommended a Band Four Special Responsibility Allowance. Following Panel consideration of the workload, frequency of meetings and interviews with the Chairpersons we are of the view that the two Policy Committees should continue to receive a Band Four Special Responsibility Allowance, 20% of the Leader's Allowance, £4,077.

WE RECOMMEND that the Chairperson of Licensing and Regulatory Committee, Chairperson of Audit and Governance Committee, Chairperson of Business and Housing Policy Committee and Chairperson of Health and Environment Policy Committee should each receive a Band Four (Tier Four) Special Responsibility Allowance of 20% of the recommended Leader's Allowance, £4,077.

Chairperson of Council, Other Opposition Group Leaders and Vice Chairperson of the Planning Committee (Tier Five) Band Five

- 4.2.19 The Chairperson of the Council is highly visible across the City Council area and undertakes a high number of civic engagements that raise the profile of the Council and the city. A separate Mayoral Allowance is provided as part of legislative framework.
We therefore recommend that the role of the Chairperson of the Council be recognised at Band Five (Tier Five) and receive an allowance of £3,058, 15% of the Leader's Allowance.

- 4.2.20 The Other Opposition Group Leaders are recognised as part of the Scheme of Members Allowances and we continued to view this role as one that should continue to be defined as a role with 'Special Responsibility'. The Panel therefore recommend that the role of the Other Opposition Group Leaders receive a Band Five (Tier Five) allowance of £3,058, 15% of the Leader's Allowance
- 4.2.21 The Vice Chairperson of the Planning Committee continues to have responsibility and the Planning Committee was regarded by councillors in response to the questionnaire as significant . The Planning Committee has regular meetings, additional site visits and a high level of public engagement. The role of the Vice Chairperson of the Planning Committee supports the workload commitment of the Chair.
- 4.2.22 The Vice Chairperson of Planning is the only Vice Chairperson role that continues to receive a Special Responsibility Allowance. The Panel therefore recommends that the Vice Chairperson of the Planning Committee should receive a Special Responsibility Allowance of 15% of the Leader's Allowance, £3,058.

WE RECOMMEND that the Chairperson of the Council, Other Opposition Group Leaders and Vice Chairperson of the Planning Committee receive a Band Five (Tier Five) Special Responsibility Allowance of 15% of the recommended Leader's Allowance, £3,058.

Chairperson of the Winchester Town Forum, Chairperson of Task and Finish Working Groups (Tier Six) Band Six

- 4.2.23 The role of Chairperson of the Winchester Town Forum was highlighted in the questionnaire as a growing and evolving role. The Panel did give consideration as to whether this role should now be a Band Five. However at this stage the Panel is of the view that the role should continue to be a Band Six role. The Panel would like to look at this role in a further eighteen months to assess whether it should become a Band Five. The Panel is of the view that at present the role of the Chairperson of the Winchester Town Forum should continue to receive a Band Six (Tier Six) Special Responsibility Allowance based on 10% of the Leader's Allowance, £2,038.
- 4.2.24 The Panel was also of the view that when they are established the short life Task and Finish Working Group Chairpersons should continue to be regarded as a Band Six role and should receive a Special Responsibility Allowance based on 10% of the Leader Allowance, £2,038.

WE RECOMMEND that the Chairperson of the Winchester Town Forum and Chairperson(s) of Task and Finish Groups should receive a Band Six (Tier Six) Special Responsibility Allowance, £2,038. WE ALSO RECOMMEND that the Panel further review the Chairperson of the Winchester Town Forum in eighteen-months.

4.3 Travelling and Subsistence Allowance

- 4.3.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties

specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to Co-opted/Independent Members of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

WE RECOMMEND that travelling and subsistence allowance should be payable to councillors in connection with any approved councillor duties. The amount of travel payable shall continue to be in line with HM Revenue and Customs' rates. We propose no changes to the current travel allowances. WE ALSO RECOMMEND that no changes be made to the Subsistence Allowance scheme payable for approved councillor duties. The Panel encourages all Councillors to claim for travel and subsistence allowances that they may be entitled to.

WE FURTHER RECOMMEND that a travel allowance for electric vehicles should be promoted based on the current HM Revenue and Customs' rate of 45p per mile.

4.4 Dependant Carers' Allowance

- 4.4.1 The dependant carers' allowance should ensure that potential candidates are not deterred from standing for election to council and should enable current councillors to continue despite any change in their personal circumstances.
- 4.4.2 The Panel is of the view that the Dependant Carers' Allowance should continue to be reimbursed at cost for Childcare and more specialist care.
- 4.4.3 The Panel continues to be of the view that the cost of childcare and more specialist care should be reimbursed at the actual cost incurred by the councillor upon production of receipts. In respect of specialist care provision medical evidence that this type of care provision is required should also be provided and approved by an appropriate officer of the Council.

WE THEREFORE RECOMMEND that the Dependent's Carers' Allowance for childcare and more specialist care should continue be based at cost upon production of receipts. In the case of specialist care a requirement of medical evidence that this type of care be required, the allowance should have no daily or monthly maximum claim when undertaking Approved Councillor Duties.

WE ALSO RECOMMEND that the Council should actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting a greater diversity of councillor representation.

4.5 Parental Leave

- 4.5.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a '*lack of maternity, paternity provision or support*' is a real barrier for women aged 18-44 to fulfil their role as a councillor.

- 4.5.2 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure. The Panel is aware that the Local Government Association (Labour Group) has developed a model policy that has been adopted by a growing number of councils across the southeast region.
- 4.5.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:
- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption shared parental leave or sickness absence
 - Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
 - Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972
 - If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.
 - If a Councillor stands down, or an election is held during the period when a Councillor is absent due to any of the above and the Councillor is not re-elected or decides not to stand down for re-election, their Basic Allowance and any Special Responsibility Allowance will cease from the date they leave office.
- 4.5.4 The Panel is conscious that these provisions do not replicate the LGA policy, but that a policy introduces elements that are more akin to employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can expect. Councillors however may wish to further develop the above recommendations so that they reflect the LGA (Labour Group) policy.

WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for councillors. Should a policy on Parental Leave for Councillors be approved it should be actively promoted to prospective and current Councillors alongside the Dependents' Carers Allowance. This should form part of a wider 'Be A Councillor' (LGA led initiative) programme led by the Council and supported by political groups; to enhance and further increase the diversity of councillor representation.

4.6 Indexing of Allowances

- 4.6.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme indexes the allowances to the National Joint Council Local Government pay award and the basic allowance, special responsibility allowances is adjusted annually at this rate.

WE THEREFORE RECOMMEND that an annual indexation of the basic allowance and each of the SRAs should continue to be based on the current formula. The allowances should be increased annually in line with an appropriate percentage increase in the NJC Local Government pay award from April 2023 for a period of up to four years. This may be a flat rate percentage increase or as in 2022/23 be based on a specific Spinal Column Point (SCP 29, 5.5%). After this period, the Scheme shall be reviewed again by an independent remuneration panel.

4.7 Revocation of current Scheme of Allowances / Implementation of the new Scheme

- 4.7.1 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2023-24 financial year, at which time the current scheme of allowances will be revoked.

4.8 Backdating of the Recommended Scheme of Allowances

- 4.8.1 The 2003 Regulations allow for the recommended scheme of allowances to be backdated to the beginning of the financial year if required. No backdating is required following this review as the recommendations will take effect from the beginning of the 2023-24 financial year.

5. OUR INVESTIGATION

5.1 Background

- 5.1.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 26 of the 60 current councillors (58% response). The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed nine current councillors and held a workshop for Councillors. We used a structured questioning process. We also received one written submission. We are grateful to all our interviewees for their assistance.

5.2 Councillors' views on the level of allowances

- 4.8.2 A summary of the councillors' responses to the questionnaire are attached as Appendix 2.

6. APPROVED COUNCILLOR DUTIES

- 6.1.1 The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

**Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
October 2022**

Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2021-22	Number	Recommended Allowance (45% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£6,074	45	£6,795	

Special Responsibility:				
Leader of the Council	£18,205	1	£20,385	300% of BA
Deputy Leader With Portfolio	£9,933	1	£11,211	55% of Leader's Allowance
Cabinet Member	£8,275	6	£9,173	45% of Leader's Allowance
Chairperson of Scrutiny	£8,275	1	£9,173	45% of Leader's Allowance
Chairperson of Planning Committee	£8,275	1	£9,173	45% of Leader's Allowance
Leader of Principal Opposition Group	£8,275	1	£9,173	45% of Leader's Allowance
Chairperson of Licensing & Regulatory Committee	£3,312	1	£4,077	20% of Leader's Allowance
Chairperson of Audit & Governance Committee	£3,312	1	£4,077	20% of Leader's Allowance
Chairperson of Business & Housing Policy Committee	£3,312	1	£4,077	20% of Leader's Allowance
Chairperson of Health & Environment Policy Committee	£3,312	1	£4,077	20% of Leader's Allowance
Chairperson of Council	£2,485	1	£3,058	15% of Leader's Allowance
Other Opposition Group Leaders	£2,485	1	£3,058	15% of Leader's Allowance
Vice Chairperson of Planning Committee	£2,485	1	£3,058	15% of Leader's Allowance
Chairperson of Winchester Town Forum	£1,658	1	£2,038	10% of Leader's Allowance
Chairperson of Task & Finish Working Groups	£1,658	When required	£2,038	10% of Leader's Allowance

**REPORT OF ADUR AND WORTHING COUNCILS
JOINT INDEPENDENT REMUNERATION PANEL
WORTHING BOROUGH COUNCIL
March 2022**

1.0 Introduction

The Local Government Act 2000 and the Local Authority (Members' Allowances) (England) Regulations 2001 require local authorities to set up an independent panel to review Member Allowances. These regulations specifically abolished the payment of Attendance Allowances and also allowed for a dependent carers' allowance. These regulations have been subsequently updated by further acts and regulations.

2.0 Composition of the Panel

2.1 The current composition of the Council's Joint Independent Remuneration Panel (JIRP) is:-

Mr Barry Hillman (Chairman)
Ms Verity Lockhart
Mr Andrew Murton

3.0 Terms of Reference

3.1 The Panel's terms of reference are set out below:-

The Panel shall, unless a Council has adopted a scheme under (f) below which has been in place for less than 4 years, by 31st January 2015 and thereafter by the 30th November each year, including 2015, produce a Report making recommendations to each of the Borough, District and Parish Councils as to:

- a) the amount of the basic allowance which should be payable to its Elected and Co-opted Members;
- b) the responsibilities, roles or duties where special responsibility allowance should be payable and the amount of such allowances (District and Borough Councils only);
- c) the amount of any travelling and subsistence allowance which should be payable to its Elected and Co-opted Members
- d) whether dependants' carers' allowance should be payable and the amount of such allowance;
- e) whether payment of allowances may be backdated in cases where a scheme is amended at a time which would affect allowances payable in that year;

- f) whether adjustments to the level of allowances may be determined according to an index, and which index and for how long before its use is reviewed (subject to a maximum of 4 years);
- g) those items of expenditure that Elected and Co-opted Members may reclaim as expenses; and
- h) any other Members' allowances or reimbursement matters reasonably falling within the remit of the Panel; this may include to relevant bodies on matters of joint working and parity;
- i) such other functions as may be allocated to the Panels by Statute.

3.2 The Panel's Reports shall be submitted to the Councils by way of the Joint Governance Committee.

4.0 Background Papers

4.1 In preparing its recommendations the Panel considered the following research provided by the Council's Officers which detailed:-

- the current budget provision made for Members' Allowances;
- the current scheme of Members' Allowances paid to Members;
- the previous report of the joint independent remuneration panel;
- Members Allowances paid by other local authorities in the south east were obtained from South East Employers (SEE);
- Part Four of the Constitution of Worthing Borough Council
- Fees and charges for babysitting and caring

4.2 Group Leaders were canvassed on their views regarding levels of allowance and were invited to give their views to the Panel.

4.3 Members of the Panel are aware that the scheme is late coming forward this year. The review was slowed by a number of factors including availability of officer time, the delay in the NJC pay bargaining agreement and the proposed creation of a new committee adding uncertainty to the scheme overall.

5.0 General Principles

5.1 The Panel last undertook a review in late 2019 for the years 2020/21 and 2021/22 as a result of it's recommendations the council agreed that the basic allowance be linked to the outcome of the Officers' NJC Pay bargaining agreement for a period of two years until March 2022/2023. A Special Responsibility Allowance was also introduced for the Deputy Mayor.

5.2 The level of the NJC bargaining agreement has stayed close to the 2% budgeted for over the previous two years

5.1 The Members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local

government, whilst at the same time, it should aim to attract and retain Members who are representative of the demographic makeup of the Borough.

- 5.2 The panel recognises the functions of Councillors and the hard work, long hours and at times, significant pressures involved.

6.0 Basic Allowance

- 6.3 The basic allowance on average pays less than the current minimum wage. The Panel felt that a paid similar role, given the levels of responsibility, would attract a higher than minimum wage rate. Therefore the panel was of the view that (if looking at hard figures) Councillors performing their role give a significant public discount rate for the hours that they put in. However, as stated before in the report, the Panel is minded that the members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government. The allowance should be in place so that members are 'not out of pocket' for taking up the responsibility.

- 6.4 Given comparisons regionally the level of allowance for Worthing Borough Council is slightly below average when compared with other Boroughs and Districts in the South East.

- 6.5 Given what is set out above and the fact that inflation is a pressure on personal finance, on balance the Committee felt that it was reasonable for members to expect some increase in the level of allowances.

- 6.6 The Panel noted that over the previous ten years, the basic allowance had been indexed to the Officer's NJC National Pay Bargaining agreement and believed that the principle of linking the basic allowance to raises in Officer remuneration was a fair method and should be retained.

7.0 Consideration

- 7.3 After consideration of the matters listed above the panel has put forward one costed option for the council to consider

- 7.4 The Panel was aware that the creation of a new committee was imminent and that recruitment would be undertaken for the panel in the next municipal year. Given these circumstances the panel agreed that a new review should be carried out in the next municipal year

8.0 Proposals

- 8.1 The Panel proposed the following for the Council's consideration.

- i) that the basic allowance be referenced to the outcome of the Officers' NJC Pay bargaining agreement (currently assumed as 2%) for a period of one year until March 2023;

8.2 Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance

8.2.1 The panel was satisfied that the current scheme was satisfactory and therefore did not propose any changes.

8.3 Special Responsibility Allowances

8.3.1 The panel was satisfied that no changes were needed to the levels of special responsibility allowances

9.0 Recommendations

9.1 It was recommended that the Council adopts the members scheme of allowances in line with the panel's proposals and note its comments surrounding the claiming of Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance.

Mr Barry Hillman (Chairman)

Ms Verity Lockhart

Mr Andrew Murton