

The Independent Remuneration Panel on Members' Allowances

Report to Rushcliffe Borough Council

Members:

Stuart Leslie (Chair)
Richard Dix
John Baggaley

February 2023

Membership of the Panel

1. The Independent Remuneration Panel comprises three members, two of whom, Richard Dix and Stuart Leslie, were members of the Panel at the reviews in 2014/15 and 2018/19. The other member, John Baggaley, was the chair of Gedling Borough Council's Standards Committee until 2012, since when he has acted as their Independent Person for Standards matters. He also acted as Independent Person for Rushcliffe Borough Council from December 2013 to September 2022. A summary of each Panel members' relevant background is given at Appendix A.

Purpose and Terms of Reference

2. We have been invited by Rushcliffe Borough Council ("the Council") to review the allowances paid to Councillors in accordance with the Terms of References attached at Appendix B and the Local Authority (Members Allowances) (England) Regulations 2003, and report to the Chief Executive with recommendations.

Information

3. We have been assisted in our deliberations by:
 - Peter Linfield (Director of Finance and Corporate Services)
 - Charlotte Caven-Atack (Service Manager for Corporate Services)

- Gemma Dennis (Borough Solicitor and Monitoring Officer).
4. These officers answered questions we posed about the Council and provided very helpful background information; in particular:
 - the report of the panel in 2019 (Appendix C)
 - comparative figures for the allowances paid by neighbouring or nearby district/borough councils (Appendix D)
 - a list of councillors and the anticipated allowances they will receive in 2022/23 prior to the 2022 pay award (Appendix E)
 - Rushcliffe's allowances paid to each councillor in 2021/22 (Appendix F)
 - Rushcliffe's allowances by position for 2022/23 (Appendix G)
 - Summary of meetings held in 2021/22 (Appendix H).
 5. When commenting in the report on Rushcliffe's position in comparison to its neighbouring and nearby authorities, the Panel have used the figures in Appendix E. These figures were drawn together before the Panel was convened and discussed at the first meeting of the Panel. Between the first and second meetings of the Panel, the 2022/23 Rushcliffe pay award for Councillors was decided. Appendix G shows the allowance for all positions both before and after the pay award. The post pay award figures are used when discussing each separate SRA in the report.

Meetings of the Panel

6. The Panel first convened on 15 November 2022 when it met with the officers listed above and were supplied with an information pack which included the documents also listed above. The Panel subsequently asked the officers for further information/clarification on this information, especially the comparative figures.
7. At the meeting, the Panel was also informed that since the last review:
 - there had been no change in the number councillors (44)
 - Cabinet members had increased from five to six
 - the Scrutiny arrangements had changed. There were still four groups, but one was an overview group and made up of the chairmen and vice chairmen from the other three - this overview group had a chairman but no vice chairman
 - there had been no change in the restriction in the Council's Constitution which stipulated no Councillor could have more than one Special Responsibility Allowance (SRA)
 - there was still no restriction on the number of members who can receive an SRA
 - there had been no change in the relevant statutory provisions regarding allowances
 - the Councillors' allowance continued to be increased annually to reflect the overall pay rise for staff and that provision had made for a 6% increase in 2022/23 allowances.
8. We also decided at that meeting on how we should proceed with the review. In particular, we decided that Councillors should be invited to make representations to us either in writing or in person at our next meeting.
9. A second meeting of the Panel was held on 13 December 2022 to discuss those representations made by Councillors and the comparative data provided by officers.

Representations by Members

10. Five Councillors submitted written representations to the Panel:

- Cllr. A. Phillips
- Cllr. R. Walker
- Cllr. R. Butler
- Cllr. T. Combellack
- Cllr. N. Clarke

No Councillors asked to make representations to the Panel in person.

11. Following the deadline for receipt of representations, the Panel were sent copies of the representations. These were discussed at the meeting of the Panel on 13 December.

12. The issues raised by the representations covered a variety of issues, though there was some overlap. Each issue is dealt with in more detail later in the report.

Overall Assessment

13. In the opinion of the Panel, based on the evidence and submissions, there has been no substantial change in Councillors' responsibilities which would justify a significant change in the Councillors' Allowance Scheme.

14. This view is reinforced by the fact that of the forty-four Councillors invited to make representations to us about the Allowance Scheme only five did so, six less than in 2019.

15. None of the five Councillors who did make representations made a case for any wide-ranging changes and one Councillor even commented that, "I think the general mix and spread of the current scheme is appropriate for the various different roles and responsibilities". He went on to comment, "...given the current national situation and pressures I don't think major changes would be needed or welcome". This is a view echoed by another Councillor who commented, "Difficult time to be discussing allowances with costs right across the board for the Council, residents and ourselves going up".

Basic Allowance

16. The basic allowance is £6,102.

17. We received no specific request for an increase in this allowance though one Councillor considered, "the role is much more demanding than when I was first elected in 2009" and felt, "the responsibility is greater and a lot more stress and pressure due to 21C ways of communication...so, the allowances probably don't reflect this".

18. Another Councillor felt, "all councillors are receiving more in the way of contact and requests from residents...(that) all add to the time members spend in their roles" but as noted in paragraph 15, both councillor comments are caveated by reference to the current financial climate.

19. We were told by officers that since the last the last review there had been a boundary review but this had not resulted in a reduction of Councillors although the majority of ward boundaries had changed. These changes would come into effect after the next Borough Council elections in May 2023.
20. Whilst taking account of the comments received from Councillors, there appears to have been no significant change in the basic role or responsibility of Councillors.
21. We therefore feel there is no justification for any change in the basic allowance and the absence of contrary views from the vast majority of Councillors seems to indicate a general acceptance that the current rate is appropriate.
22. In coming to this view, we have also had particular regard to the comparative information about the level of basic allowance paid by nearby and comparable district councils (Appendix D) which show that Rushcliffe is, though slightly above the average, well within the acceptable range.
23. However, we do feel that this allowance, and others, should continue to receive an annual inflationary increase in line with that received by Council employees (recommendation 1).

Leader of the Council

24. The Council leader receives an SRA of £17,109.
25. One Councillor suggested this, "looks low given the time, pressure and responsibility involved".
26. The Panel looked at the comparative information supplied by officers (Appendix D) and found that out of the fourteen authorities, Rushcliffe's Leader was the sixth highest on a range of £12,632 to £29,122.
27. Given the comparative figures and the absence of any other representations on this issue, the Panel consider no increase in the current SRA is warranted.

Leader of the Opposition

28. The Leader of the Opposition receives an SRA of £5,508.
29. One Councillor commented that this "looks high" but provided no further evidence or justification for this comment.
30. The comparative information showed that Rushcliffe's SRA for this position was the third highest out of the thirteen authorities listed. However, though the range was £988 (which was very low) to £9,105 the majority had an SRA of between £4,500 to £5,500.
31. Rushcliffe's SRA for the Leader of the Opposition is therefore considered appropriate.

Planning Committee Members

32. A number of Councillors mentioned the heavy workload and demanding nature of being a planning committee member. They variously refer to:
- the number of large and controversial applications the committee has to deal with
 - the amount paperwork and correspondence committee members have to read
 - the number of meetings per year (usually monthly)
 - the number of site visits
 - the high public face / profile of the committee
 - the public participation at meetings.
33. One Councillor suggested that members of the planning committee should all receive a “slightly enhanced allowance” and a further allowance for attending a meeting of the committee to address what he believes is an “attendance issue”.
34. The 2019 Panel also received representations that all planning committee members should receive an SRA and with much the same justification but also because the numbers on the committee had been reduced from fifteen to eleven following a recent Planning Peer Review.
35. The 2019 Panel took note of these submissions but did not consider an additional SRA was warranted and this recommendation was accepted by the Council.
36. This Panel is of the same view. We accept that the planning committee meetings are a lot more frequent than the other regulatory ones and can often go on for three hours. That, however, is not a new position, and we are told by officers that the planning committee remains a popular one and that there is little difficulty in recruiting Councillors onto the committee. Ironically, that could well be because of one of the reasons given for justifying an SRA; the committee’s high profile; is also an incentive to be on it. This was acknowledged by one Councillor when he said, “The meetings themselves, being open to the public and outside guests and visitors to partake in, can be challenging but are also rewarding in terms of actually making a contribution and difference to the Borough”.
37. In conclusion, we do not consider an SRA to all members of the planning committee or an allowance for attending is justified.

Vice Chairmen in General

38. One Councillor asked, “Do committee the vice chairs get an SRA?” and then added that he “Can’t see the justification for this”.
39. The current position is that the vice chairmen of the licencing and standards committees do not receive an SRA. The vice chairman of the planning committee receives an SRA of £2,838 and three vice chairmen of the scrutiny committees receive an SRA of £1,284.
40. From discussions with officers and from the Panel members own experience, they consider there is a difference between the role of the vice chairman of the planning committee and that of the vice chairmen of the scrutiny committees.

41. In the Panel's view, the former often has to play an active part in the meeting taking over from the chairman when they have to declare an interest in an application and generally keeping an active eye on proceedings given the participation of the public and applicants. In contrast, a scrutiny vice chairman usually has no such involvement over and above other committee members other than attending briefings with the chairman. A position illustrated by the absence of a vice chairman on the overview scrutiny committee.
42. The Panel, therefore, recommends that the SRA's for the three scrutiny vice chairmen be removed but that no changes are made in respect of the other vice chairmen's SRA's (recommendation 2).

Licensing and Standards Chairmen

43. The chairmen of the licencing committee and the standards committee both receive an SRA of £1,413.
44. One Councillor recommended that the SRA for the chairmen of licensing and standards should go. He comments, "I've chaired both and have done less work on these than I have preparing submissions to the planning committee".
45. The Panel's view, however, is that there are wider issues at play than just the workload. Licensing is to do with public safety; and standards with members' behaviour and to effectively downgrade the importance of these two roles by removing the SRA, in our view, sends out the wrong message.
46. In addition, all twelve authorities in the comparative study (Appendix D) who have a licencing chairman pay them and the SRA for Rushcliffe's is the second lowest.
47. It is more difficult to see what the SLA arrangements are for standards committees at the other comparative authorities are as they are sometimes called by different names or combined with other committees but at least ten do give their chairman an SRA and Rushcliffe's is again the second lowest.
48. In the 2015 Panel report, it was acknowledged that the chairman of the planning committee has a larger responsibility than their counterparts on the licensing and standards committees and should therefore receive a larger SRA.
49. That recommendation was accepted and has remained the position, with the planning committee chairman receiving an SRA of £5,678 compared to the licensing and standards SRAs of £1,413. This Panel agrees that is an appropriate differential.
50. The Panel, therefore, recommends that the SRA's for the chairmen of both the licensing and standards committees remain as they are now.

Travel Allowance

51. One Councillor commented that, "I don't know what the travel expenses rates are, but I suspect if they haven't been reviewed recently, they will be out of date given the way fuel prices have increased".

52. Another said, “Unfortunately travel has not kept pace with fuel costs, and I suppose needs looking at”.
53. This was also mentioned by a third Councillor who said, “with the substantial increase in costs of travel, there is probably a case for looking at the millage allowance for members traveling on Council business and considering an increase in the allowance”.
54. He also asked if the rate was set by the IRP or by HMRC. We were informed by officers than while in theory the rate could be set by the Panel in practice Rushcliffe have, together with the vast majority of other councils set the rate used by HMRC and pointed out that this covers vehicle depreciation as well as fuel usage.
55. The officers also informed us that in 2021/22 only four of the 44 councillors claimed a travel allowance.
56. The Panel see no reason to depart from the current way of calculating the travel allowance and this is consistent with the travel claims for staff.

Scrutiny Arrangements

57. The 2019 Panel heard from both Councillors and officers that the current scrutiny arrangements, of four scrutiny groups, was likely to “significantly change”.
58. At that time, the chairman and vice chairman of the four scrutiny groups all attracted a special responsibility allowance of £3,408 and £1,136 respectively.
59. Given the uncertainty about future arrangements the 2019 Panel felt unable to make any specific recommendation in relation to the then current scrutiny arrangements. However, they suggested that, unless there was a good and clear reason to do so, the overall SRA’s then paid in respect of scrutiny (£18,176) should not be exceeded under the new arrangements, nor should the number of members receiving an SRA for scrutiny roles increase.
60. The new arrangements, which have now been in place for some time, are four committees as before but one acting as an overview scrutiny committee with no vice chairman. There are, therefore, now seven, rather than eight scrutiny posts entitled to an SRA and, when first introduced, the overall pot for the new arrangements was less than under the previous arrangements when inflation is taken into account.
61. The Council have therefore satisfied both the recommendations of the last Panel by neither increasing either the number of posts entitled to an SRA nor the overall scrutiny SRA pot. The Council are to be congratulated on this outcome and we understand the new arrangements are working well.
62. However, we feel that the Council can and should go further by deleting the SRA currently paid to the three Scrutiny Vice Chairs of £1,284 (see paragraphs 37-41 and recommendation 2) thus reducing the Scrutiny pot from £19,272 to £15,420.

Civil Dignitary Allowances for the Mayor and Deputy Mayor

63. The allowance for the Mayor is currently £9,924 and the current Mayor commented to us that, “The Civic Dignitary allowance (is) I am sure sufficient (but) I can probably tell you better at the end of my term”.
64. The allowance for the Deputy Mayor is £3,156.
65. Previous Panels have made the point that there are separate provisions in Sections 3 and 5 of the Local Government Act 1972 for the payment of allowances to the Mayor and Deputy Mayor in connection with their expenses of office. The 2014 Panel recommended that the SRA paid under the Councillors’ Allowances Scheme should be discontinued and this was accepted by the Council.
66. The Panel, therefore, considered, by a majority, that given the separate statutory provisions for payments of the Mayor and Deputy Mayor’s expenses it is not a matter that they should consider under the SRA arrangements.

Attracting New Councillors

67. One Councillor recognised, “the need to attract a good calibre of candidates as this will affect the level of service” and though it is difficult to comment of the calibre of candidates it is safe to say that there certainly appears to be sufficient of them as we are told by officers that Rushcliffe does not experience uncontested seats at borough elections and always has a good spread of candidates standing for all wards seats from the main parties.
68. In addition, in so much as the information is available to us, those of a non-white background, who make up around 7% of the Borough’s residents appear to be proportionally represented on the Council with 6% of Councillors identifying as such.

Overview

69. In our review, we have looked at the Council’s overall scheme for Councillors’ allowances and had regard to our terms of reference, the statutory regulations and the Council’s Councillor Allowances Scheme as well as the specific issues dealt with in this report. In particular, we have looked at all the posts that currently receive an SRA, not merely those on which we have received representations, and compared them to SRA’s paid by the authorities in the comparative information (Appendix D). We are satisfied that they are appropriate, other than the allowances to the vice chairmen of the scrutiny committees (recommendation 2).
70. We particularly note that in terms of overall spend on SRAs, Rushcliffe’s, at £90,024, is the 4th lowest of the 15 comparators and the second lowest in terms of councillors claiming an SRA. This will reduce by a further £3,852 if our recommendation to remove the SRA for scrutiny group vice-chairmen is supported.
71. We conclude that the current Rushcliffe scheme:
- is accepted by Councillors as being generally fair
 - bears reasonable comparison to its nearby authorities

- suitably rewards those with special responsibility
- does not have an undue number of Councillors entitled to a special responsibility allowance (20 out of 44; 45.5%).

72. We also endorse the Council's current position that no councillor should receive more than one SRA (recommendation 5).

73. We have noted the desire in the Terms of Reference for the system of remuneration to be as simple as possible. An alternative system was discussed by the Panel but the Panel concluded that this would be a very significant piece of work that we don't believe is warranted. However, if the Council wished in the future to undertake such a major overhaul, we would suggest they look at something similar to that adopted at Gedling Borough Council where each post attracting an SRA is given a percentage of the Leader of the Council allowance.

Recommendations

1. That the basic allowance remain unchanged but that it be increased annually in line with the percentage pay award made to officers, as applies currently
2. That the SRA's paid to the vice chairmen of the scrutiny committees be removed
3. That, other than recommendation 2, there be no changes to the SRAs but that they be increased annually in line with the percentage pay award made to officers, as applies currently
4. 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)
5. That the current limitation on councillors only being entitled to one SRA is retained.