

## Rother District Council

<b>Report to:</b>	Cabinet
<b>Date:</b>	9 May 2022
<b>Title:</b>	Members' Allowance Scheme 2023-28
<b>Report of:</b>	Malcolm Johnston, Chief Executive
<b>Cabinet Member:</b>	Councillor Oliver
<b>Ward(s):</b>	N/A
<b>Purpose of Report:</b>	To consider the options for setting the Members' Allowance Scheme 2023-28
<b>Decision Type:</b>	Non-Key
<b>Officer</b>	
<b>Recommendation(s):</b>	It be <b>RESOLVED</b> : That the preferred Option for setting the Members' Allowance Scheme 2023-28 and the appointment of an Independent Remuneration Panel be confirmed.
<b>Reasons for Recommendations:</b>	To agree the timescale for a review of Member Allowances and appointment of an Independent Remuneration Panel.

---

### Introduction

1. The current Members' Allowance Scheme was approved by Council in February 2019 to take effect for the Council period 2019-2023. The Scheme was further amended in July 2020 by the additional provision of a Cabinet Spokesperson Special Responsibility Allowance payable to non-Cabinet Members.
2. In accordance with the Local Authorities (Members Allowances) (England) Regulations 2003, before an authority makes or amends its allowance scheme, the authority shall have regard to the recommendations made in relation to it by an Independent Remuneration Panel (IRP). Whilst it remains the Council's decision as to what allowances are paid, it must have regard to recommendations made by an IRP.
3. This report considers the options that are available to set the Members' Allowance Scheme payable from May 2023 when the current scheme expires. Whilst there is not a legal requirement to review the allowances every four years, the Council would be unable to implement any indexed increases beyond that which is currently agreed. This means that the allowances as at the end of the civic year 2022/23, i.e. those payable from May 2022, would remain at those levels from May 2023 until such times as a new scheme is adopted.

## Options

4. The following options are put forward for consideration:

### **OPTION 1 – 2022 REVIEW**

Recruit new IRP members during September 2022 and conduct review in October / November 2022 for allowances to be agreed by full Council in December 2022 to apply from May 2023 (this is the usual approach).

#### **Advantages**

- All current serving Members will be consulted and a cross section interviewed by the IRP, adding value to the deliberations of the IRP with first-hand experience and evidence of the role and expectations placed on elected Members.
- Members' Allowance Budget requirement for the period 2023-28 will be known by the end of 2022 (save for any agreed annual uplift arrangements).
- Allowances to apply from May 2023 can be confirmed to candidates standing in the 2023 district council elections and may have an impact on an individuals' decision to stand or not.
- Scheduled officer resources available in 2022/23 to convene and support the IRP in undertaking the review.

#### **Disadvantages**

- Current administration setting the allowances to be paid to the newly elected Council in May 2023 that may want to set its own.
- The achievement of the Financial Stability Programme in meeting the Council's savings targets will be unknown.

### **OPTION 2 – 2023 REVIEW**

Recruit new IRP members in September 2023 and conduct review in October / November 2023 for allowances to be agreed by full Council in December 2023, with any increase to be backdated to May 2023.

#### **Advantages**

- Allows newly elected Council to set own allowances in light of known financial position at that time.
- Savings targets identified through the Financial Stability Programme will be known.
- Any changes to the decision making structure as a result of the current Constitution Review will have been in place for a period of time and any relevant impact known.

#### **Disadvantages**

- No increase in the Members' Allowance Scheme until such times as the new Council is elected in May 2023 and the review completed.
- Review must be completed before the end of the 2023/24 financial year to enable any back-dating to May 2023.
- Current Members not standing / re-elected unable to contribute and add value to the review (but could be canvassed for views prior to elections).
- No certainty of level of allowances for the duration of the next Council for candidates standing in 2023 elections.

## **Independent Remuneration Panel**

5. Whichever option is agreed, officers will need to recruit and appoint a new IRP as the membership of the Council's previous IRP have served on a number of occasions and it is considered appropriate and best practice to recruit new IRP members. The IRP must consist of three or more people and its statutory role is to make recommendations to the Council:
  - as to the amount of basic allowance that should be payable to its elected members;
  - about the roles and responsibilities for which a special responsibility allowance should be payable and as to the amount of each such allowance;
  - as to whether the Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and, if such a recommendation is made, the amount of this allowance and the means by which it is determined;
  - on other allowances (i.e. travel and subsistence allowance and allowances for attendance at certain meetings and conferences)
6. The recruitment and appointment of the IRP is an officer process and Member input is not appropriate in the interests of probity. A recruitment pack will be compiled and the role advertised by way of the website and social media routes. The recruitment process from advertisement to appointment will take between 6 and 8 weeks. The costs associated with the last review were £100 per meeting plus expenses – in total just under £1,000.

## **Financial Implications**

7. The current budget for Members' Allowances is £225,640.00 per annum. This covers Basic Allowance paid to all 38 Members and Special Responsibility Allowances paid to Cabinet Members, Committee Chairs, Group Leaders and Cabinet Spokespersons.
8. There will be costs associated with the establishment of the IRP, yet to be agreed, but will be kept to a similar level as in 2018.

## **Legal Implications**

9. The review process will be undertaken in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003 and Local Government Act 2000.

## **Risk Management**

10. It is a statutory duty for an IRP to be convened and make recommendations on Members' Allowances and for the Panel to comprise at least three independent persons. Failure to convene an IRP in line with statute would leave the Council open to criticism and potential reputational damage.

## **Environmental**

11. In conducting both the recruitment and review processes, the use of on-line face-to-face communication platforms for meetings to reduce unnecessary

travel and electronic communication and consultation methods will be encouraged wherever and whenever possible to keep the carbon footprint of the review to a minimum.

<b>Other Implications</b>	<b>Applies?</b>	<b>Other Implications</b>	<b>Applies?</b>
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	Yes	Access to Information	No
Risk Management	Yes	Exempt from publication	No

Chief Executive:	Malcolm Johnston
Report Contact Officer:	Lisa Cooper, Democratic Services Manager
e-mail address:	<a href="mailto:lisa.cooper@rother.gov.uk">lisa.cooper@rother.gov.uk</a>
Appendices:	None
Relevant Previous Minutes:	None
Background Papers:	None
Reference Documents:	None