

Report To:	COUNCIL
Date:	30 MAY 2024
Heading:	FINDINGS OF THE INDEPENDENT REMUNERATION PANEL REVIEW
Executive Lead Member:	LEADER OF THE COUNCIL
Ward/s:	NOT APPLICABLE
Key Decision:	NO
Subject to Call-In:	NO

Purpose of Report

The purpose of this report is to present to Council the final report of the Independent Remuneration Panel following a review of Ashfield District Council's Members' Allowances Scheme carried out in February 2024. Council is asked to consider the findings of the Independent Remuneration Panel and determine whether to accept the recommendations within the final report.

The full report of the Independent Remuneration Panel is appended to this report as Appendix A.

Recommendation(s):

The Independent Remuneration Panel recommends to Council:

1. that the Basic Allowance is maintained at £7,884, subject to any indexation that may be applicable.
2. that 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.
3. that 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(s):

The Independent Remuneration Panel recommends to Council:

Special Responsibility Allowances

4. that the SRA for the Leader is maintained at £23,301, subject to any applicable indexation.
5. that there is no change to the following SRAs:

Role	Number	Recommended SRA	Methodology
Chairmen of:			
Principal Select Committee	1	£9,321	40% X Leader's SRA
Inward and Outward Select Committees	2	£6,990	30% X Leader's SRA
Planning Committee	1	£9,321	40% X Leader's SRA
Audit Committee	1	£4,660	20% X Leader's SRA
Vice Chairmen of:			
Principal Select Committee	1	£3,495	15% X Leader's SRA
Inward and Outward Select Committees	2	£1,981	8.5% X Leader's SRA
Planning Committee	1	£3,495	15% X Leader's SRA
Local Plan Development Committee	1	£1,981	9% X Leader's SRA
Opposition SRAs:			
Leader of the Main Opposition Group (where Group has 7 or more Members)	0	£9,321	40% X Leader's SRA
Deputy Leader of the Main Opposition Group (where Group has 7 or more Members)	0	£1,398	15% X Group Leader's SRA (at top tier)
Leaders of Other Opposition Group[s] (where Group has at least 4 Members)	0	£365 per Member	NA

Recommendation(s):

The Independent Remuneration Panel recommends to Council:

6. that the SRA for the two Deputy Leaders is maintained at 75 per cent of the Leader's SRA (£23,301) and paid at £17,476, subject to any applicable indexation.
7. that the SRA for the 7 Executive Lead Members is maintained at 60 per cent of the Leader's SRA (£23,301) and paid at £13,981, subject to any applicable indexation.
8. that the SRA for the Chairman of the Licensing Committee is maintained at 20 per cent of the Leader's SRA (£23,301) and paid at £4,660, subject to any applicable indexation.
9. that the SRA for the Chairman of the Local Plan Development Committee is maintained at 30 per cent of the Leader's SRA (£23,301) and paid at £6,990, subject to any applicable indexation.
10. that the SRA for the Vice Chairman of the Local Plan Development Committee is maintained at 8.5 per cent of the Leader's SRA (£23,301) and paid at £1,981, subject to any applicable indexation.
11. that the SRA for the Chairman of the Standards and Personnel Appeals Committee is maintained at 20 per cent of the Leader's SRA (£23,301) and paid at £4,660, subject to any applicable indexation.
12. that the SRA for the Leader of the Main Opposition Group, where the Group has less than 7 Members is maintained at 25 per cent of the Leader's SRA (£23,301) and paid at £5,825, subject to any applicable indexation.

Co-optees' Allowance

13. that provision for Co-optees' Allowances is maintained and reset as follows:
 - Co-optees appointed to the Standards & Personnel Appeals Committee to be reset at £540, subject to any applicable indexation.
 - If there are Co-optees appointed to the Audit Committee these will be paid at £1,080, subject to any applicable indexation.

Travel and Subsistence Allowances – Outwith the Authority

14. 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 HMRC AMAP rates, which is currently 45p per mile.
15. that the current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained.

Recommendation(s):

The Independent Remuneration Panel recommends to Council:

The Dependants' Carers Allowance (DCA)

16. The IRP recommends that the DCA is maintained but that there are two claimable rates depending on the type of care as follows:
- **Childcare element:** maximum hourly rate claimable is maintained at the NLW.
 - **Other Dependents element** maximum hourly rate claimable capped at £19.80 per hour. This rate may be claimed for dependants who require any type of specialised care including children.

Civic Allowances

17. that the current Civic Allowances paid to the Chair (£9,251) and Vice Chair (£5,309) is maintained, subject to any applicable indexation.

Indexation of Allowances

18. 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:
- a. Basic Allowance, SRAs, Civic Allowances and Co-optees' Allowance:**
 - Indexed to the annual percentage salary increase for local government staff (*at spinal column point 43*) 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 Dependants' Carers Allowance:**
 - 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 point 43*) as agreed each year by the National Joint Council (NJC) for Local Government Services.

Reasons for Recommendation(s)

To comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003, a revised Members' Allowances Scheme is required every four years. The recommendations within this report were formulated and put forward by the Independent Remuneration Panel, appointed by Council in July 2023.

Alternative Options Considered

In carrying out a review of Ashfield District Council's Members' Allowances Scheme, the Independent Remuneration Panel considered a wide range of information and evidence. Full details are included in the full report from the Independent Remuneration Panel, appended to this report as Appendix A.

Detailed Information

PANEL ESTABLISHMENT

Each local authority is required by the Local Government and Housing Act 1989 to have in place a scheme for Members' Allowances. The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the requirements for the setting of a Members' Allowances Scheme.

English councils retain the power to determine their allowances. However, they are required to convene their respective Independent Remuneration 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.

Council appointed the IRP in July 2023. The Panel is made up of three members independent from the Council. Dr Declan Hall, an independent consultant specialising in member allowances and support was appointed Chair of the Panel. Paula Watkinson and Andrew Frogson were appointed as Lay Members. Council also approved role descriptors for the Panel Chair and Lay Members along with terms of reference for the review.

TERMS OF REFERENCE

As agreed by Council on 24th July 2023 the IRP was 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 was required to make recommendations regarding:

- a. The Basic Allowance payable 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. Equipment allowances if applicable
- g. Applicable indices for allowances and how long they are to run for
- h. Council Chairman's SRA, if applicable and Civic Allowance
- i. Any other issues that are brought to the IRP's attention

Full details of the Panel's remit can be found in the full report appended as Appendix A.

METHODOLOGY

The IRP conducted a review on the 27 and 28 February at the Council Offices, Urban Road, Kirkby-in-Ashfield. A representative range of Members were invited to meet with the IRP and all other Members were given the opportunity to meet with the IRP if they so wished. In addition, all Members were sent a questionnaire that addressed the IRP's terms of reference, thus ensuring all Members had the opportunity to have an input into the review. The short questionnaire was also used as an aide memoire for the Member interviews thus ensuring all Members were asked the same set of questions. The IRP interviewed 12 Members and received 16 written submissions.

In compliance with the terms of reference the IRP 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 IRP also took cognisance 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.

The full range of information received and considered by the IRP is detailed in the final report appended as Appendix A.

REVIEW FINDINGS

The primary function of the Council's Members' Allowances Scheme is to provide support to Members, enabling them to carry out their roles and responsibilities. The evidence received during the review indicates that the allowances that Ashfield District Council pays to Members strikes a balance between enabling Members to effectively carry out their roles and responsibilities and attracting prospective Councillors.

The principal role of the Independent Remuneration Panel was to assess what the roles and posts under review are worth, based on the evaluation of evidence collected. The review carried out by the Independent Remuneration Panel was not driven by a need to identify savings. However, the Panel were mindful of reduced local authority funding.

In assessing the Members' Allowances Scheme, the Panel noted the following about Ashfield District Council:

The Nature of Ashfield District Council and Councillors

- 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 is the number of new elected Members being elected in May 2023. What also came through in the representations made to the IRP 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 is an active body of elected Members, with a Member driven Council. This can be seen by the recent awards of major funding for the Council such as
 - Towns Deal 2021 = £62.2 million
 - Future High Streets Fund 2021 = £6.27 million
 - UK Shared Prosperity Fund 2022 = £3.1 million

- Levelling Up Fund 2022 = £3.1 million

Please note: These figures and funding sources were indicative at the time of the IRP review. The Council has since secured further funding from multiple streams.

- As such, the elected Members can be seen to deliver and as such it could be argued that the current level of allowances now reflect the active model of Councillors that brings in outside monies.

The full report also details:

Allowances Scheme Broadly Fit for Purpose

- As a result of these observations the IRP concluded that the allowances scheme has stood the test of time and is not in need of a major revision. The purpose of this review is largely to address any anomalies arising.
- It is through this approach that the Panel's recommendations have sought to demonstrate that 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.

In line with the above, the IRP have recommended that the current rates for all Special Responsibility Allowances, including Civic Allowances, are maintained. Where the Panel considered recommending changes to specific SRAs, it has been detailed on page 3 of the final report appended as Appendix A.

The Panel have recommended that the provision for Co-Optees' Allowances is maintained, with an increase in the allowances payable as follows:

- Standards & Personnel Appeals Committee Co-Optee:
 - Currently: £364.56 (subject to indexation)
 - Recommended: £540 (subject to indexation)
- Audit Committee Co-Optee:
 - Currently: £364.56 (subject to indexation)
 - Recommended: £1,080 (subject to indexation)

It is the decision of each Committee whether to undertake recruitment for a Co-Opted Member. Both the Standards & Personnel Appeals Committee and Audit Committee have recently taken decisions not to undertake recruitment for Co-opted Members. The IRP have recommended the above increase to improve the likelihood of successful recruitment should either Committee change that decision in future.

The Panel have also recommended that the Members' Allowances Scheme be amended to include provision for where a Member is using an electric or hybrid vehicle on an approved duty outside of the District.

Complete details of the findings of the review can be found in the final report appended as Appendix A.

Implications

Corporate Plan:

The review of the Independent Remuneration Panel was carried out in accordance with the Council's honest value established in the Corporate Plan.

Facilitating a review of the Members' Allowances Scheme ensures value for money and enables Members to effectively carry out their duties as elected representatives.

Legal:

Ashfield District Council has to comply with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003 and arrange to adopt a revised Members' Allowances Scheme following recommendations from an independent Remuneration Panel no later than May 2024.

Finance:

No direct financial implications arising from this report. The budgets for Member Allowances for 2024/25 and beyond are aligned to the recommendations in this report. [PH 21/05/2024].

Budget Area	Implication
General Fund – Revenue Budget	See above
General Fund – Capital Programme	
Housing Revenue Account – Revenue Budget	
Housing Revenue Account – Capital Programme	

Risk:

Risk	Mitigation
Ashfield District Council must comply with the requirements set out within the Local Authorities (Members' Allowances) (England) Regulations 2003.	In July 2023, Council approved membership of an Independent Remuneration Panel for a further 4 year period. The Panel was appointed for a review to be completed in late 2023/early 2024. The review took place in February 2024 and the findings and recommendations are presented to Council for consideration.

Human Resources:

There are no direct HR implications resulting from the recommendations within this report.

Environmental/Sustainability:

The Independent Remuneration Panel considered environmental and sustainability implications as part of the review process. Recommendations have been made relating to Travel and Subsistence Allowances with clarification on Member use of electric/hybrid vehicles.

Equalities:

The Independent Remuneration Panel considered equalities implications as part of the review process, particularly with regard to allowances relating to Dependant Care and Childcare.

Other Implications:

There are no other implications resulting from the recommendations within this report.

Reason(s) for Urgency

None.

Reason(s) for Exemption

None.

Background Papers

None.

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