



**Council**

**Thursday, 7 March 2019**

**Independent Review of Councillors' Allowances**

## **Report of the Chief Executive**

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

- 1.1. 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 January 2019 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

- a) considers the Panel's report and determines whether to implement all, or some, of the Panel's recommendations
- b) considers the Scrutiny SRAs proposed in paragraph 4.6 of this report for the year 2019/20.

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

- 3.1. The last full review of the Members' Allowance Scheme was undertaken in 2015. 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 2019 Borough Council elections.
- 3.2. The terms of reference for the Independent Remuneration Panel 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 paragraph 10 of their report and states 'there has been no substantial change in members' responsibilities to justify any significant change in the Council's allowance scheme'. This judgement has led the Panel to make three recommendations outlined at the end of their report:
- That the basic allowance remain unchanged but that it be increased annually in line with the percentage pay award made to officers

- That there be no changes to the special responsibility allowances but that they be increased annually in line with the percentage pay award made to officers
  - That the travel and subsistence allowances remain unchanged.
- 4.2. In reaching these recommendations, the Panel reviewed background and comparative information; spoke with, or received written correspondence from, eleven Councillors; and was advised by senior officers.
- 4.3. Information received by the Panel led to the consideration of the following areas:
- Chairman of Member Development Group
  - Planning Committee Chairman, Vice Chairman and members
  - Mayoral Allowance
  - Scrutiny Groups
  - Business Manager
  - Information Technology.
- 4.4. On reflection, whilst the Panel welcomed the comments from Councillors, these did not result in any recommended changes to the Members' Allowance Scheme.
- 4.5. Of particular note, given the current Review of Scrutiny also on this agenda for discussion, is the Panel's consideration of this area outlined in paragraphs 37 to 41. The Panel was made aware of the proposed changes but as these had not yet been accepted at Council did not feel that these changes could be reflected in the review of the Members' Allowance Scheme. They have, however, made it clear that, in their considered opinion, 'unless there is a good and clear reason to do so, the overall special responsibility allowance currently paid in respect of scrutiny (£18,176) is not exceeded under the new arrangements, nor is the number of members receiving a special responsibility allowance for scrutiny roles increased'.
- 4.6. To that effect the following breakdown of the scrutiny 'pot' is proposed for the period of 2019/20:
- Chairman of Corporate Overview Group - £4,544
  - Chairmen of the three Scrutiny Groups - £3,408 (£10,224 in total)
  - Vice-Chairmen of the three Scrutiny Groups - £1,136 (£3,408 in total)

Please note the figures exclude the anticipated 2% pay increase for 2019/20.

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

- 5.1. No alternatives were considered.

## **6. Risks and Uncertainties**

- 6.1. As the last full review was undertaken in 2015, 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**

7.1.1. The financial implications of the report are covered in paragraphs 4.1 and 4.6. Given there are no proposed changes, existing budgets are sufficient to fund the scheme.

### **7.2. Legal Implications**

7.2.1. 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 retain public confidence in the allowance setting process.

### **7.3. Equalities Implications**

7.3.1. 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 doesn't 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**

7.4.1. There are no Crime and Disorder Implications within this report.

### **7.5. Other implications**

7.5.1. There are no other implications within this report.

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

- 8.1. Providing an appropriate level of recompense to Councillors that is reflective of their community leadership role supports delivery in all three of the Council's priority areas.

## **9. Recommendations**

It is RECOMMENDED that Council

- a) considers the Panel's report and determines whether to implement all, or some, of the Panel's recommendations

b) considers the Scrutiny SRAs proposed in paragraph 4.6 of this report for the year 2019/20.

<b>For more information contact:</b>	Allen Graham Chief Executive 0115 9148349 agraham@rushcliffe.gov.uk
<b>Background papers available for Inspection:</b>	None.
<b>List of appendices:</b>	<b>Appendix A</b> – Report of the Independent Remuneration Panel

# **The Independent Remuneration Panel on Members' Allowances**

## **Report to Rushcliffe Borough Council**

### **Members:**

**Stuart Leslie (Chair)**

**Richard Dix**

**John Flowers**

**February 2019**

### **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 last review in 2014/15. The other member, John Fowler, has previous experience of reviewing members' allowances at Gedling Borough Council. 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 members 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 (Executive Manager for Finance and Corporate Services)
  - Charlotte Caven-Atack (Service Manager for Finance and Corporate Services)
  - Sanjit Sull (Chief Legal Officer and Monitoring Officer).

These officers answered questions we posed about the Council and provided very helpful background information; in particular:

- the report of the panel in 2015 (Appendix C)

- a summary of the panel's recommendations in 2015 (Appendix D)
- comparative figures for the allowances paid by neighbouring or nearby district/borough councils (Appendix E)
- a list of councillors and what allowances they each currently receive and the percentage receiving special responsibility allowances (Appendix F)

## **Meetings of the Panel**

4. The Panel first convened on 25 January 2019 when it meet with the officers and the Chief Executive of the Council, Allen Graham
5. We asked various questions about the Council particularly concerning the background information referred to in paragraph 3 which we had previously been supplied with. We also asked what if any significant changes there had been in the running of the Council since the Panel's last report in March 2015.
6. At the January meeting, we also decided on how we should proceed with the review. In particular, we decided that members should be invited to make representations to us either in writing or by talking to us in person at our next meeting on 11 February 2019.

## **Representations by Members**

7. Seven members submitted written representations to the Panel:
  - Cllr. A. Phillips
  - Cllr. R. Jones
  - Cllr. R. Upton
  - Cllr. K. Beardsall
  - Cllr. M. Stockwood
  - Cllr. R. Butler
  - Cllr. F. Purdue-Horan
8. Four members requested interviews and made representations to the Panel in person:
  - Cllr. G. Wheeler
  - Cllr. T. Combellack
  - Cllr. N. Clarke
  - Cllr. D. Mason
9. 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 together with the Panel's views on them.

## **Overall Assessment**

10. It appears that the recommendations of the Panel in 2015, all of which were accepted by the Council, satisfactorily dealt with most of the issues of concern regarding allowances in the opinion of the panel the general view of officers and members now is that, subject to the individual representations dealt with later,

there has been no substantial change in members responsibilities to justify any significant change in the Council's allowance scheme.

11. Of the forty-four councillors invited to make representations to us about the allowance scheme only eleven did. Tellingly, even those who did had no concerns outside their very specific issues.
12. Indeed five of the members who did make representations specifically commented that apart from their issue they considered the present scheme to be fair and comments included:
  - “We have no observation about the other allowances other than we do not think they warrant increasing”
  - “I personally find the allowances are reasonable and I suggest they should be kept at their present rates”
  - “I believe the current allowances are reasonable”
  - “I have no issue with the current proposals. They are about right”
  - “The (current allowances) are fair as a whole and work quite well”.

## **Basic Allowance**

13. There were concerns raised about IT expenses which are dealt with in more detail at paragraphs 46-53. Apart from these, only one member made any suggestion that there should be a change in the basic allowance and this was a rather throwaway remark at the end of a submission about a specific special responsibility allowance (“Also I feel an increase is also due in allowances”).
14. Given that there appears to have been no significant change in the basic role or responsibility of members, and the seemingly general perception by members that the current rate is fair, we feel there is no justification for any change in the basic allowance.
15. 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 E) which shows that Rushcliffe is, though slightly above the average, well within the acceptable band width.
16. 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.

## **Individual Representations**

17. The following paragraphs, 18-53, deal in turn with the individual representations we received, and our consideration and recommendations on them.

## **Chairman of the Member Development Group**

18. This role was, we were told, previously carried out by a Cabinet member but was recently given to another member. It does not presently attract a special responsibility allowance

19. We understand its primary role is to be responsible for the training of councillors, particularly newly elected councillors, on how the council works and their roles and responsibilities.
20. This training is delivered in person by officers, with the occasional use of outside consultants. The chairman being responsible for the overall strategy.
21. From what we have heard from the Cabinet member with former responsibility for this area and from officers, the role of chairman will involve two or three meetings a year though this will be more intense in the year of an election with a tranche of new members to train.
22. It was put to us in one representation that the role is equivalent to that of the chairman of a scrutiny group and, in fact, more arduous in an election year.
23. However, we find, on balance, that the role is not sufficiently demanding to attract a special responsibility allowance.

### **Planning Committee Chairman, Vice Chairman and Members**

24. We received two representations on this; one that all members of the committee should receive a special responsibility allowance and another that the chairman and vice chairman should receive an increased allowance.
25. We heard that the planning committee reduced in number from fifteen to eleven in May 2018, that its monthly meetings often last three hours or more, and it is sometimes necessary to have an additional monthly meeting.
26. In addition, we were told that public speaking at the meetings is now allowed with an objector, the applicant and the ward member all being given up to five minutes to make representations. This initiative has been introduced since the last Panel review in 2015.
27. We were also told by members and officers that there are a number of major, complex and controversial applications for housing in the Borough that are coming forward.
28. We took note of these submissions; however, we are also aware that the 2015 Panel report considered the relevant importance of the planning committee ("development control committee" as it was then) in comparison to the standards and licencing committees.
29. It recommended that the chairman and vice chairman of the planning committee should get a larger special responsibility allowance than their counterparts on those two committees. That recommendation was accepted.
30. We also noted that the comparative information (Appendix E) shows that of the eleven authorities who are listed, many of whom have allowed public speaking



for some years, the chairman of Rushcliffe's planning committee was the fourth highest paid and the vice chairman the second highest.

31. Finally, we were told by officers that the planning committee, though a demanding and time consuming one for members, is popular and there is no difficulty in getting councillors to sit on it.
32. In conclusion, we do not consider an increase in the special responsibility allowance is warranted for the chairman, vice chairman or ordinary members of this committee.

## **Mayor's Allowance**

33. One member felt that the recent increase to the Mayor's allowance was excessive and out of line with the wage kerbs endured by other staff and most residents.
34. In considering this point, the panel noted that the view of the panel in 2014/15 who felt that it was usual to make a specific special responsibility allowance allocation for the Mayor and Deputy Mayor. The more usual arrangement was for a mayoral allowance to be provided under sections 3 and 5 of the Local Government Act 1972. In the circumstances, the 2014/15 panel recommended that the special responsibility allowance paid under the Members Remuneration Scheme should be discontinued and this has been accepted by the Council. In making this recommendation the panel also recommended that the allowance paid to the Mayor and Deputy Mayor should be reviewed to ensure that all legitimate expenses of these roles are met (para 3.2).
35. As we understand it, that recommendation was the subject of a report to full Council that recommended an increase of £6,573 to £8,778 for the Mayor and £2,089 to £2,790 for the Deputy Mayor. That recommendation was, we are told, accepted with little or no debate and the new allowance was paid from 1 April 2018.
36. We consider that this is a proper outcome from the 2015 Panel report and see no justification for any change.

## **Scrutiny Groups**

37. We have heard from both members and officers that the current scrutiny arrangements, of four scrutiny groups, is likely to be significantly changed very soon.
38. The difficulty we have as a Panel is that, though we have been given an idea of what these changes may be, there is no certainty they will come into effect and that uncertainty will not change before we submit our report.
39. At present, the chairman and vice chairman of the four scrutiny groups all attract a special responsibility allowance of £3,408 and £1,136 respectively.

40. In the circumstances, we are unable to make any specific recommendation in relation to proposed changes to the current scrutiny arrangements.
41. However, we would suggest that, unless there is a good and clear reason to do so, the overall special responsibility allowance currently paid in respect of scrutiny (£18,176) is not exceeded under the new arrangements, nor is the number of members receiving a special responsibility allowance for scrutiny roles increased.

## **Business Manager**

42. One member considered the “Group Whip”, or business manager, should be considered for a special responsibility allowance as they have an important role in liaising with the Council’s constitutional services team.
43. This was not a view shared by the Panel who believe such a role relates to the efficient running of the group rather than the Council.
44. The member said that he believed “many other district and boroughs recognise this role”, however, from the comparative information supplied to us (Appendix E) we could not see that any other council included in that table paid a special responsibility allowance for such a role.
45. We have, therefore, concluded that a special responsibility allowance is not appropriate for this role.

## **Information Technology (IT)**

46. Three members made representations about IT and, in particular, the cost of equipment such as iPads, laptops and tablets and associated costs such as paper and laminates. They felt these should be reflected in some way in the basic allowance, possibly by having an additional sum included in it for such costs or by the Council providing laptops, iPads etc free to members for Council use as some other neighbouring Councils do (see Appendix E).
47. This issue was, however, addressed in some detail by the Panel in 2015. Prior to that consideration, there had been a notional sum of £600 included in the basic allowance to cover all IT and communication expenses.
48. The 2015 Panel considered that when many councillors were still seeking to understand and equip themselves to operate personal computer such an approach was justified but by 2015 that was less relevant as most Rushcliffe councillors were by that time IT competent and had their own IT equipment.
49. The 2015 panel, therefore, felt it inappropriate to continue earmarking a notional sum for such a purpose and recommended that the basic allowance should no longer be qualified in that way. However, it did not recommend reducing the basic allowance by £600 as it recognised that, “there will continue to be legitimate expenses involved in updating IT equipment”. Those recommendations were accepted.

50. We feel that this issue has, therefore, already been addressed and can see no justification for any change of heart.

51. It maybe that there are advantages in theory to councils supplying standard IT equipment to all members, for example in terms of technical support and training. However, we believe that point has long since passed in Rushcliffe's case and the significant expense of now doing so could not be justified given that the great majority of members will now have their own IT equipment and be sufficiently IT competent.

52. We do not consider that in this day and age the fact that the Council does not issue members with IT equipment will deter members of the public from seeking to become councillors.

53. We do not, therefore, make any proposed recommendation to alter the basic allowance in respect of IT issues.

## **Overview**

54. In our review, we have looked at the Council's overall scheme for members' allowances and had regard to our terms of reference, and the statutory regulations as well as the specific issues dealt with in this report.

55. While we have noted the desire in the Terms of Reference for the system of remuneration to be as simple as possible we feel that because of the incremental changes that have taken place over the years it would not be possible to achieve this without a major overhaul of the current scheme which we do not believe is warranted.

56. We consider that the current Rushcliffe scheme:

- is accepted by members as being generally fair
- bears reasonable comparison to its nearby authorities
- suitably rewards those with special responsibility
- does not have an undue number of members entitled to a special responsibility allowance (19 out of 44; 43%).

## **Recommendations**

1. That the basic allowance remain unchanged but that it be increased annually in line with the percentage pay award made to officers
2. That there be no changes to the special responsibility allowances but that they be increased annually in line with the percentage pay award made to officers
3. That the travel and subsistence allowances remain unchanged.

### Resumes of Panel Members

#### **Richard Dix**

The major part of my working life has been spent in the public sector. After a short time in teaching in Leeds I qualified as a solicitor and worked for local authorities in West Yorkshire, Lincolnshire and Nottinghamshire. My final council employment was with Newark and Sherwood District Council where I served as its Chief Executive from 1991-2007. I undertook the usual tasks of the CEO of a district council i.e. principle policy adviser and Head of the Paid Service.

After retirement from the council I moved into the private legal sector, undertaking work on a consultancy basis as a solicitor. This was initially through Solace Enterprises Ltd and then with Jonathan Gooden Solicitors and then, following a merger, with the large practice of Wilkin Chapman Solicitors PLC. I undertook various projects including member and officer investigations, HR issues, and member and officer training. I have been appointed to various panels, e.g. Peterborough City Council Members Remuneration Panel as well as the Rushcliffe Members Remuneration Panel. I am the Designated Independent Person for the Newark and Sherwood DC Standards Committee. I have been less active in the last 18 months as the result of serious eye problems but hopefully this is now behind me as the result of surgery on both eyes.

#### **Stuart Leslie**

I have worked in local government for over thirty-four years starting at Chesterfield Borough Council as an articled clerk, now called trainee solicitors , & finishing in 2013 as Director of Legal and Democratic Services & Monitoring Officer at Derby City Council where I spent 24 years.

Through out my time in local government, and particular during my time at Derby, I have had a close working involvement with elected members including advising at a range of committees, panel & boards as well latterly at cabinet and full council meetings.

During the earlier part of my career my input was primarily legal & procedural advice, but this expanded to include host of other matters as I took on responsibility for constitutional, electoral and standards issues.

I am currently the cordinator for EM Lawshare the largest consortium of in-house public bodies legal teams in the country.

I was previously part of the three-man panel that carried out a review of members allowances at Rushcliffe in 2014.

#### **John Flowers**

I was educated at a local Grammar school.

I commenced work at a local hosiery, knitwear & fabric dyeing company & trained at the then Nottingham & District Tech. College.

Like many young men at that time, I was required to do National Service, which I did in the RAF, training as a radar technician & serving in northern Germany.

On leaving the Airforce I returned to the dyeing & finishing section of the Midlands textile trade & continued training to achieve good technical qualifications in colouration of textiles & also business management. I worked at senior level for several local textile companies & retired as a Managing Director in 1995.

In my early retirement, I worked as consultant in the textile trade and also as a senior exam invigilator for local colleges.

I also volunteered as an appropriate adult for the Nottingham Youth Offending team in conjunction with the local police.

I joined the Gedling IRP in early 2006, shortly after its inception & following interviews with the leader of the Council, two other Councillors & the then Head of Legal & Democratic Services.

In my early-married life I lived in Rushcliffe for 5 years at the lower end of Greythorn Drive.

Resumes shared under agreement.

### Terms of Reference – Independent Remuneration Panel 2018/19

The Independent Remuneration Panel is set up under the Members' Allowances (England) Regulations 2003 and has three members. The Terms of Reference are as follows:

1. To review the Borough Council's Members' Allowance scheme taking into account relevant changes to the roles and responsibilities of Members and having particular regard to the recent changes in respect of LEP representation, company structures and potential changes to the Council's scrutiny structure.
2. To consult with relevant persons both officers and members consistent with the Terms of Reference of the Panel.
3. To review the comparative data on allowances paid by other similar local authorities including within the D2N2 Local Enterprise Area as provided.
4. To make recommendations on:
  - the level of Basic Allowance for all Members
  - the categories of special responsibility for which a Special Responsibility Allowance should be paid and the levels of those allowances
  - travelling and subsistence allowances
  - any annual uplift.
5. To produce a report for the Chief Executive on the Panel's conclusions for future consideration by the Borough Council.

Note: Any proposed system of remuneration must be simple and cost effective to operate.

# Rushcliffe Borough Council Review of Members' Allowances 2014/15

## Report of Independent Remuneration Panel Introduction: The Background to the Review

- 1.1 In September 2014, Rushcliffe Borough Council commissioned its independent panel to carry out a review of Members' Allowances. The panel comprises the chair, Professor Steve Leach of De Montfort University, Leicester; Richard Dix, former chief executive of Newark and Sherwood District Council; and a new member, Stuart Leslie, former Director of Legal and Democratic Services at Derby City Council. The Panel's terms of reference are set out in **Appendix 2**.
- 1.2 The previous Panel had produced reports in 2007 and 2008, which were endorsed by the Council. A further review was due in 2012, but the Council decided to postpone the review until the outcome of the boundary review was known. The Panel understood and accepted the case for this delay. Earlier in 2014, the Boundary Commission recommended a decrease in Council size from 50 to 44. This recommendation will be implemented in time for the May 2015 local election.
- 1.3 The Panel met on two occasions; 6 November 2014, for a briefing meeting, and 8 December 2014, when it carried out interviews with the Council leader, and the leader of the Labour Group. All Council members were given the opportunity to address the Panel, or to e-mail the Panel with their concerns, but the two above-mentioned Councillors were the only ones the Panel heard from. The Panel concluded that there were no major concerns about Members' allowances on the rest of the Council's Members. The Panel raised a number of questions with Paul Cox, Senior Solicitor and Dan Swaine, Executive Manager - Operations and Corporate Governance. It is grateful for the information, insights and support provided by these two officers.
- 1.4 The Panel learned that the recommendations it had made in its 2008 report to increase the Special Responsibility Allowances (SRAs) of the Leader and Deputy Leader of the Council had been programmed by the Council to be introduced in three phases from May 2008, but that only the first and second phases had been implemented. Furthermore, the Council had decided that there should be no increases at all in Members' allowances from 2010/11 onwards.
- 1.5 The Panel which met and reported in 2007 set out a set of principles underpinning its review, drawing on but not limited to the Government's published regulations. The Panel felt that these principles remained relevant to the task in hand.

## The Basic Allowance

- 2.1 The basic allowance in Rushcliffe currently stands at £4,476, which reflects an update of the Panel's 2007 recommendation (£4,160) increased up to 2010 on the basis of the recommended criterion (parity with officers pay award). Since 2010, it has remained unchanged, and has hence decreased significantly in real terms. Until May 2014, this outcome reflected the pay freeze imposed by Central Government on officers' pay. However in 2013/14 a 1% increase in officers' pay was sanctioned, followed by a similar decision for 2014/15. Rushcliffe did not apply these increases to Members' allowances. In the Panel's view, this should now be done retrospectively, and the same increase applied in 2015/16. The sums involved are small, but the principle - parity between Members' and officers' pay increases is an important one and should be thus implemented, in which case the basic allowance recommended for 2015-16 should be at least £4,565.
- 2.2 But there are, however, other matters to take into account here. The size of the Council is to be reduced from 50 to 44 in May 2015(a reduction of 12%). The panel did not think it likely that the overall workload of the Council Members would reduce by a similar percentage. A much more credible scenario is that the overall workload would at least stay the same, and probably increase. The Panel felt that in these circumstances, there was a strong case for redistributing the basic allowances of the six lost councillors amongst the remaining 44. To do so would imply an increase in the basic allowance of £623 taking it to £5,188.
- 2.3 There is a further issue regarding the basic allowance. At present it includes a notional sum of £600 to cover all IT and communication expenses. This provision made sense in 2007, when many Councillors were still seeking to understand and equip themselves to operate personal computers. It is less relevant now. The Panel's understanding is that the majority of Rushcliffe Councillors are now competent in this respect and have equipped themselves to link up to the Rushcliffe BC system. The Panel felt that in these circumstances it was inappropriate to continue with the earmarking of the notional sum for such purposes (which is rarely found in other allowances schemes), and that the basic allowance should no longer be qualified in this way.
- 2.4 It also felt, however, that there was no case for reducing the basic allowance, by subtracting the (notional) £600 from it. There will continue to be legitimate expenses involved in updating IT equipment. But more important, the Panel heard evidence (which is supported by experience in other authorities) that the role of the local Councillor had become more demanding and time-consuming since 2007, particularly since 2011 when the reduction in resources imposed on local authorities began to bite. In times of austerity, members of the public are more likely to feel aggrieved about the impact of (inevitable) cuts in local services, and correspondingly more likely to contact their local councillor about their concerns. In these circumstances, the Panel felt that an increased basic allowance of £5,188 was a fair response to such changes, and one that could be achieved at no net increase in the overall



Members' allowances budget. It therefore recommends that the basic allowance should be increased to £5,188, as from May 2014.

## **Special Responsibility Allowances**

### Leader and Cabinet Members

- 3.1 In its 2008 report, the Panel acknowledged the increasing demands that were being made on the Council's Executive Members, in particular the Leader and the Deputy Leader. The principal reason for the increase was the increased emphasis on partnership working within the Nottingham city region. The Panel was told that these pressures had continued to increase over the past few years, with an intensification of partnership working generally, and joint working between local authorities in particular. Much of the responsibility for such activities has been taken up by the Leader and his deputy, although other Cabinet Members have also been involved to a more limited extent. These arguments are consistent with the experience of other authorities, and the Panel felt that in principal they should be reflected in increased SRAs for the Leader and Deputy Leader.
- 3.2 The Panel felt that, in the current financial circumstances, it would be preferable to finance such increases by reductions in other SRAs, if a valid case could be made for doing so, rather than by increasing overall SRA expenditure. Three such possibilities became apparent: the positions of Chairman of the Council, the Chairman of the Standards Committee and the Chairman of the Alcohol & Entertainments Licensing Committee. As regards the Chairman of the Council, it is in fact unusual to make a specific SRA allocation for this role, important though it is. In Rushcliffe this responsibility falls to the Mayor, who also receives a mayoral allowance under Sections 3 and 5 of the Local Government Act 1972. The Panel recognised that it was important that the mayor was fully reimbursed for all the expenses legitimately incurred in carrying out that role, but felt that this outcome was better achieved through a re-assessment of the allowances paid to the Mayor and Deputy Mayor. It recommends that the SRA paid to the Chairman of the Council under the Members' Remuneration Scheme should be discontinued.
- 3.3 The Panel was informed that both the Standards Committee and the Alcohol & Entertainment Licensing Committee now meet relatively infrequently. The role of the former has been diminished as a result of provisions of the 2011 Localism Act, whilst the workload of the latter has declined since 2004, when it first took on its liquor licensing role. In both cases, the Panel was mindful of the disparities between the workload of the Development Control Committee, and these two other regulatory committees. It felt it appropriate to reduce the SRAs attached to both chairmen to £1,200. If there were an unanticipated change in the role/workload of either Committee in the future (e.g. if there were a substantial increase in taxi appeals) then these allocations would need to be reviewed.
- 3.4 Whilst it is a matter for Members of the Council the savings from the cessation of the SRA for Chairman of the Council, and the reduction in the SRAs for the

chairmen of the two regulatory committees could be used to finance a modest increase in the SRAs for the Leader and Deputy Leader, justified in 3.1 above. All the SRAs should be increased to take account of the 1% increase in the officers' 2014/15 pay settlement, and the same increase which is earmarked for 2015/16. The resulting sum which is available is £2,920. The Panel recommends that this increase is distributed between leader and deputy on a 2:1 basis. This would mean that the Leader's SRA would become £14,545, and that of the Deputy Leader £8,606, as from May 2015.

- 3.5 As a result of these increases, the SRAs for Leader and Deputy Leader move up the league table of equivalent SRAs for such positions in neighbouring authorities in Nottinghamshire and Derbyshire, but remain within the middle reaches of these tables. This outcome appears to the Panel to be an appropriate one.
- 3.6 No Cabinet Members appeared before the Panel, or submitted evidence to it, so it was not possible for the Panel to take their views into consideration. If the Council (or Cabinet) felt that there was a fairer way of allocating the increase involved (£2,920), then the Panel would be prepared to endorse such a change.

### **Overview and Scrutiny**

- 3.7 The Panel was informed that since its last report, the profile of the Corporate Governance Scrutiny Group had increased. As a result, the Panel felt there was a case for recommending that parity was introduced amongst the SRAs of the four scrutiny groups or boards (which is normal practice in other authorities). Applying the two 1% increases, this change would result in an overall total SRA of £4,368 for each group/board. Applying the current 3:1 basis for allocation between Chairmen and Vice-Chairmen, this would result in recommended SRAs of £3,276 for the chair of each group/board, and £1,092 for each vice-chair.

### **Other SRAs**

- 3.8 Given that the Panel received no evidence arguing for changes to the SRAs allocated to cabinet members (other than leader and deputy leader), leader of the principal opposition, leaders of other political groups with 5+ members, or the chair and vice-chair of the Development Control Committee, it recommends no change in the SRAs for these positions, other than the two 1% increases related to officer pay settlements. The resulting SRAs would be as follows:

Cabinet Member; £5,670

Leader of principal opposition; £4,684

Leaders of other political groups; £2,359

Chairman of Development Control Committee; £4,823

Vice Chairman of Development Control Committee; £2,411

## Other Issues

- 4.1 The Panel was concerned that the number of Councillors in Rushcliffe receiving SRAs in Rushcliffe is 21, or 42% of Council members. After May 2015, this figure would rise to 45%. Advice from Central Government indicates that by no means all positions of formal responsibility on the Council merit a SRA, and that councils should seek to ensure reasonable limits on the numbers of councillors receiving SRAs. In Rushcliffe, the relatively high figure reflects the fact that five Vice-Chairmen of Committees (or Groups/Boards) receive SRAs. In many, although by no means all authorities, vice-chairmen of such bodies are not allocated SRAs. However, where, as in Rushcliffe, rewarding Vice-Chairmen in this way enables more opposition Members to become eligible for SRAs, then the Panel can see value in this outcome. It is therefore content merely to draw the Council's attention to the situation.
- 4.2 The Panel is confident that its proposals meet the principles underpinning the review. The one possible exception is that, given the incremental changes that have taken place over the years, the scheme is currently not 'as uncomplicated as possible'. Ideally, there should be a tiered system of SRAs, which are all multiples of the basic allowance. However the Panel felt that to attempt to do so at this time would add unnecessary complications to the logic behind its proposals. It would intend to revisit this issue at the time of the next review.
- 4.2 The Panel also draws the Council's attention to the fact that in the current Members' Allowances Scheme, clauses 10.2 to 10.6 refer to details regarding the suspension of members by the Standards Committee. The Localism Act 2011 removed this power; Standards Committees can no longer suspend members. This section of the Allowances Scheme should be amended accordingly.
- 4.3 There was one expenses issue which was raised with the Panel, and that was the circumstances in which first class rail fares can be claimed by officers and Members respectively. In the Panel's view there should be parity between these two groups, and in each case eligibility for first class travel should be dependent on a demonstrable need for a quiet environment to enable Council work to be done on the train. If this condition is not met, then second class fares should be the norm.
- 4.4 The Panel also understands that an internal review is currently taking place of officers' travel and subsistence rates. Once this has been completed, it will be important to ensure that Member rates are amended to ensure parity.

## Summary of Recommendations

- 1 The basic allowance should be increased to £5,188, as from May 2015
- 2 Special responsibility allowances should be modified as from May 2015 as follows;  
  
Leader of the Council £14,545.  
Deputy leader of the Council £8,606  
Cabinet members £5,670  
Leader of principal opposition party £4,684  
Leaders of other opposition groups (with 5+ members) £2,359  
Chairmen of the Performance Management Board and 3 Scrutiny Groups £3,276  
Vice Chairmen of these bodies £1,092  
Chairman of the Development Control Committee £4,823  
Vice Chairman of Development Control Committee £2,411  
Chairman of Standards Committee £1,200.  
Chairman of Alcohol & Entertainments Licensing Committee £1,200.
- 3 The SRA for the Chairman of the Council should be discontinued, but the allowances paid to the Mayor and Deputy Mayor reviewed to ensure that all legitimate expenses of these roles are met.
- 4 The notional allocation of £600 in the basic allowance for use for IT and communication purposes should be discontinued, but not subtracted from the allowance.
- 5 Allowances should be increased each year in line with the percentage pay award made to officers.
- 6 The Members' Allowances Scheme should be amended to reflect the fact that the Standards Committee no longer has the power to suspend Council Members.
- 7 The Rates of the Travelling Allowances Schedule should be amended to make it clear that eligibility for first class train travel for both officers and Members should be conditional on a demonstrable need for quiet conditions to undertake Council business.
- 8 These recommendations involve no additional expenditure on Members' allowances in total, beyond the application of the 1% officers' pay settlement in 2014 and 2015.

### Background Research – Independent Remuneration Panel

In September 2014, Rushcliffe Borough Council commissioned its independent panel to carry out a review of Members' Allowances. The panel comprises the chair, Professor Steve Leach of De Montfort University, Leicester; Richard Dix, former chief executive of Newark and Sherwood District Council; and a new member, Stuart Leslie, former Director of Legal and Democratic Services at Derby City Council.

The Panel met on two occasions when it carried out interviews with the Council leader, and the leader of the Labour Group. All Council members were given the opportunity to address the Panel, or to e-mail the Panel with their concerns, but the two above-mentioned Councillors were the only ones the Panel heard from.

The Panel recommended:

1. The basic allowance should be increased to £5,188, as from May 2015
  2. Special responsibility allowances should be modified as from May 2015 as follows;
    - Leader of the Council £14,545 (£12,206.04)
    - Deputy leader of the Council £8,606 (£7,551.00)
    - Cabinet members £5,670 (£5,556.96)
    - Leader of principal opposition party £4,684
    - Leaders of other opposition groups (with 5+ members) £2,359
    - Chairmen of the Performance Management Board and 3 Scrutiny Groups £3,276
    - Vice Chairmen of these bodies £1,092
    - Chairman of the Development Control Committee £4,823
    - Vice Chairman of Development Control Committee £2,411
    - Chairman of Standards Committee £1,200.
    - Chairman of Alcohol & Entertainments Licensing Committee £1,200.
- \*Information in parenthesis above refers to the pre 2014 Allowances
3. The SRA for the Chairman of the Council should be discontinued, but the allowances paid to the Mayor and Deputy Mayor reviewed to ensure that all legitimate expenses of these roles are met.
  4. The notional allocation of £600 in the basic allowance for use for IT and communication purposes should be discontinued, but not subtracted from the allowance.
  5. Allowances should be increased each year in line with the percentage pay award made to officers.
  6. The Members' Allowances Scheme should be amended to reflect the fact that the Standards Committee no longer has the power to suspend Council Members.
  7. The Rates of the Travelling Allowances Schedule should be amended to make it clear that eligibility for first class train travel for both officers and Members should be conditional on a demonstrable need for quiet conditions to undertake Council business.
  8. These recommendations involve no additional expenditure on Members' allowances in total, beyond the application of the 1% officers' pay settlement in 2014 and 2015.

These recommendations were accepted at Council on Thursday 5 March 2015.

Given the period of time that has elapsed since the last full review of allowances and the impending Borough Council election next year, it is considered to be an opportune time to carry out another full review of the allowances scheme. It is important to note point 5 above that there have been annual increases in line with officer pay awards.

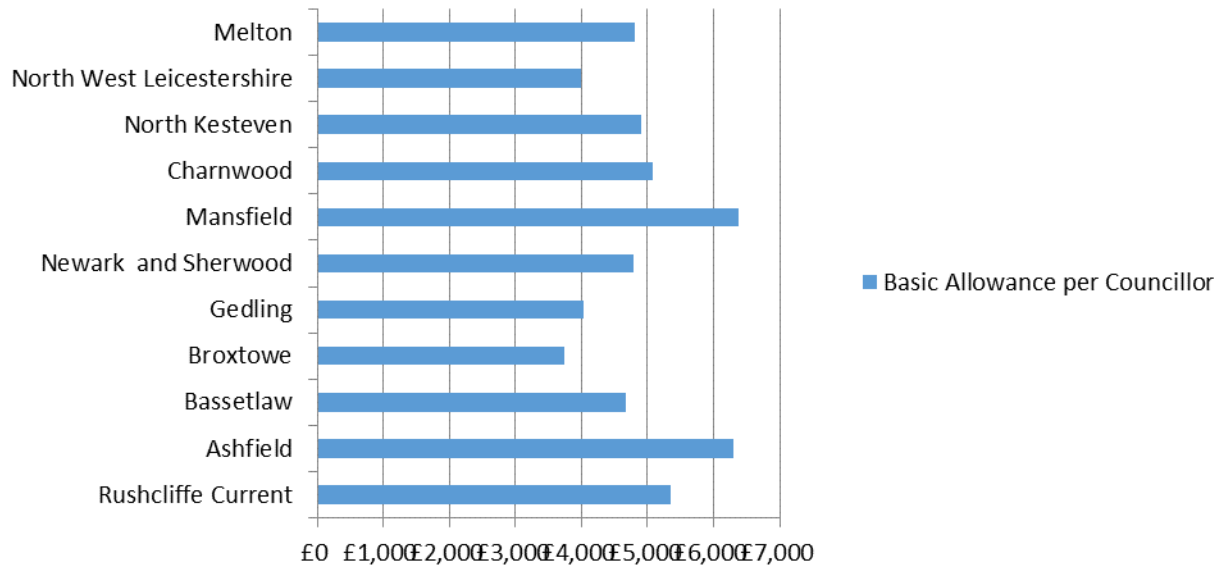
## Benchmarking exercise

### Basic Allowance

Commentary – the basic allowance per councillor for RBC is the 6<sup>th</sup> highest in the sample group below (16 councils). RBC has the fifth highest overall budget for Members Allowances.

Name of authority	Number of Councillors	Basic Allowance per Councillor	Total Spent on Basic Allowances
Rushcliffe Current	44	£5,398	£237,512
Ashfield	35	£6,300	£220,500
Bassetlaw	48	£4,674	£224,352
Broxtowe	44	£3,741	£164,604
Gedling	41	£4,027	£165,107
Newark and Sherwood	39	£4,794	£186,966
Mansfield	36	£6,386	£229,896
Charnwood	51	£5,075	£258,825
South Kesteven	56	£5,407	£302,792
North Kesteven	43	£4,900	£210,700
North West Leicestershire	38	£3,993	£151,734
Melton	28	£4,804	£134,512
Erewash	47	£3,972	£186,684
Bolsover	37	£9,902	£366,374
Chesterfield	49	£5,998	£293,902
Amber Valley	47	£3,871	£181,937

## Basic Allowance per Councillor

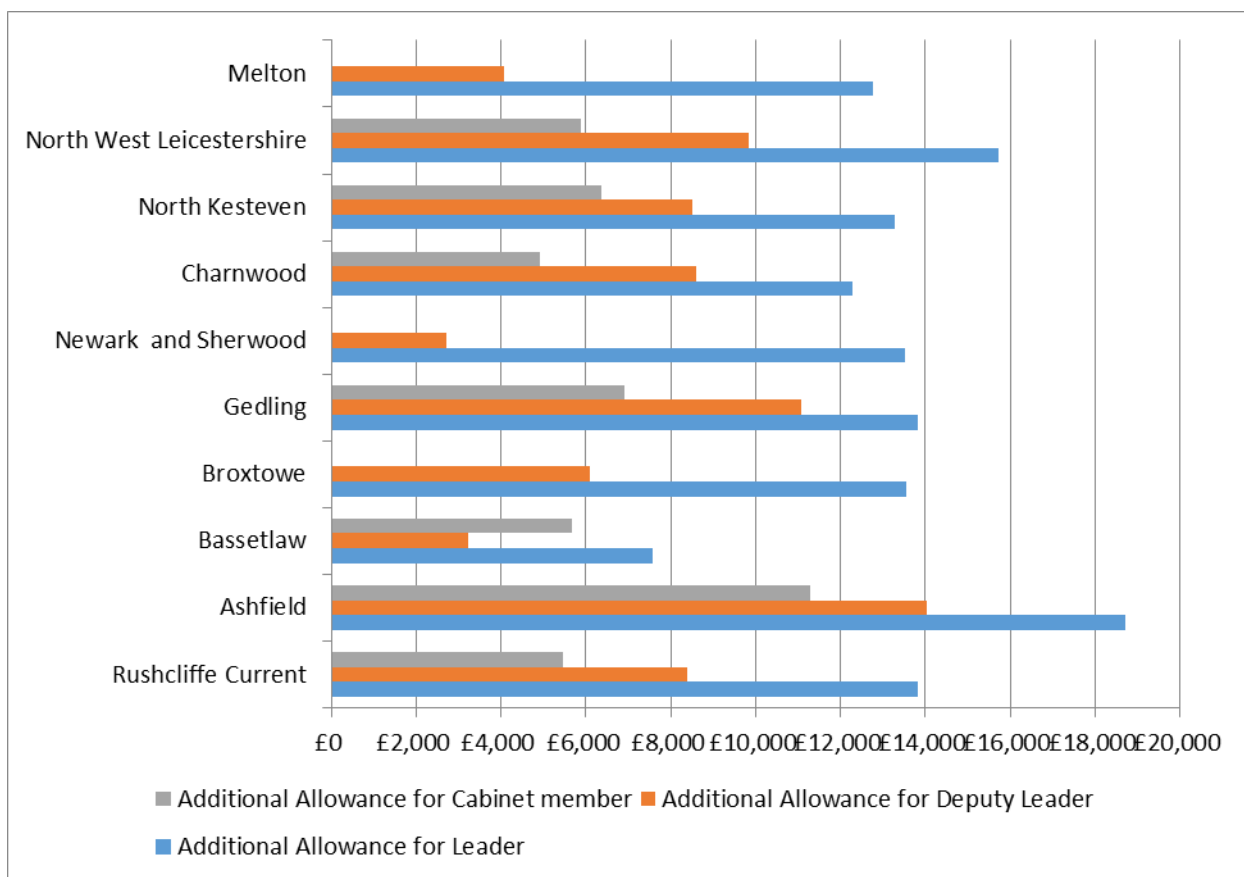




## Special Responsibility Allowances – Leaders

Commentary: RBC has the 4<sup>th</sup> highest Leaders Allowance (from 15 authorities), the 7<sup>th</sup> highest Deputy Leaders Allowance

Name of authority	Additional Allowance for Leader	Additional Allowance for Deputy Leader	Additional Allowance for Cabinet member	Additional Allowance for Leader of Opposition	Additional Allowance for Deputy Leader of other political groups
Rushcliffe Current	£15,134	£8,954	£5,899	£4873	
Ashfield	£18,705	£14,032	£11,277	£7,426	£2,806
Bassetlaw	£7,575	£3,232	£5,656	£0	£0
Broxtowe	£13,558	£6,101	No Cabinet	£1,355	£0
Gedling	£13,833	£11,066	£6,916	£6,916	£0
Newark and Sherwood	£13,526	£2,705	No Cabinet	£4681	£0
Mansfield	No Leader				
Charnwood	£12,292	£8,604	£4,917	£4,121	£0
South Kesteven	£18924	£14869	£10814	£5407	£0
North Kesteven	£13,290	£8,505	£6,379	£1,667	£0
North West Leicestershire	£15,732	£9,833	£5,890	£3,993	£0
Melton	£12,781	£4,084	No Cabinet	£3,733	£0
Erewash	£12,485	£7,644		£5,129	£757
Bolsover	£14,672	£9,781		£4,890	
Chesterfield	£8,343*	£15,027*	£8,861	£2,377	
Amber Valley	£11,615	£5,808	£2,173		



### Special Responsibility Allowances – Chairmen and Vice Chairmen

Commentary:

Rushcliffe is currently in the middle of the figures below when ranked from lowest to highest, RBC being the 7<sup>th</sup> highest in total.

Name of authority	Additional Allowance for Chairman of fully constituted groups	Additional Allowance for Vice Chairman of fully constituted groups	Total
Rushcliffe Current	Four Scrutiny Groups : £3,408 Planning Committee £5,018 Alcohol and Entertainments £1,248 Standards £1,248 <b>Total: £21,146</b>	Four Scrutiny Groups: £1,136 Planning Committee: £2,508 <b>Total: £7,052</b>	<b>£28198</b>
Ashfield	Overview and Scrutiny £7,426 Scrutiny Panels £6,547 (2) Planning Committee £7,426 Audit Committee £3,709 Licensing Committee £3,709 Area Committee £1,871 Standards and Personnel Committee £3,709	Scrutiny Panels £1,871 (2) Planning Committee £2,806 <b>Total: £6548</b>	<b>£47492</b>

	<b>Total: £40944</b>		
Bassetlaw	Audit and Risk £3,131 Overview and Scrutiny £3,131 Planning £3,131 Licensing £2,121 <b>Total: £12514</b>	Audit and Risk £606 Overview and Scrutiny £606 Planning £1,111 Licensing £404 <b>Total: £2727</b>	<b>£15241</b>
Broxtowe	Committee Chairs £4,745 (6) Planning £3,391, licensing and appeals £2,712, Housing Payments Committee £1,355, Governance, Audit and Standards £2,033 <b>Total: £37961</b>	6 Committee VCs £1,563 (6) Planning £678 Licensing and Appeals £542 Housing Payments Committee £271 Governance, Audit and Standards £271 <b>Total: £11140</b>	<b>£49101</b>
Gedling	Planning £4181 Environment and Licensing Committees £4,841 Audit Committee £3458 Overview and Scrutiny Committee £3,458 Joint Consultative and Safety £1383 Standards Committee £1,383 <b>Total: £19364</b>	£0	<b>£19,364</b>
<b>Newark (COMMITTEE STYLE)</b>	Opposition spokesperson on Functional Committees £1,017 Chairmen of functional committees £5,513 (4) Planning committee £5,513 Licensing £3,226 General Purposes £3226 Audit and Accounts Committee £1,868 <b>Total: £36932</b>	£0	<b>£36,932</b>
Mansfield	Overview and Scrutiny £7,690 (3) Planning £10,653 Audit Committee £2,121 Licensing Committee £8,339 Standards £1,630 Council Chairman £2,873	£0	

	Council Vice-Chair £1,183 <b>Total: £49869</b>		
Charnwood	Audit Committee £3,442 Plans Committee £3,687 Member Conduct Committee £1,476 Licensing £2,458 Scrutiny Commissioner (5) £3442 <b>Total: £28273</b>	Plans Committee £1,476 Licensing Committee £737 Assistant Scrutiny Commissioner £1476 <b>Total: £2213</b>	<b>£30,486</b>
South Kesteven	Development Management Committee £4866 Licensing Committee £2973 Scrutiny £5407 (8) Governance and Audit £3604 Constitution Committee £2433 Employment Committee £3604 Shareholder Committee £3604 Independent Person £1000 <b>Total: £65340</b>	Development Management £1605 Licensing committee £981 Scrutiny (8) £1784 Governance and Audit £1189 Constitution Committee £802 Employment Committee £1189 Shareholder Committee £1189 <b>Total: £21227</b>	<b>£86,567</b>
North Kesteven	Planning £4,600 Overview and Scrutiny £3,156 (4) Audit Committee £3,156 Licensing Committee £3,156 Standards £60 per meeting (max £300), Council Chairman £505 <b>Total: £24341</b>	Planning £1,518 Overview and Scrutiny £1,041 Audit Committee £1,041 Licencing £1,041 Standards £20 per meeting (max £100) Council Vice-Chair - £202 <b>Total: £8066</b>	<b>£32,407</b>
North West Leicestershire	Policy Development Group: £4914 Planning Committee: £4914 Licensing Committee: £4914 Audit and Governance Committee: £4914 <b>Total: £19656</b>	None	<b>£19,656</b>
Melton	Committee Chair £4,084 (5) <b>Total: £20420</b>	Committee Vice-Chair £1,204 (5) <b>Total: £6020</b>	<b>£26,440</b>

## Covered within the Allowance (including IT Provision)

Name of authority	What is included within the allowance	Provision of IT (buy your own or provided by authority?)
Rushcliffe Current	Travel and subsistence	Buy their own
Ashfield	travel, subsistence, mileage	ipad and keyboard provided by ADC
Bassetlaw	subsistence, mileage, BT Total Broadband (£13 per month)	mobile phone provided by authority or ipads
Broxtowe	Travel, subsistence	£200 per councillor to spend on IT Provision
Gedling	Dependent Carers Allowance and Travelling and Subsistence Allowance are payable as appropriate.	
Newark and Sherwood	Travel and subsistence	authority provides each councillor with either a laptop or tablet
Mansfield	travel and subsistence	?
Charnwood	travel and subsistence	on request, the Council provides all Councillors with a computer or a tablet device, a printer and appropriate software and support.
South Kesteven	Travel and subsistence	
North Kesteven	Travel and subsistence	In 2018 Council approved the removal of The ICT Allowance (£100) from the Scheme. Members of the Executive Board and Chairman of the Planning Committee are entitled to a mobile phone
North West Leicestershire	childcare costs, travel, subsistence, £75 per annum towards home telephone rental and £75 per annum towards home broadband	surface pros provided by authority
Melton	stationery, travel within ward	ipad provided by authority

## Appendix F

### % of Councillors Receiving an SRA

Rushcliffe has 44 Councillors. 19 of these receive an SRA. Thus, 43% of Rushcliffe Councillors receive and SRA.

Name & Initials	Basic	Special Responsibility	Civic Dignitaries	Travel & Subsistence
Adair RA Mr	£5,344.12	£1,236.12	£0.00	£0.00
Bailey S Mrs	£4,794.31	£0.00	£0.00	£864.50
Beardsall K Mr	£5,344.12	£3,232.35	£0.00	£0.00
Brown NA Mr	£5,344.12	£0.00	£0.00	£0.00
Buckle M Mr	£5,344.12	£0.00	£0.00	£0.00
Buschmann Mr BR	£5,344.12	£0.00	£0.00	£0.00
Butler RL Mr	£5,344.12	£5,104.44	£0.00	£391.00
Chewings HA Mrs	£4,476.00	£1,124.88	£0.00	£100.10
Clarke JN Mr	£5,344.12	£2,339.15	£0.00	£647.82
Combella C M Miss	£5,344.12	£3,374.64	£0.00	£451.75
Cooper LB Mr	£5,344.12	£1.44	£5,928.26	£326.30
Cottee Mr JE	£5,344.12	£911.86	£0.00	£70.20
Davidson G Mr	£5,344.12	£950.70	£1,030.54	£210.60
Dickinson AM Mrs	£5,344.12	£0.00	£0.00	£0.00
Donoghue J	£5,344.12	£0.00	£0.00	£0.00
Edwards M Mr	£4,476.00	£0.00	£0.00	£0.00
Edyvean A Mr	£5,344.12	£4,928.84	£0.00	£0.00
Greenwood JE Mrs	£5,344.12	£1,124.88	£0.00	£0.00
Hetherington R Mr	£5,344.12	£0.00	£0.00	£0.00
Hull S	£5,344.12	£0.00	£0.00	£332.15
Inglis R Mr	£5,344.12	£0.00	£0.00	£0.00
Jeffreys C	£5,344.12	£0.00	£0.00	£0.00
Jones Mr R	£5,344.12	£0.00	£0.00	£0.00
Khan Mr KA	£5,344.12	£0.00	£0.00	£0.00
Lawrence NC Mr	£5,344.12	7.47	£0.00	£0.00
Lungley EJ Mr	£5,344.12	£0.00	£0.00	£0.00
MacInnes A Mr	£4,476.00	£174.18	£0.00	£33.66
Males MM Mrs	£5,344.12	£0.00	£0.00	£271.70
Mallender Mr GR	£5,344.12	£0.00	£0.00	£0.00
Mallender SE Mrs	£5,344.12	£0.00	£0.00	£0.00
Mason DJ Mrs	£5,344.12	£8,392.86	£0.00	£0.00
Matthews S Mr	£5,344.12	£0.00	£0.00	£0.00
Moore GS Mr	£5,344.12	£5,455.70	£0.00	£785.11
Philips A	£5,344.12	£0.00	£0.00	£7.80
Plant Ms EA	£4,476.00	£0.00	£0.00	£0.00
Purdue-Horan F Mr	£5,344.12	£0.00	£8.49	£0.00
Robinson SJ Mr	£5,344.12	£13,824.74	£0.00	£1,480.01
Smith JA Mrs	£5,344.12	£3,374.64	£0.00	£0.00
Stockwood Mr JA	£5,344.12	£2,871.53	£0.00	£0.00
Stockwood Mrs M	£5,325.85	£0.00	£1,780.31	£130.00
Thurman J	£5,344.12	£1,123.44	£0.00	£686.40
Upton R	£5,344.12	£5,836.41	£0.00	£0.00
Wheeler DG Mr	£5,344.12	£3,374.64	£0.00	£0.00
Wheeler JGA	£5,344.12	£0.00	£0.00	£0.00
<b>TOTALS</b>	<b>£231,235.48</b>	<b>£68,764.91</b>	<b>£8,747.60</b>	<b>£6,789.10</b>