



**Council**

**Thursday, 2 March 2023**

**Independent Review of Councillors' Allowances**

## **Report of the Chief Executive**

**Cabinet Portfolio Holder for Strategic and Borough-wide Leadership,  
Councillor S J Robinson**

### **1. Purpose of report**

The Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to make a scheme of allowances for their members and to establish and maintain an Independent Remuneration Panel to make recommendations to the Council about the scheme and the amounts to be paid. To that effect, an Independent Remuneration Panel was convened in November 2022 and met twice to review the Rushcliffe Borough Council Members' Allowance Scheme. The report of the Panel is appended at Appendix One.

### **2. Recommendation**

It is RECOMMENDED that Council considers the Panel's report and accepts three of the report's concluding recommendations as follows:

- a) that the basic allowance remains unchanged and continues to be increased annually in line with the percentage pay award made to officers;
- b) that the special responsibility allowances remain unchanged and continue to be increased annually in line with the percentage pay award made to officers;
- c) that the travel and subsistence allowances remain unchanged and continue to mirror those set by HMRC and used for officers; and
- d) that the civic dignitaries allowance remains unchanged and continues to be increased annually in line with the percentage pay award made to officers.

### **3. Reasons for Recommendation**

- 3.1. The last full review of the Members' Allowance Scheme was undertaken in 2019. The proposals in the report, subject to Council's consideration, would enable a revised scheme to be agreed prior to the end of the municipal year.

If agreed a revised Member's Allowance Scheme would then be in place in time for the 2023 Borough Council elections.

- 3.2. The terms of reference for the Independent Remuneration Panel are included as an appendix to the Panel's report.

#### **4. Supporting Information**

- 4.1. The Panel's overall assessment of the current Members' Allowance Scheme is outlined in paragraphs 13-15 of their report. They conclude that: 'there has been no substantial change in Councillors' responsibilities which would justify a significant change in the Councillors' allowance scheme'. This judgement has led the Panel to make five recommendations outlined at the end of their report:

- That the basic allowance remains unchanged but that it be increased annually in line with the percentage pay award made to officers, as applies currently.
- That the Special Responsibility Allowance (SRA's) paid to the Vice Chairs of the scrutiny committees be removed.
- That, other than recommendation 2, there be no changes to the SRA's but that they be increased annually in line with the percentage pay award made to officers, as applies currently.
- That the travel and subsistence allowances remain unchanged and continue to mirror those set by HMRC (which is consistent with the application of the scheme for employees).
- That the current limitation on Councillors only be entitled to one SRA is retained.

- 4.2. The Chief Executive's advice to Council is that the ability to pay SRA's to Vice Chairs of the scrutiny committees provides a benefit in providing resilience to the committees. The Vice Chairs attend the relevant briefings in advance of the meetings and as such are well positioned and prepared to step into the role of Chair at the meeting should that be called for. This point was made to the Panel but not by the Chief Executive, who did not meet with the Panel. These are cross-party roles and the financial saving in removing these roles is not significant. The Chief Executive's recommendation is to retain the roles and the commensurate payments.

- 4.3. In reaching these recommendations, the Panel reviewed background and comparative information; spoke with, or received written correspondence from, five Councillors; and was advised by senior officers.

4.4. Information received by the Panel led to the consideration of the following areas:

- Leader of the Council
- Leader of the Opposition
- Planning Committee Members
- Vice Chairs in General
- Licensing and Standards Chairs
- Travel Allowance
- Scrutiny Arrangements
- Civil Dignitary Allowances for the Mayor and Deputy Mayor
- Attracting New Councillors.

4.5. Of particular note, is the Panel's consideration of the payment of SRA's to Vice Chairs, outlined in paragraphs 37 to 41. The Panel was made aware that currently the Vice Chairs of the Licensing Committee and the Standards Committee do not receive an SRA, whilst the Vice Chair for Planning Committee and the three scrutiny committees do. Following discussions with officers, information from Councillors and their own experiences, Panel members came to the view that there is a difference between the role of the Vice Chair of the Planning Committee and the Vice Chairs of the scrutiny groups. In the Panel's view, the former often has to play an active role in the meeting, whilst, in contrast the scrutiny Vice Chairs usually has no such involvement over and above other committee members.

4.6. To that effect the Panel recommends that the SRA's for the three scrutiny Vice Chairs be removed but that no changes are made in respect of the other Vice Chairs SRA's.

4.7. Paragraphs 63 to 66 of the Panel's report deal with the Civic Dignitaries Allowance. The Chief Executive recommends to Council that these allowances remain unchanged and continue to rise in line with the percentage pay award made to officers.

4.8. The Chief Executive's advice would be to continue with the current limitation on Councillors being entitled to one SRA only.

## **5. Alternative options considered and reasons for rejection**

No alternatives were considered.

## **6. Risks and Uncertainties**

6.1. As the last full review was undertaken in 2019, failure to properly consider the Panel's report could restrict the Council's ability to ensure its Councillors receive an allowance reflective of their community leadership role and also an amount representative of their responsibilities.

6.2. Under the relevant Regulations, the Council must have regard to the recommendations of the Independent Remuneration Panel before it makes or amends a Scheme, but it is not bound to follow the recommendations.

## **7. Implications**

### **7.1. Financial Implications**

The financial implications of the report are covered in paragraphs 4.1 to 4.5. Given there are no proposed changes, existing budgets are sufficient to cover the scheme including the percentage pay award.

### **7.2. Legal Implications**

The Council must under the relevant regulations have regard to the recommendations of the Independent Remuneration Panel before approving or amending its Members' Allowance Scheme. This is in order to ensure the Scheme has been independently reviewed and retains public confidence in the allowance setting process.

### **7.3. Equalities Implications**

Consideration of an independent review of Members' allowances supports delivery of the Council's priority of 'Maintaining and enhancing our residents' quality of life' by ensuring allowance payments to Councillors are reflective of their roles and responsibilities as community leaders. It can also help to ensure the allowances are set at a level that does not restrict people's ability to engage in community leadership and become a Councillor, reflecting the aims within the Council's Equality Scheme.

### **7.4. Section 17 of the Crime and Disorder Act 1998 Implications**

There are no Crime and Disorder Implications within this report.

## **8. Link to Corporate Priorities**

Quality of Life	Providing an appropriate level of recompense to Councillors that is reflective of their community leadership role supports the delivery of the Council's Quality of Life priority.
Efficient Services	Providing an appropriate level of recompense to Councillors that is reflective of their community leadership role supports the delivery of the Council's Efficient Services priority.
Sustainable Growth	The recommendations in this report do not impact on or contribute to the Council's Sustainable Growth priority.
The Environment	The recommendations in this report do not impact on or contribute to the Council's Environment priority.

## 9. Recommendation

It is RECOMMENDED that Council considers the Panel's report and accepts three of the report's concluding recommendations as follows:

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- b) that the special responsibility allowances remain unchanged and continue to be increased annually in line with the percentage pay award made to officers;
- c) that the travel and subsistence allowances remain unchanged and continue to mirror those set by HMRC and used for officers; and
- d) that the civic dignitaries allowance remains unchanged and continues to be increased annually in line with the percentage pay award made to officers.

<b>For more information contact:</b>	Kath Marriott Chief Executive 0115 9148291 <a href="mailto:KMarriott@rushcliffe.gov.uk">KMarriott@rushcliffe.gov.uk</a>
<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	Appendix One – Report of the Independent Remuneration Panel