

Appendix A

**A Review
Of
Members' Allowances
For
Ashfield District Council**

**A Report by the
Independent
Remuneration Panel**

**Mark Cawer
Dr Declan Hall (Chair)
Paula Watkinson**

March 2020

EXECUTIVE SUMMARY

The Panel recommends that

Recommendation 1 - the Performance SRA is discontinued and the Basic Allowance is reset at £6,717

Recommendation 2 - the Basic Allowance continues to cover the cost of 'incidental' expenses Members may incur while carrying out their duties, such as telephone calls from their home landlines, calls on personal mobile phones, using broadband from home and printer and IT consumables, etc.

Recommendation 3 - the Basic Allowance continues to be deemed to cover in-authority travel and subsistence costs that Members may incur in carrying out their Council duties

Recommendation 4 - the Leader's SRA remains at £19,852.

Recommendation 5 – there is no change to the following SRAs:

SRAs where Panel is recommending no change

Role	Number	Recommended SRA	Methodology
Executive Portfolio Holders	7	£11,911	60% X Leader's SRA
Chairs of:			
Overview & Scrutiny Committee	1	£7,941	40% X Leader's SRA
Planning Committee	1	£7,941	40% X Leader's SRA
Audit Committee	1	£3,970	20% X Leader's SRA
Standards & Personnel Appeals Committee	1	£3,970	20% X Leader's SRA
Licensing Committee	1	£3,970	20% X Leader's SRA
Vice Chairs of:			
Overview & Scrutiny Committee	1	£2,978	15% X Leader's SRA
Planning Committee	1	£2,978	15% X Leader's SRA

Recommendation 6 - the SRA for the two Deputy Leaders is maintained at 75 per cent of the Leader's SRA (£19,852), which equates to £14,889.

Recommendation 7 - the SRA for the Chairs of the Scrutiny Panels (A and B) is reset at 30 per cent of the Leader's SRA which equates to £5,956.

Recommendation 8 - the SRA for the Vice Chairs of Scrutiny Panels (A and B) is reset at £1,687.

Recommendation 9 - the SRA for the Leader of the Main Opposition Group is reset based on two group size bandings as follows:

- 7+ or more Members £7,941 (40% of Leader's SRA)
- 2-6 Members £4,963 (25% of Leader's SRA)

Recommendation 10 - if there are two Main Opposition Groups of equal size then the Main Opposition Group Leader's higher SRA is divided equally between each Main Opposition Group Leader regardless of group size, which equates to £3,713. The same principle should be extended in the highly unlikely event that there are more than two Main Opposition Groups.

Recommendation 11 – the SRA for the Deputy Leader of the Main Opposition Group should be paid only when the Main Opposition Group has seven or more Members

- 7 or more Members £1,191 (15% of Group Leader's SRA)
- Less than 7 Members No SRA payable

Recommendation 12 - if there are two Main Opposition Groups of equal size then the Main Opposition Group Deputy Leader's SRA is divided equally between each Main Opposition Deputy Group Leader regardless of group size, which equates to £595. The same principle should be extended in the highly unlikely event that there are more than two Main Opposition Groups

Recommendation 13 - the Leaders of Other Opposition Groups continue to receive an SRA of £323 per Group Member if their group reaches the qualifying threshold of having four Members.

Recommendation 14 - Provision for a Co-optees Allowance at £323 for the Co-optees that may be appointed to the Standards and Personnel (Appeals) Committee is maintained.

Recommendation 15 - the allowances scheme is amended to clarify that where a Member is using an electric or hybrid vehicle on an approved duty outwith the Authority that they are able to claim mileage at AMAP rates, which is currently 45p per mile.

Recommendation 16 - the current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained.

Recommendation 17 – the maximum hourly rate claimable under the childcare element of the DCA is maintained at the National Living Wage, currently £8.21 per hour, and the maximum hourly rate claimable under the other dependents element of the DCA is capped at £15 per hour. This rate may be claimed for dependants who require any type of specialised care including children.

Recommendation 18 - if it is known that a Member has caring responsibilities then the DCA is specifically brought to their attention.

Recommendation 19 - the current Civic Allowances paid to the Chair (£7,888) and Vice Chair (£4,523) is maintained.

Recommendation 20 - The Council adopt a policy for when a Member is on long term paternity/adoption and sickness leave so that the consequences of such leave is clear to any affected Member.

Recommendation 21 – the following indices are applied for the legal maximum of four years to the remuneration and allowances paid to Members of Ashfield District Council as follows:

A. Basic Allowance, SRAs, Civic Allowance and Co-optees' Allowance:

- Indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council (NJC) for Local Government Services; to be implemented from the start of the municipal year. Also known as the NJC index

B. Mileage Allowance (Outwith only):

- Members' mileage allowances rates to continue to be indexed to HMRC AMAP rates.

C. Subsistence Allowances (Outwith only):

- The subsistence allowances should continue to be indexed to the same rates that are applicable to Officers.

D. The DCA:

- Childcare: maximum rates to be indexed to the National Living Wage
- Social/Medical care: maximum rates to be indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council (NJC) for Local Government Services.

Recommendation 22 - the new scheme of allowances based on the recommendations contained in this report is adopted from date of the Council meeting on 21st May 2020.

Review of Members' Allowances for Ashfield District Council

A Report

By the

Independent Remuneration Panel

February 2020

The Regulatory Context

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel (the Panel) appointed to provide advice on the Members' Allowances scheme for the Ashfield District Council.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, arising out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice to their respective councils on Members' allowances.
3. English councils retain the power to determine their allowances. However, they are required to convene their respective Panels and seek its advice before they make any changes or amendments to their Members' Allowances scheme. Councils must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances scheme.
4. In particular, the Panel has been reconvened under the 2003 Regulations [10. (5)], which states:

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 established in respect of that authority on the application of an index to its scheme.
5. This mechanism (known as the four year rule) means that all Councils are required to reconvene their Panel at least once every four years thus ensuring a degree of public accountability *vis-à-vis* their Members' Allowances schemes. It is under this requirement that the Panel has undertaken this review of Members' Allowances for the Ashfield District Council.

Terms of Reference

6. The Panel is to make recommendations to the Council, following a review of Leader, Elected and Co-opted Member remuneration as to the appropriate level of remuneration. In its deliberations the Panel is required to make recommendations regarding:
 - a. The Basic Allowance to all Councillors and if applicable any expenses it should include
 - b. The scope and levels of Special Responsibility Allowances
 - c. The Scope and level of Co-Optees' Allowances
 - d. Travel and Subsistence Allowances, including applicable rates and terms and conditions by which they may be claimed
 - e. Dependants' Carers' Allowance, including applicable rates and terms and conditions by which they may be claimed
 - f. Maternity leave, sickness and any other applicable absences
 - g. Equipment allowances if applicable
 - h. Applicable indices for allowances and how long they are to run for
 - i. Council Chairman's SRA, if applicable and Civic Allowance
 - j. The effectiveness of the Performance SRA and how it may be improved
 - k. Any other issues that are brought to the Panel's attention

7. In reaching its recommendations, the Panel is required to seek, where appropriate, submissions and evidence from:
 - i. All Elected Members of the Council in written form via an aide memoir.
 - ii. A cross section of Members via personal interview, such as Executive Member(s), non-executive Members, Committee Chair(s) and Vice(s), Group Leaders etc.
 - iii. The Council's Chief Executive.
 - iv. Other relevant Officers
 - v. Other Local Authorities and public bodies within the region or nationally which the Panel believes to be comparative.

8. The recommendations are to take account of the Constitution of the Council and the Elected Members' Code of Conduct.

9. The recommendations are to take account of the current financial constraints facing the Council.

10. The recommendations of the Panel are to be formulated into a report to the Chief Executive for reporting to Council for consideration by February 2020.

The Panel

11. Ashfield District Council reconvened its Independent Remuneration Panel and

the following Panel Members carried out its independent review; namely:

- Mark Cawar: Member of Kirby-in-Ashfield Rotary Club, a local business owner (IT) and local resident
 - Dr Declan Hall: Independent consultant specialising in Members' allowances and support, former academic at the Institute of Local Government, The University of Birmingham
 - Paula Wilkinson: Director of local business (Ashfield Affluent Services and a local resident
12. The Panel was supported by Mike Joy, Service Manager Scrutiny and Democratic Services, Shane Wright, Scrutiny Research Officer and Lynn Cain, Democratic Services Officer at Ashfield District Council. They also took the organisational lead in facilitating the work of the Panel.

Process and Methodology

13. The Panel met at the Council Offices Kirby-in-Ashfield on 24th-25th October 2019. The Panel meetings were in closed session to enable the Panel to meet with Members and Officers and conduct its deliberations in confidence.
15. A representative range of Members were invited to meet with the Panel and any further requests to meet with the Panel were also accommodated. In addition, all Members were sent a questionnaire that addressed the Panel's terms of reference, thus ensuring all Members had the opportunity to have an input into the review. The Panel interviewed 11 Members and received 20 written submissions.
16. In compliance with the terms of reference the Panel met with a number of Officers for factual briefings on political structures and constitutional changes since the last review and to obtain an overview on the challenges facing the Council. The Panel also took cognizance of the range and levels of allowances paid in comparable local authorities, namely all other District Councils in Nottinghamshire and the two geographically adjacent District Councils.
17. The full range of written information received and considered by the Panel is listed in the appendices as follows:
- **Appendix 1:** List of information and evidence that was included in the Information Pack for Panel Members
 - **Appendix 2:** Members who met with the Panel
 - **Appendix 3:** Officers who briefed Panel
 - **Appendix 4:** Summary of benchmarking against other District Councils in Nottinghamshire and 2 geographically adjacent District Councils

Key Messages and Observations: The Ashfield Remuneration Model

18. Comparatively, the Basic Allowance and SRAs payable in Ashfield are on the high side as indicated by benchmarking against the other district councils in Nottinghamshire and the two geographically adjacent district councils of Amber Valley and Bolsover. This context in itself has not been a driver for the Panel but it does show that there is not a strong case to increase allowances. Where benchmarking has impacted on the Panel's recommendations it has not been as a supplementary consideration alongside the other evidence and representations.

The Changing Nature of Ashfield Council and Councillors

19. Ashfield is one of the larger and more multifarious district councils in the benchmarking group, with a number of towns, mixed economy and diverse population. What is striking at this review is the changing nature of the Council body in that over a third of all elected Members are new, being elected in May 2019. What also came through in the representations made to the Panel was that they are a more diverse group than in the past and represent an active Council that puts emphasis on community focus and engaging with the residents. It could be argued that the current level of allowances now reflect the active model of Councillors.
20. This can be taken as an indication that the comparatively high level of allowances have fulfilled the function of a Members' Allowances Scheme, namely to reduce financial barriers to being a Member and provide sufficient support to Members (current and prospective) so they are able to carry out their roles and responsibilities. Members' Allowances should enable most people to be a Member without incurring undue personal cost whether that cost is through lost earnings, additional expenses arising out of being an elected Member or opportunity costs

Recognising the current economic climate

21. The Panel cannot but be aware of the current era of public sector austerity, where Ashfield District Council is required to make savings of 8.7% to set a balanced budget for 2021/22. This context of financial constraint also came out in the representations received with the logical follow on that the Panel should be cognisant of that fact in its recommendations. Indeed the terms of reference for the Panel require it to "take account of the current financial constraints facing the Council."
22. At the same time the Panel has not been driven by the need to find savings, that role is properly reserved to the Council. The Panel should not act as a finance sub-committee by proxy. If that was to be the case it would become a 'race to the bottom'. Nonetheless, the Panel has to be cognisant of economic realities.

23. The simple approach would be to reduce all allowances across the board by 8.7% but that would risk undermining the enabling function of allowances. The Panel has chosen a more nuanced approach by targeted savings where there is a strong non-financial case to do so. In particular, the Panel has, largely in response to representations received, eliminated the 'Performance SRA and reduced some SRAs. It has done this only where there is a clear case to do so. Such recommendations if adopted will result in savings of up to £20,080 per year. To underline this point the Panel has actually recommended increasing one aspect of the Dependants' Carers' Allowance (DCA). While it will not in all likelihood add significant spend on Members' Allowances it underlines the point that the Panel has not been focused by cost factors alone.
24. It is through this approach that the Panel's recommendations have sought to demonstrate Members' Allowances represent value for money for both the Council and the residents of Ashfield while providing a demonstration that Members 'are doing their bit' while also ensuring Members have the support to do their job and are not out of pocket as a consequence.

The evidence considered: Arriving at recommendations

The Basic Allowance and the Performance SRA

25. The current Basic Allowance (£7,217) is based on the methodology as laid out in the 2006 Statutory Guidance (paragraphs 67-69) which recommends the consideration of three variables when arriving at a Basic Allowance. These three variables are the time it takes to do the backbench roles, recognising there is a voluntary element to being a Member and an appropriate rate for remuneration.
26. The Basic Allowance is "intended to recognise the time commitment of all councillors" and "cover incidental costs"¹. The Basic Allowance should be sufficient so as to enable most people to take time from their paid employment or business without suffering undue financial cost. Even where a Member is not working it is still designed to remunerate for the time a Member needs to put in. Historically this has been assessed at the equivalent of just less than 70 days per year with an additional 'voluntary' contribution of almost 37 days a year. The remunerated time of almost 70 days per year has been based on average local earnings. No evidence was received to indicate that the value of the variables underpinning the current Basic Allowance required revisiting.
27. The full Basic Allowance of £7,217 is not paid out to all Members automatically - £500 per year is held back and only paid out at the end of the year to Members who attend 70% of all their scheduled meetings, including all compulsory/statutory training events. This is known as the 'Performance' SRA. It was introduced after the previous (2016) review in response to strong representation that felt there was an inequity where Members were not attending all the meetings of committees they were appointed to and still being paid the full Basic Allowance. Attendance at meetings had deteriorated to the extent that scrutiny meetings had to be cancelled as they were inquorate. The

¹ 2006 Statutory Guidance paragraph 10

2003 Members' Allowances Regulations mandate that the Basic Allowance is paid equally to all Members and prohibit the payment of attendance allowances so the Performance SRA was utilised to establish a link, albeit relatively minor, between remuneration and attendance.

Benchmarking the Basic Allowance

28. Apart from highlighting the wide variation in Members' Allowances across the local authorities in the benchmarking group it also shows that the current Ashfield Basic Allowance is noticeably above the mean (£5,582). This is broadly the midpoint between the lowest Basic Allowance (Broxtowe £3,741) and highest Basic Allowance (Bolsover £9,902) paid in the benchmarking group.
29. Yet, as with all benchmarking, it needs to be treated with some caution. For instance, in the two councils that pay the lowest Basic Allowance, Amber Valley and Broxtowe, all Members receive an additional Broadband Allowance (Amber Valley £250) or ICT Allowances (Broxtowe £563). For Ashfield Members these costs come out of the Basic Allowance. In addition, Amber Valley pays all Planning Members an SRA of £593 and Broxtowe pays all Licensing Members an SRA of £678. Nor does the benchmarking take into account the fact that Broxtowe has 44 Councillors as opposed to 35 Ashfield District Council Members.
30. The Panel also benchmarked against the remuneration for non-executive directors (NEDs) of NHS Trusts; which since 1 November 2019 has been set at a minimum of £10,000. While the expenditure budgets for NHS Trusts are larger than Ashfield District Council the expressed time commitment for NEDs is 2-3 days per month², whereas it has historically been assessed at just under two days per week (with only two thirds of that time remunerated) for Ashfield District Council Members. There is no voluntary discount for NEDs. In addition NEDs are entitled to more expenses than is being recommended for Ashfield District Council Members. Moreover, a Member of Ashfield District Council is subject to more public accountability and scrutiny than any NHS NED and exercises more corporate and at times personal responsibility than is typically required from a NED.
31. Although the benchmarking has to be put in context it does provide support to the representation received the current Ashfield District Council Basic Allowance does not merit an increase and indeed there is a case to decrease it marginally through a reconsideration of the Performance SRA.

The Performance SRA – outliving its usefulness

32. There was a strong view in the representation to the Panel that the Performance SRA has outlived its usefulness. It did generally improve attendance in that meetings are no longer cancelled due to them being inquorate. All but a couple of Members have, since 2016, attended the requisite number of meetings each year so that they are paid the £500 Performance SRA. The move to mostly

² [Remuneration alignment Chairs & NEDs NHS Trusts Nov 2019](#)

single Member's wards it was argued also helped Members attendance, making non-attendance more apparent.

33. Just as importantly, there are significant costs in Officer time and resources to monitor Member attendance, assess excused absences and generally administer the Performance SRA. This administrative cost outweighs the marginal benefits gained particularly in light of a more active and community focused Council body.
34. **Recommendation 1** - As such, the Panel recommends that the Performance SRA is discontinued and the Basic Allowance is reset at £6,717.

Telecommunications and in-authority travel and subsistence expenses

35. Currently the Basic Allowance is deemed to cover all in-authority travel and subsistence expenses incurred by Members in carrying out their Council related duties. It is also deemed to cover costs incurred through the use of their personal ITC equipment and home systems by being a Councillor. Such costs include additional mobile/landline telephone calls and data usage that comes with being a Councillor; use of home broadband to access relevant information, including Council papers, and use of their own printer and printer consumables to print out relevant papers. The terms of reference for the Panel include consideration of 'equipment' allowances to help cover such costs.
36. The reality is that in most cases Members already have their own ICT equipment and related services, thus in the main the additional cost of broadband, telephone and mobile phone calls, etc., is marginal. Times have moved on and for home land line telephone calls, mobile phone calls and broadband there are any number of inclusive packages available that means their additional usage by Members on Council related business is negligible. The marginal cost to Members arising out of Council related calls and internet connections on private landlines, mobiles and broadband is marginal as they are items and services that are now commonplace. It is difficult to justify the subsidisation for items and services that the vast majority of people have in the first place.
37. Moreover the Panel has maintained a comparatively high recommended Basic Allowance (£6,717) partly on the grounds that it is deemed to cover such costs as well as in-authority travel and subsistence. Also it is noted that Members are now provided with an iPad to access Council papers, reports, etc.
38. **Recommendation 2** - The Panel recommends the Basic Allowance continues to cover the cost of 'incidental' expenses Members may incur while carrying out their duties, such as telephone calls from their home landlines, calls on personal mobile phones, using broadband from home and printer and IT consumables, etc.

39. **Recommendation 3 - The Panel further recommends that Basic Allowance continues to be deemed to cover in-authority travel and subsistence costs that Members may incur in carrying out their Council duties.**

The Leader's SRA

40. The Leader's SRA (£19,852) was originally set by reference to the remuneration of the Chairman of the Nottinghamshire Police Authority, which no longer exists. A second point of reference was the remuneration of Chairs of Primary Care Trusts (PCTs). PCTs have also been superseded, by Chairs of much larger NHS Trusts, and at the time of the 2016 review it was noted that their total remuneration ranged from a minimum of £18,621 to £23,600 depending on bandings for a time commitment of about 2-3 days per week. It is noted that from 1 April 2020 the remuneration of a Chair of a NHS Trust in England will be a minimum of £30,000 for an expressed time commitment of at least three days per week.
41. Benchmarking shows the same variation in Leaders and elected Mayor SRAs as with the Basic Allowance. Within the benchmarking group Leaders/Mayors SRAs range from £11,847 in Amber Valley to £54,863 for the Mayor of Mansfield. The mean SRA is £18,973 and the median SRA is £14,391 – the latter figure being more reflective of comparative practice as the SRA for the Mansfield Mayor is such an outlier.
42. The Panel has always been clear that being Leader of Ashfield District Council does not require a full time commitment but it does preclude full time employment in the normal sense. Even then the Leader while not required to attend the Council Offices every day all day, does so at least 3-4 days per week . Even when not at the Council Offices the Leader has to be available to talk on the phone with or email Officers and other Members.
43. The other aspect of the Leader's role has been the adoption of the strong Leader model by the Council. The prime impact of this change is that the Leader is now "personally responsible for the discharge of all Executive Functions."³ In particular the Leader now appoints the Deputy Leader(s) and Executive Portfolio Holders, (previously a Council function) and determines their scheme of delegations. In effect Leaders now have the same level of responsibility as elected Mayors - it is their method of appointment and tenure that differs.
44. **Recommendation 4 - The Panel has not received evidence that the current SRA of the Leader requires revision and recommends that the Leader's SRA remains at £19,852.**

Arriving at other SRAs – Maintaining the Pro Rata Approach

45. In recommending the other SRAs the Panel has always followed the approach laid out in the 2006 Statutory Guidance (paragraph 78) which states:

³ Ashfield District Council Constitution Part 3 - Responsibility for Functions 1.6 2

A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance.

46. This is known as the 'pro rata' approach. In effect the Leader's role is assessed at 100%. By definition the Leader has the greatest time commitment and responsibility and all other SRAs have been assessed as a ratio of the Leader's role. The Panel has chosen to maintain this approach and adjust the ratio for SRAs where there is a demonstrable case to do so.

Maintaining the current ratios for SRAs

47. **Recommendation 5** - The Panel received no evidence to adjust the ratios utilised in arriving at the following SRAs for the posts set out in table one below. Therefore **the Panel recommends no change to the following SRAs:**

Table One: SRAs where Panel is recommending no change

Role	Number	Recommended SRA	Methodology
Executive Portfolio Holders	7	£11,911	60% X Leader's SRA
Chairs of:			
Overview & Scrutiny Committee	1	£7,941	40% X Leader's SRA
Planning Committee	1	£7,941	40% X Leader's SRA
Audit Committee	1	£3,970	20% X Leader's SRA
Standards & Personnel Appeals Committee	1	£3,970	20% X Leader's SRA
Licensing Committee	1	£3,970	20% X Leader's SRA
Vice Chairs of:			
Overview & Scrutiny Committee	1	£2,978	15% X Leader's SRA
Planning Committee	1	£2,978	15% X Leader's SRA

SRAs where the Panel considered but did not recommend revision – The Deputy Leaders (2)

48. In 2016 the Panel set the recommended SRA for the Deputy Leader at 75% of the Leader's SRA and is currently £14,889. In April 2018 the Leader decided to appoint two Deputy Leaders - one with an internal focus and one with an

external focus although for legal purposes one Deputy Leader has to be the named deputy for the Leader in the latter's absence. Each Deputy Leader receives the full Deputy Leader's SRA of £14,889.

49. While it not unknown for two Deputy Leaders to be appointed (it is more common in joint authorities) it is not common. Likewise, it is noted that in the benchmarking group no other Council remunerates two Deputy Leaders. The mean SRA for Deputy Leaders in the benchmarking group is £9,890, with a median SRA of £9,781. The mean ratio being 50 per cent of the Leader's mean SRA.
50. The additional remuneration for a single Deputy Leader above that of the executive Portfolio Holders typically is to recognise the legal position of the role, deputizing for the Leader when required and generally supporting the Leader through attending relevant meetings together and acting as a sounding board, etc. Indeed, each of the Deputy Leaders often deputise in the absence of the Leader at external meetings and events and at times internally if the Leader is not available due to other Council business. In the Councils constitution, the Leader can "nominate Deputy Leader(s) to act in his/her absence.
51. However, in the Ashfield context the appointment of two Deputy Leaders reflects the main Council priorities. Indeed, during the course of the review there was an external review of governance that identified two priority areas for the Council to address, namely Community Safety and Housing.
52. Consequently, at a meeting of the Council on 13th February 2020 the Deputy Leaders had their portfolios changed from :
 - Deputy Leader/Portfolio Holder for Health & Leisure, to
 - Deputy Leader/Portfolio Holder for Housing

 - Deputy Leader/Portfolio Holder for Streets, Parks & Town Centres, to
 - Deputy Leader/Portfolio Holder for Community Safety
53. In the event the Leader has not nominated/is unable to nominate the Deputy Leader, the Deputy Leader, Community Safety will be deemed to be so nominated to act".
54. In the context of having two Deputy Leaders the obvious conclusion is that there should be some synergies; where there are two Deputy Leaders these roles are by definition shared. Yet, the SRA for the two Deputy Leaders at 75% of the Leader's SRA is not for a traditional deputising role alone.
55. The two Deputy Leaders are not simply sharing the deputising function they also have executive responsibility for two of the larger and currently high priority policy areas. This is evidenced by the recent change in the remits of the Deputy Leaders. As such, after careful consideration the Panel has decided that the role of two Deputy Leaders is maintained at 75 per cent of the Leader's SRA (£19,852), which equates to £14,889.

56. **Recommendation 6** - The Panel recommends that the SRA for the two Deputy Leaders is maintained at 75 per cent of the Leader's SRA (£19,852), which equates to £14,889.

SRAs where the Panel has recommended revision

- The Chairs of the Scrutiny Panels (A and B)

57. The current SRA (£6,948) for the two Chairs of the Scrutiny Panels (A and B) was set at 35 per cent of the Leader's SRA. It is difficult to benchmark these roles partly due to the differing scrutiny models employed. Ashfield scrutiny has a 2-tier scrutiny model with:

- Main Overview & Scrutiny Committee, with the remit
 1. To review and scrutinise individual decisions before or after implementation
 2. To review, monitor and approve the scrutiny work plan.
 3. To undertake time limited reviews on topics approved for the work plan.
 4. To report any recommendations or considerations agreed by the Overview and Scrutiny Committee to Cabinet.
 5. To undertake such other overview and scrutiny functions as may be required including crime and disorder scrutiny and housing performance scrutiny.
 6. Call-In/Petitions
- Scrutiny Panels (A and B), with the remit
 1. To undertake such tasks as may be requested by the Council or the Executive or as agreed by the Overview and Scrutiny Committee as part of the Scrutiny work plan.

58. Compared and contrasted as set out above it is clear that the Overview and Scrutiny Committee is main vehicle to deliver this function. As such, the Panel has not recommended any changes in the SRA for the Chair and Vice Chair. Nonetheless, the Panel was aware of the recently published (May 2019) "Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities" which states (paragraphs 15-16):

The resource an authority allocates to the scrutiny function plays a pivotal role in determining how successful that function is and therefore the value it can add to the work of the authority.

Ultimately it is up to each authority to decide on the resource it provides, but every authority should recognise that creating and sustaining an effective scrutiny function requires them to allocate resources to it.

59. The Council has responded positively to the Statutory Guidance by maintaining two Scrutiny Panels to challenge the Cabinet. The Scrutiny Panels conduct topic related reviews, of which there is typically three per year for each Scrutiny Panel. Although these reviews are often led by the relevant Scrutiny Panel Chair it is not a requirement. A more recent development is the establishment

of 2 Scrutiny Commissions, Climate and Ex-Service Personnel to take forward the Council's policy in these two areas. These are chaired by the Scrutiny Panel Chairs.

60. Bearing this in mind plus the Statutory Guidance the Chairs of Scrutiny Panels still merit an SRA. However, the difference in the remits of the Overview and Scrutiny Committee and the Scrutiny Panels is not reflected in the differential in current SRAs paid. To address this Panel has decided to reduce the SRA of the Scrutiny Panel Chairs to 30 per cent of the Leader's SRA, which equates to £5,956.
61. **Recommendation 7 - The Panel recommends that the SRA for the Chairs of the Scrutiny Panels (A and B) is reset at 30 per cent of the Leader's SRA which equates to £5,956.**

Vice Chairs of the Scrutiny Panels (A and B)

62. The current SRA (£1,985) for the Vice Chairs of the Scrutiny Panels (A and B) was originally set at 10% of the Leader's SRA. Benchmarking this role is difficult due to lack of comparative practice, only Bolsover and Rushcliffe remunerate an equivalent role, at £1,630 and £1,092 respectively.
63. As the Council has chosen to appoint Vice Chairs of the Scrutiny Panels the role of this Panel is to assess whether the role merits a SRA. The Panel was not convinced that the current SRA (£1,985) reflects the real workload and responsibility of the Vice Chairs of the two Scrutiny Panels. There is a stand in role, but unlike the Planning Committee a Scrutiny Panel can be rescheduled or another Committee Member can stand in. Moreover, where Scrutiny Vice Chairs are remunerated elsewhere is typically on the basis that they have been assigned discrete tasks that is enshrined in the Council's Constitution, such as chairing working groups or task and finish sub-panels. In Ashfield the role of the Scrutiny Panel Vice Chairs is a more traditional one.
64. The Panel has decided to reset the SRA for the Vice Chairs of the Scrutiny Panels by a similar proportional decrease (15%) it recommended for the Chairs of the Scrutiny Panels and has reset their SRA at £1,687.
65. **Recommendation 8 - The Panel recommends that the SRA for the Vice Chairs of Scrutiny Panels (A and B) is reset at £1,687.**

Main Opposition Group Leader

66. The SRA for the Main Opposition Group Leader (£7,941) was set at 40 per cent of the Leader's SRA and on a par with the Chairs of the Planning and Overview and Scrutiny Committee. It is important to ensure that a well-resourced Opposition has the support required for it to be effective. Indeed the 2003 Members' Allowances Regulations require that at least one Opposition Member receives an SRA where members of a Council are divided into at least two political groups and the majority of Members of the Council belong to the same

- group⁴. Therefore there is a requirement to pay at least one SRA to an Opposition Member in Ashfield.
67. The SRA for the Leader of the Main Opposition Group is comparatively high. In fact it is the highest SRA for all Main Opposition Group Leaders in the benchmarking group, with a mean SRA of £4,829 and median SRA of £4,775. The origins of this SRA in Ashfield date to when the Main Opposition Group was larger than the current size (three).
68. The Panel has always accepted that the Leader of the Main Opposition Group regardless of the size of the Group has a duty to provide challenge across the council but the group management part of that role is qualitatively different depending on group size. A Main Opposition Group with three Members is not as large a role where it would be if the group had, for instance, 10-11 Members.
69. As such the Panel has decided to make a distinction in the SRA for the Leader of the Main Opposition Group based on size of the group. Specifically, where there are seven or more members of the Main Opposition Group then the SRA for the Group Leader should remain at £7,941 but where the Main Opposition Group has less than seven (but more than one member (which is currently the case) the SRA should be reset at 25 per cent of the Leader's SRA, which equates to £4,963.
70. **Recommendation 9 - The Panel recommends that the SRA for the Leader of the Main Opposition Group is reset based on two group size bandings as follows:**
- **7+ or more Members** **£7,941 (40% of Leader's SRA)**
 - **2-6 Members** **£4,963 (25% of Leader's SRA)**
71. **Recommendation 10 - As per current practice the Panel further recommends that if there are two Main Opposition Groups of equal size then the Main Opposition Group Leader's higher SRA is divided equally between each Main Opposition Group Leader regardless of group size, which equates to £3,713. The same principle should be extended in the highly unlikely event that there are more than two Main Opposition Groups.**

Deputy Leader of the Main Opposition Group

72. Currently the Deputy Leader of the Main Opposition Group receives an SRA (£1,191) that has been set in relation to the SRA paid to their Group Leader, in this case at 15 per cent. Benchmarking shows that out of the comparator group of councils only Ashfield pays an SRA to the Deputy Leader of the Main Opposition Group. This anomaly is even more glaring as the size of the Main Opposition Group is now only three Members. As with the Leader of the Main Opposition Group the Panel has decided to make a distinction based on group

⁴ See the 2003 Regulations, 5. (2). (b)

size for the SRA of the Deputy Leader of the Main Opposition Group Leader as follows

Recommendation 11 –

- 7 or more Members £1,191 (15% of Group Leader's SRA)
- Less than 7 Members No SRA payable

73. **Recommendation 12** - As per current practice the Panel further recommends that if there are two Main Opposition Groups of equal size then the Main Opposition Group Deputy Leader's SRA is divided equally between each Main Opposition Deputy Group Leader regardless of group size, which equates to £595. The same principle should be extended in the highly unlikely event that there are more than two Main Opposition Groups.

Leaders of Other Opposition Groups

74. The Leaders of Other Opposition Groups are paid a variable SRA of £323 per Group Member as long as their group reaches a qualifying threshold of four Members. Currently there are no Other Opposition Groups that reach this threshold but the Panel has decided to maintain this provision to future proof the scheme.
75. **Recommendation 13** - The Panel recommends that the Leaders of Other Opposition Groups continue to receive an SRA of £323 per Group Member if their group reaches the qualifying threshold of having four Members.

The Co-optees' Allowance

76. The allowances scheme contains provision for a Co-optees' Allowance (£323) for two Co-optees appointed to the Standards & Personnel (Appeals) Committees. Co-optees are non-voting and non-elected Members appointed to provide an independent perspective when dealing with complaints against elected Members. At the present time there are no standing Co-optees appointed to the Standards and Personnel (Appeals) Committee but this may not always be the case so as to future proof the scheme **the Panel recommends that;**
77. **Recommendation 14** - Provision for a Co-optees Allowance at £323 for the Co-optees that may be appointed to the Standards and Personnel (Appeals) Committee is maintained.

Travel and Subsistence Allowances - Outwith the Authority

78. Members can claim travel and subsistence allowances for attending approved duties outwith the Authority. This within and outwith distinction is now fairly common in many districts. Administratively it is more efficient to raise the Basic

Allowance and discontinue the process of submitting claims for travel and subsistence for attending duties within the Authority. It is a different issue when a Member has to travel outwith the Authority to represent the Council at sub-regional, regional or national meetings or conferences. Members are incurring expenses that are neither incidental nor typically required through their daily routine.

79. The subsistence rates claimable are those that apply to Officers. The mileage rates are based on HMRC AMAP rates (thus are non-taxable) and other travel rates (e.g., trains, planes and taxis) are expected to be "reasonable" and should not exceed the standard allowances claimable by Officers.
80. The Panel received no evidence to change the current rates and conditions by which the Travel and Subsistence Allowances may be claimed. There is however a case to add a minor amendment to include appropriate mileage rates where a Member is using an electric or hybrid vehicle, an issue that is likely to become more relevant as electric/hybrid vehicles are more commonplace.
81. The Panel notes the advice of the Office for Low Emission Vehicles, in "Tax Benefits for Low Emission Vehicles (14 May 2018) which states (paragraph 12.1) that "electric and hybrid cars are treated in the same way as petrol and diesel cars for the purposes of AMAPs." AMAPs (Authorised Mileage Allowance Payments) are the rates applicable to Members when claiming mileage allowances.
82. **Recommendation 15 - The Panel recommends that the allowances scheme is amended to clarify that where a Member is using an electric or hybrid vehicle on an approved duty outwith the Authority that they are able to claim mileage at AMAP rates, which is currently 45p per mile.**
83. **Recommendation 16 - The Panel recommends that the current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained.**

The Dependants' Carers' Allowance (DCA)

84. The Dependants' Carers' Allowance (DCA) is given express legal authority in the 2003 Members Allowances Regulations. It enables Members to claim towards the care of any dependants they may have while on statutorily defined approved duties. The DCA is typically provided for in most English local authorities and it is made available to Ashfield Members. The maximum rate claimable is linked to the National Living Wage (NLW), currently £8.21 per hour, regardless of the type of dependant.
85. There was an issue regarding this standard rate that was raised in both interview and written submissions. It was pointed out that the maximum rate capped at the NLW may well be suitable for child care it does not reflect the costs of caring for dependants with special, medical or other type of needs. The Panel is sympathetic to this argument and notes that the Nottinghamshire County Council Members' Allowances scheme makes a distinction between

child and other types of care for dependants, with the latter capped at £15.49 per hour, which is in line with the average hourly cost of a home help. The Panel has been cognisant of the Nottinghamshire rate in recommending a two tier carer's allowance.

86. **Recommendation 17** - The Panel recommends that the maximum hourly rate claimable under the childcare element of the DCA is maintained at the NLW, currently £8.21 per hour, and the maximum hourly rate claimable under the other dependents element of the DCA is capped at £15 per hour. This rate may be claimed for dependants who require any type of specialised care including children.
87. The Panel takes this opportunity to point out that this allowance was given recognition in statute and is specifically designed to reduce a potential barrier to being an elected Member for those with caring responsibilities.
88. **Recommendation 18** - The Panel recommends that if it is known that a Member has caring responsibilities then the DCA is specifically brought to their attention.

The Civic Allowances

89. The Civic Allowances are paid to the Chair and Vice Chair of the Council and are currently £7,888 and £4,523 respectively. These allowances are paid under s3(5) and s5(4) of the Local Government Act 1972 and are for the purpose of meeting the expenses of holding the civic office of Chair and Vice Chair of a principal council. As such these allowances are not remuneration *per se* but to pay for such expenses like suitable clothing for the Chair and Vice Chair of the Council and cost of tickets to events they are invited to and subsequent donations, etc. Moreover, the Civic Allowances are outwith the formal remit of the Panel as they do not come within the 2003 Members' Allowances Regulations. However, Panels are often asked to review the Civic Allowances in the absence of any other means of external appraisal. The Panel has been asked to consider the Civic Allowance.
90. No evidence was received that the current Civic Allowances required revision. Therefore;
91. **Recommendation 19** - The Panel recommends that the current Civic Allowances paid to the Chair (£7,888) and Vice Chair (£4,523) is maintained.

Maternity leave, sickness and any other applicable absences

92. Although it is outwith the formal remit of the Panel, the terms of reference has asked the Panel to consider remuneration where a Member may be absent from Council through having to undertake parental or adoption leave, long term sickness and any other applicable absences.

93. This is a difficult issue for the Panel to address. It is noted that elected Members are not classified as employees and therefore do not qualify for employment rights that are extended to paid Officers of the Council such as paid maternity/shared parental leave, sickness pay, redundancy pay or pensions contributions from the Council.
94. On the other hand, Members are paid their Basic Allowance and any applicable SRA as long as they remain an elected Member. Thus if a Member was for instance to take parental/adoption leave or go on long term sickness absence they would still be legally entitled to their Basic Allowance for at least six months at which point they would cease to be a Councillor unless the Council granted an exemption to the six month rule. It would be the same for a Member in receipt of a SRA but another Member would have to step in to cover the absent post holder's role, such as chairing a committee or if it was an executive role the Leader would need to redistribute portfolio responsibilities. The inequity arises insofar that any Member stepping in to take on the duties of an absent Chair/Portfolio Holder would not be entitled to their SRA unless the absent Member temporarily agreed to step down from their post so their SRA could be paid to their replacement.
95. While Members do not have the range of rights available to employees they receive their remuneration by right and the Council has the ways and means to address longer term absences. Consequently the Panel is not making a recommendation in this regard however the Panel feels that it should clarify the situation for when a Member has to take long term paternity/adoption and sickness leave.
96. **Recommendation 20 - The Council adopt a policy for when a Member is on long term paternity/adoption and sickness leave so that the consequences of such leave is clear to any affected Member.**

Indexation

97. Historically the Panel has consistently recommended that all allowances and expenses are indexed for the maximum of four years as allowed by the 2003 Members' Allowances Regulations. This ensures that allowances are increased each year or when a particular index is applied to the expenses to reflect increases in the cost of living and thus avoiding sizeable increases every four years. The Panel is still of the same mind.
98. **Recommendation 21 – the Panel recommends that the following indices are applied for the legal maximum of four years to the remuneration and allowances paid to Members of Ashfield District Council as follows:**
- E. **Basic Allowance, SRAs, Civic Allowance and Co-optees' Allowance:**
- Indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council (NJC) for Local Government Services; to be implemented from the start of the municipal year. Also known as the

NJC index

F. Mileage Allowance (Outwith only):

- Members' mileage allowances rates to continue to be indexed to HMRC AMAP rates.

G. Subsistence Allowances (Outwith only):

- The subsistence allowances should continue to be indexed to the same rates that are applicable to Officers.

H. The DCA:

- Childcare: maximum rates to be indexed to the National Living Wage
- Social/Medical care: maximum rates to be indexed to to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council (NJC) for Local Government Services.

Implementation

99. **Recommendation 23 - The Panel recommends that the new scheme of allowances based on the recommendations contained in this report is adopted from date of the Council meeting on 21st May 2020.**

APPENDIX ONE

LIST OF INFORMATION REVIEWED BY THE PANEL

1. Terms of Reference and Role Descriptions
2. Council Minutes relating to appointment of the Panel, July 2019
3. Ashfield District Council Members' Members Allowances Scheme 2019/20
4. Ashfield District Council Statutory Publication of Members' Allowances & Expenses received 2017/18 and 2018/19
5. Independent Remuneration Panel, Review of Allowances, July 2016 Report
6. Minutes relating to the IRP 2016 Report, July 2016
7. Ashfield District Council Committee Structure Diagram including political makeup of Council
8. Schedule of Council Meetings 2019/20
9. Committee Membership and terms of reference
10. Paper outlining summary of main changes to the Constitution since May 2012
11. Copy of Questionnaire sent to all Councillors for IRP Review 2019
12. New Council Constitution: Guidance on Regulation for Local Authority Allowances, Department of Communities and Local Government, May 2006
13. Local Government Association, summary of hours worked (Mean Per Week/Type of Council) by Councillors, Census of Councillors 2013
14. NJC for Local Government Services Pay Increase 2018/19 and 2019/20
15. Ashfield District Council Constitution Part 3
16. Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations* 1st May 2003
17. Office for Low Emission Vehicles, in "Tax Benefits for Low Emission Vehicles (14 May 2018)
18. Benchmarking data - for illustrative purposes only, Allowance Schemes from comparator authorities in Nottinghamshire and selected schemes from adjacent counties
19. Copy of presentation by Declan Hall (Chair of Panel): Reviewing Allowances: The Ashfield District Council remuneration model, regulatory requirements, issues and approaches

20. Ministry of Housing, Communities & Local Government, "Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities" May 2019

21. [Remuneration alignment Chairs & NEDs NHS Trusts Nov 2019](#)

APPENDIX TWO

MEMBERS WHO MET WITH THE PANEL

Cllr C. Baron	Deputy Leader of Main (Conservative) Opposition Group
Cllr C. Chapman	Chair of Scrutiny Panel B
Cllr D. Grounds	Vice Chair of the Planning Committee
Cllr T. Hollis	Deputy Leader of the Council (Inward Focus) and Portfolio Holder for Health and Leisure
Cllr R. Madden	Chair of Planning Committee
Cllr S. Madigan	Chair of Overview and Scrutiny Committee
Cllr D. Martin	Portfolio Holder for Finance (Independent Group)
Cllr W. Nuttall	Chair of the Licensing Committee
Cllr K. Rostance	Leader of Main (Conservative) Opposition Group
Cllr H. A. Smith	Deputy Leader of the Council (Outward Focus) and Portfolio Holder for Streets, Parks and Town Centres
Cllr J. Zadrozny	Leader of the Council and Majority (Independent) Group, Chair of the Cabinet and Chief Officers' Employment Committee

In addition the Panel received written submissions from 20 Members

APPENDIX THREE

OFFICERS WHO BRIEFED THE PANEL

Ruth Dennis Director of Legal and Governance (Monitoring Officer)

Mike Joy Overview and Scrutiny Officer

Carol Cooper-Smith Interim Chief Executive

Shane Wright Scrutiny Research Officer

APPENDIX FOUR: BENCHMARKING

Ashfield DC Benchmarking 1: The 7 Nottinghamshire DCs + 2 Adjacent Derbyshire DCs The Basic Allowance and Executive & Scrutiny SRAs (2019/20)										
District Council	Basic Allowance	Leaders or Mayors SRA	Leader/Mayor Total (BA +SRA)	Deputy Leader	Cabinet Members	Assistant Cabinet Members	Chair Main O&S	V/Chair Main O&S	Chairs Scrutiny Panels, etc.	V/Chairs Scrutiny Panels
Amber Valley	£3,949	£11,847	£15,796	£5,924	£4,146		£1,772			
Bassetlaw	£4,674	£13,231	£17,905	£10,888	£5,656		£3,131	£606		
Bolsover	£9,902	£14,672	£24,574	£9,781	£4,891				£3,260	£1,630
Broxtowe	£3,741	£13,558	£17,299	£6,101	Committee System					
Gedling	£4,190	£14,391	£18,581	£11,516	£7,196	£1,799	£3,598			
Mansfield	£6,386	£54,863	£61,249	£18,547	£15,346				£7,690	
Newark & Sherwood	£4,987	£13,796	£18,783	£2,759	Committee System					
Rushcliffe	£5,188	£14,545	£19,733	£8,606	£5,670				£3,276	£1,092
Ashfield	£7,217	£19,852	£27,069	£14,889	£11,911		£7,941	£2,978	£6,948	£1,985
Mean	£5,582	£18,973	£24,554	£9,890	£7,831		£4,111	£1,792	£5,294	£1,569
Median	£4,987	£14,391	£18,783	£9,781	£5,670		£3,365	£1,792	£5,112	£1,630
Highest	£9,902	£54,863	£61,249	£18,547	£15,346		£7,941	£2,978	£7,690	£1,985
Lowest	£3,741	£11,847	£15,796	£2,759	£4,146		£1,772	£606	£3,260	£1,092

Ashfield DC Benchmarking 2: The 7 Nottinghamshire DCs + 2 Adjacent Derbyshire DCs Main Regulatory & Opposition SRAs (2019/20)								
District Council	Chair Planning	V/Chair Planning	Chair Licensing	V/Chair Licensing	Chair Audit &/or Governance	Leader Main Opposition	Dep Leader Main Opposition	Comment or Other
Amber Valley	£2,369		£1,777		£1,777	£2,962		Planning Mbrs £593, B/B Allowance £250
Bassetlaw	£3,131	£1,111	£2,121	£404	£3,131			Planning Mbrs £707, Ipad
Bolsover	£4,891	£2,445	£3,260	£1,630	Co-optee	£4,891		No index
Broxtowe	£3,391	£678	£2,712	£542	£2,033	£1,355		Licensing Mbrs £678, ICT Allowances £563
Gedling	£5,037		£5,037		£3,598	£7,196		
Mansfield	£10,653		£8,339		£3,000	£1,098 + £355 p/mbr		No index
Newark & Sherwood	£5,623	£1,037	£3,320	£488	£1,904	£4,775		
Rushcliffe	£4,823	£2,411	£1,200		NA	£4,684		> 1 SRA payable
<i>Ashfield</i>	<i>£7,941</i>	<i>£2,978</i>	<i>£3,970</i>		<i>£3,970</i>	<i>£7,941</i>	<i>£1,191</i>	
Mean	£5,318	£1,777	£3,526	£766	£2,773	£4,829		
Median	£4,891	£1,761	£3,260	£515	£3,000	£4,775		
Highest	£10,653	£2,978	£8,339	£1,630	£3,970	£7,941		
Lowest	£2,369	£678	£1,200	£404	£1,777	£1,355		