### <u>NEWARK & SHERWOOD DISTRICT COUNCIL</u> <u>REPORT OF THE INDEPENDENT REMUNERATION PANEL</u> <u>RECOMMENDATIONS FOR THE SCHEME OF MEMBERS ALLOWANCES FOR 2022/23</u> <u>MARCH 2022</u>

#### 1. Introduction

The Independent Remuneration Panel (IRP) 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-Paul Cox-Newark & SherwoodJohn Shaw (Chairman)-North Kesteven

#### 2. <u>Purpose of the Review</u>

To review the changes occurring from the adoption of a Leader and Cabinet style of governance with implementation to take effect from May 2022. The recommendations made in this report are in respect of the proposed new Cabinet structure.

In undertaking the review, the IRP 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.

This review builds on the work undertaken by the same IRP which was reported to the Councillors' Commission 25 February 2021 and the Full Council on 9 March 2021. The recommendations made in that report were approved in full by the Council but the changes to the Scheme of Members Allowances were not implemented at that time given the pandemic, the constraints on public sector pay and the review of the Council's governance arrangements. The contents of that panel report needs to be read as background to this report.

#### 3. <u>Review Process</u>

The contents of Councillors' Commission report 2 December 2021 and Full Council report 14 December 2021 both entitled Proposals for New Governance Arrangements, have been considered and used as a starting point for this review. The recent 1.75% increase has been taken into account when calculating the changes in cost.

The review has looked at all of the Council's rates of remuneration in comparison with, other Nottinghamshire District Councils and neighbouring District Councils operating on a cabinet system.

The IRP received help and advice from both Officers and Members of the Governance Review Working Party and we are grateful for their assistance. A list of all those involved is shown in Appendix One.

We understand that our recommendations will be considered by the Councillors' Commission ahead of the report being presented to the Full Council on 17 May 2022, for a decision with regard to the level of allowances to be paid to Members. All meetings of the IRP were conducted via Microsoft Teams.

### 4. <u>Findings</u>

4.1 Basic Allowance

No change from the findings and recommendation made for 2021/22.

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

4.2 Leader of the Council

The Leader of the Council's special responsibility allowance is currently £14,423 which puts it at the bottom of the sample districts. The position of Leader of the Council carries with it a high degree of responsibility on all portfolios, requiring considerable commitment. The new cabinet is smaller than most and the Leader has responsibility for Strategy, Performance and Finance within it. These changes together with those associated with devolution will lead to an increased level of autonomy.

### It is recommended that the SRA paid to the Leader of the Council is increased to £19,750.

4.3 Deputy Leader of the Council

The Deputy Leader of the Council's SRA is currently  $\pm 2,883$  which puts it at the bottom of the sample districts. The average is  $\pm 11,137$ . The changes to this role will is see an increase in responsibility including deputising for the Leader.

# It is recommended that the SRA paid to the Deputy Leader of the Council is increased to £11,150.

4.4 Leader of the Main Opposition Group

The Leader of the Main Opposition Group's SRA is currently £4,991 which puts it near the middle of the sample districts. The recommendation made for 2021/22 was £5,000. The changes will have a significant impact on this role making it the sole opposition spokesperson on the cabinet, for all areas.

# It is recommended that the SRA paid to the Leader of the Main Opposition Group is increased to £6,400.

### 4.5 Leader of Minority Opposition Groups

The Leaders of Minority Opposition Groups have a SRA of £853. No change is considered necessary.

# It is recommended that the allowances paid to Leaders of Minority Opposition Groups remain unchanged.

4.6 Cabinet Members

These are new and demanding roles. There are five portfolio cabinet members including the Leader and Deputy Leader. The Leader of the largest opposition party acts as a sixth voting member with no portfolio. This is a slightly smaller size cabinet compared to the others identified where the average size is seven. The new SRAs recommended for the Leader and Deputy Leader include their roles as Cabinet Members. The remaining three positions will be allocated a separate SRA.

# It is recommended that the SRA paid to Cabinet Members with portfolio (excluding the Leader and Deputy Leader) is £8,500.

4.7 Policy & Performance Improvement Committee

This is a new committee required to fulfil the statutory role of 'overview and scrutiny' and will be responsible for policy development and performance review. The roles of Chairman and Vice-Chairman are seen as crucial in the new structure. The representations received from all sources suggest a SRA higher than the average for both roles. The role of Vice-Chairman was seen as particularly important to this committee and the SRA has been set accordingly.

# It is recommended that the SRA paid to the Chairman of Policy & Performance Improvement is £8,500 and the Vice-Chairman's is £4,250.

4.8 Audit & Governance Committee

This will replace the existing Audit and Accounts Committee and take on the additional complexity associated with governance. The Chairman of Audit and Accounts Committee SRA is £1,956. An increase to £3,250 was recommended in 2021/22. It is understood that there will be a role of Vice-Chairman of this committee. If so, the Panel recommends that the position attract a SRA set at 25% of the Chairman's. The level of 25% is considered to be a fair and appropriate level for this type of committee.

# It is recommended that the SRA paid to the Chairman of Audit & Governance is $\pm 6,000$ and the Vice-Chairman is $\pm 1,500$ .

#### 4.9 Planning Committee

The Chairman and Vice-Chairman of Planning SRAs are £5,878 and £1,083 respectively. Further, representation was received concerning the long hours and lengthy agendas associated with the Planning Committee. However, it was felt that there were no new

reasons to change from the findings and recommendation made for 2021/22. The Panel still feels that the solutions should come from a reduction in workload by an increased utilisation of planning officers on the more minor planning applications. Seeking ideas and best practice from similar councils is also suggested. To maintain equilibrium among the Vice-Chairman SRAs it is recommended that this position is also increased to a rate of 25% of the Chairman's rate.

# 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 £1,525.

4.10 Licensing and General Purposes Committees

The Chairman and Vice-Chairman of Licensing and General Purposes Committees SRAs are £3,470 and £509 respectively. To maintain equilibrium among the Vice-Chairman SRAs it is recommended that this position is also increased to a rate of 25% of the Chairman's rate.

It is recommended that the SRA paid to the Chairman remains unchanged and that of the Vice-Chairman is increased to £868.

4.11 Number of SRAs Allowed

No change from the findings and recommendation made for 2021/22.

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

4.12 Indexation - Annual Increase

No change from the findings and recommendation made for 2021/22.

# It is recommended that the practise of reviewing the allowances annually, in line with changes to spinal column point 49 for local government staff should continue.

#### 4.13 Travel and Subsistence Allowances

As part of the review the panel were asked to give consideration to whether claims could be made by Members for ward/constituency business and attending political group meetings. A review of what other Nottinghamshire District Councils allow made it clear that attending political group meetings was not claimable. Claims for ward/constituency work is not so clear cut. However, the Panel considered that this was a matter for the Council to determine as they could define such activities as approved duties for the purposes of claiming allowances.

#### 4.14 Childcare and Dependents Carers' Allowance

A review of the rates paid by other Nottinghamshire District Councils showed that the rates paid by this council are the highest at up to £10 per hour for costs actually incurred, or more in exceptional circumstances. The Panel supports the continuation of a payment of up to £10 per hour 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

practice. 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.

4.15 Cost Implications

	Current Costs	Previous	New
		Recommendations	Recommendations
		2021/22	2022/23
SRAs	£61,295	£75,935	£95,866
Basic Allowance	£203,307	£204,750	£204,750
Total	£264,602	£280,685	£300,616

#### 5. <u>Summary of Main Recommendations</u>

It is recommended that:

- 5.1 The basic allowance is increased to £5,250.
- 5.2 The SRA paid to the Leader of the Council is increased to £19,750.
- 5.3 The SRA paid to the Deputy Leader of the Council is increased to £11,150.
- 5.4 The SRA paid to the Leader of the Main Opposition Group is increased to £6,400.
- 5.5 The SRA paid to the other Cabinet portfolio holders is £8,500.
- 5.6 The SRA paid to the Chairman of Policy and Performance Improvement is £8,500 and the Vice-Chairman's is £4,250.
- 5.7 The SRA paid to the Chairman of Audit and Governance is £6,000 and the Vice-Chairman's is £1,500.
- 5.8 The SRA paid to the Chairman of Planning is increased to £6,100 and the Vice-Chairman's is increased to £1,525.
- 5.9 The SRA paid to the Vice-Chairman of Licensing and General Purposes is increased to £868.
- 5.10 All remaining other allowances are unchanged.

#### 6. <u>Cost of Recommendations</u>

<u>Ref.</u>	Positions	Current Rate	Recommended	<u>Additional</u>
			<u>New Rate</u>	<u>Cost</u>
6.1	Basic Allowance (39)	£5,213	£5,250	£1,443
6.2	Leader of the Council	£14,423	£19,750	£5,327

6.3	Deputy Leader of the Council	£2,883	£11,150	£8,267
6.4	Leader of the Main Opposition Group	£4,991	£6,400	£1,409
6.5	Leaders of Minority Opposition Groups	£853	£853	£0
6.6	Cabinet Portfolio Holders (3)	n/a	£8,500	£25,500
6.7	Chairman of Policy and Performance	n/a	£8,500	£8,500
	Improvement Committee			
6.8	Vice-Chairman of Policy and	n/a	£4,250	£4,250
	Performance Improvement Committee			
6.9	Chairman of Audit and Governance	n/a	£6,000	£6,000
	Committee			
6.10	Vice-Chairman of Audit and	n/a	£1,500	£1,500
	Governance Committee			
6.11	Chairman of Planning Committee	£5,878	£6,100	£222
6.12	Vice-Chairman of Planning Committee	£1,083	£1,525	£442
6.13	Chairman of the Licensing and General	£3,470	£3,470	£0
	Purposes Committee			
6.14	Vice-Chairman of the Licensing and	£509	£868	£359
	General Purposes Committee			
	Less savings from deleted roles.			-£27,205
			Total Increase	£36,014

### Appendix One

### Governance Review Working Party:

Cllr David Lloyd	-	Leader of the Council
Cllr Roger Blaney	-	Chairman of Planning Committee
Cllr Sylvia Michael	-	Chairman of Audit & Accounts
Cllr Rhona Holloway	-	Vice-Chairman of Homes & Communities Committee

### Officers:

John Robinson	-	Chief Executive
Sanjiv Kohli	-	Deputy Chief Executive and Section 151 Officer
Sue Bearman	-	Assistant Director - Law & Democratic Services
Nigel Hill	-	Business Manager – Elections & Democratic Services
Nick Wilson	-	Business Manager – Financial Services