

**REPORT OF NEWARK & SHERWOOD DISTRICT COUNCIL**

**INDEPENDENT REMUNERATION PANEL FOR MEMBERS ALLOWANCES  
FOR THE FINANCIAL YEAR 2021/22**

**1. Introduction**

The Independent Remuneration Panel has a responsibility to make recommendations to Newark and Sherwood District Council (the Council) on the levels of allowances to be paid to Members of the Council. This report has been prepared in accordance with current legislation and guidance.

The Panel members are:

*Sarah Britton* - *Newark & Sherwood*  
*Paul Cox* - *Rushcliffe*  
*John Shaw (Chairman)* - *North Kesteven*

**2. Purpose of the Review**

In undertaking the review, the Panel is required to consider all existing allowances paid, as currently detailed in the Members Allowance Scheme for the Council, and also consider if any position of special responsibility which is not currently paid an allowance should be. It must make any recommendations to the Council that it considers appropriate.

**3. Review Process**

The Panel invited Members of the Council to complete a questionnaire in which they were able to express their views in respect of the current allowance scheme. A total of 28 Members (72%) responded to the questionnaire. In addition to this, an e-mail address for further or confidential comments direct to the Panel was provided to Members, but no responses were received.

The review has looked at all of the Council's rates of remuneration in comparison with all Nottinghamshire District Council allowances.

The Panel received help and advice from both Officers and Members and we are grateful for their assistance. A list of all those involved is shown in Appendix A.

The contents of the previous Panels reports dating back to January 2012, have been considered for background information purposes, during this review.

We understand that our recommendations will be considered by the Councillors' Commission prior to any decisions being made with regard to the level of allowances to be paid to Members.

The Covid 19 pandemic has had an impact on the review and led to some delays in receiving information and data from other authorities. All meetings were conducted via Microsoft Teams or Zoom. Whilst it is acknowledged that the impact of this pandemic has been and will be far reaching for the foreseeable future, it was not allowed to influence the recommendations made by the Panel.

## 4. **Findings**

### 4.1 Basic Allowance

The current basic allowance is £5,124 and sits in the middle of all Nottinghamshire districts. It is slightly below the district's average of level of £5,244. The members' questionnaire indicated that 54% felt the allowance was set at the right level.

The Panel is aware that, depending on the number of hours a member spends on Council business, the basic allowance is likely to be below the national minimum wage. However, it must be pointed out that the allowance is not intended to be a wage or salary. Also, the position of Councillor carries with it an expectation of a voluntary element. Notwithstanding this, the Panel is aware of the importance of attracting and retaining suitable people to be Councillors.

It is unrealistic to think that the basic allowance could be increased to a level that would attract and retain younger members as such a level would be cost prohibitive. This is a problem experienced by all district councils.

**It is recommended that the basic allowance is increased to £5,250.**

### 4.2 Roles and Allowances

The Panel felt that in some cases the existing scheme had conflated different roles with allowances, creating an unnecessary degree of complication. The Panel found the linking of Special Responsibility Allowances (SRAs) to specific roles confusing and felt it complicated the roles of Leader of the Council/Chairman of Policy and Finance Committee and Leader of Main Opposition Group/Opposition Spokesperson on Policy and Finance Committee. A back-to-basics approach was felt necessary to untangle the roles. It is accepted that it is not for the Panel to express a view on whether the same person should continue to undertake the two roles if separated.

**It is recommended that the roles of Leader of the Council and Chairman of the Policy and Finance Committee are separated with the SRA re-introduced for the latter currently £5,777. And, the roles of Leader of the Main Opposition Group and Opposition Spokesperson on the Policy and Finance Committee are separated with the SRA re-introduced for the latter currently £1,065.**

### 4.3 Leader of the Council

The Leader of the Council's special responsibility allowance is currently £14,175 which puts it at the lower end of the Nottinghamshire districts. The district's average is £16,014. The comparison is complicated by the fact that most districts are operating on a cabinet rather than committee basis. However, the position of Leader of the Council carries with it a high degree of responsibility and requires considerable commitment.

**It is recommended that the SRA paid to the Leader of the Council is increased to £16,000.**

#### 4.4 Deputy Leader of the Council

The Deputy Leader of the Council's SRA is currently £2,834 which puts it at the bottom of the Nottinghamshire districts. The district's average is £10,551. Linking the allowance to that of the Leader again at 20% would mean an increase to £3,200. However, the Panel feels that there is no justification in using a method based on calculating a Vice Chairman differential rate for this position. The district's average percentage allowance ranges between 45 to 80% of the Leader's allowance. In 2011/12 this position had an SRA of £7,224, which has decreased steadily to the current level. The reasons for this decrease are now in the main, unclear.

**It is recommended that the SRA paid to the Deputy Leader of the Council is increased to £8,000.**

#### 4.5 Leader of the Main Opposition Group

The Leader of the Main Opposition Group's SRA is currently £4,906 which puts it in the bottom half of the Nottinghamshire districts. The district's average is £4,089. However, the figures are distorted by the low allowance paid by Broxtowe. Excluding Broxtowe would mean an average of £5,000.

**It is recommended that the SRA paid to the Leader of the Main Opposition Group is increased to £5,000.**

#### 4.6 Opposition Spokespersons

The Panel noted the position of Opposition Spokespersons on functional committees is paid an SRA of £1,065. Whilst such an allowance is unusual, particularly where the number of Opposition Members is low, on balance it was concluded that the allowance should be retained at the current level to reflect the importance of the scrutiny role.

**It is recommended that the SRA paid to the Opposition Spokespersons on Functional Committees is not changed.**

#### 4.7 Planning Committee

A lot of representation was received concerning the long hours and lengthy agendas associated with the Planning Committee. The Covid 19 pandemic saw site visits suspended and an increased use of information technology. The Panel accepts that the approach of this committee is time consuming and resource hungry. However, the Panel felt that this issue might be better addressed in other ways, rather than introducing a new allowance for individual committee Members.

The Chairman of Planning's SRA is £5,777 which places it in the middle of the Nottinghamshire districts, but below the average of £6,068. The Vice-Chairman of Planning's SRA is £1,065. The current ratio between the SRA of the Vice-Chairman and Chairman of Planning was used to calculate the uplift.

**It is recommended that the SRA paid to the Chairman of Planning is increased to £6,100 and the Vice-Chairman's is increased to £1,125.**

#### 4.8 Licensing and General Purposes Committees

No matters were raised concerning the allowances paid to Members on the Licensing and General Purposes Committees and the current allowances seem reasonable to the Panel. As such, it is concluded that no changes are required.

**It is recommended that the allowances paid to Members of the Licensing and General Purposes Committees remain unchanged.**

#### 4.9 Audit and Accounts Committee

During the review the position of Chairman of Audit & Accounts Committee was raised and the SRA highlighted as being low in relation to other districts and the responsibility of the position. The SRA is currently £1,956 which puts it at the bottom of the Nottinghamshire districts. The district's average is £3,242.

**It is recommended that the SRA paid to the Chairman of Audit & Accounts is increased to £3,250.**

#### 4.10 Number of SRA Allowed

The Members' questionnaire indicated that 54% of the respondents felt that there should be a limit on the number of SRAs an individual Member can receive. The rule restricting a member to a single SRA was removed in the previous review of 2016, following 'strong representations'. As such, the Panel feels that a change at this time would be premature and the situation should be considered again at the next review.

**It is recommended that the current rule allowing more than one SRA be paid to an individual Member, is retained.**

#### 4.11 Indexation - Annual Increase

The Members' questionnaire indicated that 85% felt that the current scheme reviewing the allowances annually, in line with changes to spinal column point 43 for local government staff should continue. It has been reported that this may mean a freeze on future increases.

**It is recommended that the practise of reviewing the allowances annually, in line with changes to spinal column point 43 for local government staff should continue.**

#### 4.12 Travel and Subsistence Allowances

The Members' questionnaire indicated that 87.5% felt that the current rates payable for travel, subsistence or carers allowances were set at the appropriate level.

**It is recommended that the current rates payable for travel and subsistence allowances are continued.**

#### 4.13 Childcare and Dependents Carers' Allowance

The Panel supports the continuation of a payment of up to £10 per hour for costs actually incurred, or more in exceptional circumstances. We agree that Members should only be required to produce receipts in support of claims where production of receipts is normal practise. In circumstances where a more informal arrangement is used, Members should provide a statement as part of each claim showing what allowance is being claimed for and who is providing the care.

**It is recommended that the current rates payable and procedures for Childcare and Dependents Carers' allowances are continued.**

#### 4.14 Pensions

The subject of pensions was raised during the review. It should be noted that with the effect from 1<sup>st</sup> April 2014, membership of the Local Government Pension Scheme (LGPS) was stopped and was no longer made available to new Members. Members could seek to join a form of stakeholder pension. The subject of pensions is outside of the remit of this review and is seen as a national issue.

### 5. Summary of Main Recommendations

It is recommended that:

- 5.1 The basic allowance is increased to £5,250.
- 5.2 The roles of Leader of the Council and Chairman of the Policy and Finance Committee are separated with the SRA re-introduced for the latter currently £5,777. And, the roles of Leader of the Main Opposition Group and Opposition Spokesperson on the Policy and Finance Committee are separated with the SRA re-introduced for the latter currently £1,065.
- 5.3 The SRA paid to the Leader of the Council is increased to £16,000.
- 5.4 The SRA paid to the Deputy Leader of the Council is increased to £8,000.
- 5.5 The SRA paid to the Leader of the Main Opposition Group is increased to £5,000.
- 5.6 The SRA paid to the Chairman of Planning is increased to £6,100 and the Vice-Chairman's is increased to £1,125.
- 5.7 The SRA paid to the Audit Chair is increased to £3,250.
- 5.8 All other allowances to remain unchanged.

### 6. Cost of Recommendations

<u>Ref.</u>	<u>Positions</u>	<u>Current Rate</u>	<u>Recommended New Rate</u>	<u>Additional Cost</u>
6.1	Basic Allowance (39)	£5,124	£5,250	£4,914

6.2	Chairman of Policy and Finance Committee	£0	£5,777	£5,777
6.3	Opposition Spokesperson on Policy and Finance Committee	£0	£1,065	£1,065
6.4	Leader of the Council	£14,175	£16,000	£1,825
6.5	Deputy Leader of the Council	£2,834	£8,000	£5,166
6.6	Leader of the Main Opposition Group	£4,906	£5,000	£94
6.7	Chairman of Planning Committee	£5,777	£6,100	£323
6.8	Vice-Chairman of Planning Committee	£1,065	£1,125	£60
6.9	Chairman of Audit and Accounts Committee	£1,956	£3,250	£1,294
			<b>Total Cost</b>	<b>£20,518</b>

**Members:**

- CLlr Kath Arnold - Committee Member
- CLlr Roger Blaney - Chairman of Planning Committee
- CLlr Malcolm Brock - Committee Member
- CLlr Rita Crowe - Chairman of Licensing and General Purposes Committees
- CLlr Linda Dales - Committee Member
- CLlr Keith Girling - Deputy Leader of the Council
- CLlr Rhona Holloway - Vice-Chairman of Homes & Communities Committee
- CLlr David Lloyd - Leader of the Council
- CLlr Paul Peacock - Leader of the Main Opposition Group
- CLlr Matthew Skinner - Committee Member
- CLlr Ronnie White - Vice-Chairman of Licensing and General Purposes Committees

**Officers:**

- John Robinson - Chief Executive
- Sanjiv Kohli - Deputy Chief Executive and Section 151 Officer
- Karen White - Director - Governance & Organisational Development
- Nigel Hill - Business Manager – Elections & Democratic Services
- Nick Wilson - Business Manager – Financial Services