

Report of the Independent Remuneration Panel

23 February 2021

1. Background

- 1.1 West Northamptonshire Shadow Authority (WNSA) established an Independent Remuneration Panel (the Panel), in order to recommend to the shadow Council a scheme of allowances for councillors following the governance arrangements and responsibilities introduced by the Local Government Act 2000.
- 1.2 This report has been prepared by the Panel for West Northamptonshire Council. The Panel comprises John Cade (Chair), Professor Ann Tate and Alan Haynes. Previously the Director of Scrutiny with Birmingham City Council, John Cade is now a member of the Institute of Local Government Studies at the University of Birmingham and also chairs several other Independent Remuneration Panels, including that of Northampton Borough Council. Ann Tate is the Chair of the Board at Arden University, previously the Vice Chancellor at the University of Northampton, Ann also served as a Board member of the Higher Education Funding Committee for England. Ann is a member of South Northamptonshire Council's Independent Remuneration Panel. Alan Haynes qualified as a Chartered Engineer and had various roles in the railway industry, including roles associated with Health and Safety. Alan retired in 2006 and since 2013 has been appointed to one of the two Independent Persons to the Standards Committee at Northampton Borough Council and is the Chair of the Independent Remuneration Panel for Northamptonshire County Council.
- 1.3 The Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations) apply to Local authorities including Unitary, District and County Councils.
- 1.4 The Regulations require a relevant authority to make a scheme providing for the payment of a basic allowance (BA) to each member of that authority. The BA must be the same for each member of the authority.
- 1.5 A relevant authority's scheme of allowances may also provide for the payment of special responsibility allowances (SRAs) to such members of the authority as have special or additional responsibilities. The specified categories of special or additional responsibilities which may be included in a scheme of allowances include:
 - i) Acting as leader or deputy leader of a political group within the authority;
 - ii) Acting as a member of an executive where the authority is operating executive arrangements within the meaning of part 2 of the Local Government Act 2000;
 - iii) Presiding at meetings of a committee or sub-committee of the authority;
 - iv) Representing the authority at meetings of or arranged by any other body;
 - v) Acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods;
 - vi) Acting as the spokesman of a political group on a committee or subcommittee of the authority; and
 - vii) Carrying out such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of them by any of the above.
- 1.6 SRAs need not be the same and may reflect the different responsibilities, accountability, time and effort involved in particular roles.
- 1.7 Member Allowance Schemes may also provide for the payment of a dependent carers' allowance and also for members' travelling and subsistence whilst acting in connection with their duties as a member of the authority.

1.8 Before a relevant authority may make or amend a scheme of allowances it must have regard to recommendations made in relation to the scheme by an independent remuneration panel.

2. West Northamptonshire Council

2.1 Following the Parliamentary approval of the Northamptonshire (Structural Changes) Order 2020, West Northamptonshire Council will come into effect on 1 April 2021 and the current Sovereign Councils of Daventry District Council, Northampton Borough Council, Northamptonshire County Council and South Northants Council will cease to exist.

2.2 Elections for the 93 seats on West Northamptonshire Council will be held on 6 May 2021.

2.3 For the period 1 April to 11 May 2021 (11 May 2021 being the date on which the 93 newly elected councillors take office), known as “the Interim Period”, the 132 current members of the four sovereign councils, as detailed in paragraph 2.1 above, will continue as members of West Northamptonshire Council. As the current councils will no longer exist, their respective schemes of members’ allowances will cease and allowances will no longer be payable, pursuant to the Regulations.

2.4 Therefore, in addition to making recommendations on a scheme of allowances for the new councillors to be elected in May 2021, the Panel has also been asked to consider what approach should be taken to the provision of allowances during the interim period.

2.5 The Terms of Reference for the Panel are:

- i. meet as appropriate, with support of the Monitoring Officer;
- ii. consider the provisions which apply to members’ allowances for the Shadow Authority, the roles of members of the Shadow Authority, including special responsibilities and make appropriate recommendations to the Shadow Authority;
- iii. consider the provisions which apply to members’ allowances for the West Northamptonshire Council, the roles of members of the West Northamptonshire Council, including special responsibilities and make appropriate recommendations to the Shadow Authority;
- iv. report to the Shadow Authority in relation to the matters at ii. and iii.

2.6 A scheme for the payment of a BA must be adopted by the Shadow Council for West Northamptonshire Council. It may also adopt a scheme for the payment of SRAs and other allowances. Members must have regard to the recommendations of the Panel in relation to a scheme of allowances before adopting any scheme. Therefore, councillors, as the relevant authority, make the final decision about what allowances are to be available.

2.7 The Structural Changes Order applied the Local Authorities (Members’ Allowances) (England) Regulations 2003 to the West Northamptonshire Shadow Council and its Members, in the same way that the regulations apply to County and District Councils and its Members. The Local Authorities (Members’ Allowances) (England) Regulations 2003 put in practice a consolidated and simplified framework for allowances that covers Principal Councils and Parish and Town Councils. It is highlighted that the Order does not, however, extend these Regulations to cover a review of Parish Council allowances.

2.8 Part 4 of the Regulations makes provision for the establishment of an Independent Remuneration Panel to make recommendations concerning Allowances. It is for the West Northamptonshire Shadow Authority to determine its Allowances Scheme, but the Shadow Council does have a legal duty to take account of the recommendations of the Independent Remuneration Panel (the Panel).

2.9 Regulation 20 (2) requires that an independent remuneration panel shall consist of at least three members none of whom:

- (a) Is also a member of an authority in respect of which it makes recommendations or is a member of a committee or sub-committee of such an authority; or
- (b) Is disqualified from being or becoming a member of an authority.

2.10 The three members of the Panel are individuals, none of whom are disqualified from being or becoming a member of a relevant authority.

2.11 The Panel met twice, 22 January 2021 and 2 February 2021. In addition, the Panel corresponded regularly either on the telephone or via email.

2.12 The Panel was provided with the following evidence:

- (i) relevant guidance and legislation (Allowances Regulations);
- (ii) benchmarking data of similar sized unitary authorities and current West Northamptonshire Councils' current allowances;
- (iii) information relating to the composition of West Northamptonshire Council;
- (iv) emerging governance structure for West Northamptonshire Council and anticipated roles of members, including the proposed structure and role of overview and scrutiny within the new Council; and
- (v) a summary of the proposed committees included within the governance structure.

2.13 The Panel was particularly keen to hear the views of as many Councillors as possible. The payment of allowances is always a contentious issue and the greater number of opinions that can be obtained, the stronger the context and base for the Panel's report should be. All of the shadow West Northamptonshire Councillors were contacted by email seeking their views on Member Allowances. Five responses were received.

2.14 The Panel received oral evidence from the Leader of West Northamptonshire Shadow Authority (WNSA), the Chief Executive, WNA, Leader of the Labour Group (WNSA); Leader of the Liberal Democratic Group (WNSA) and written evidence from the Leader of the Independent Group (WNSA).

2.15 The Panel was supported by:

Catherine Whitehead, Director of Legal and Democratic Services and Monitoring Officer, West Northamptonshire Council
Tracy Tiff, Democratic and Member Services Manager, Northampton Borough Council

The Panel would like to thank both Officers for their support and advice and Tracy's drafting of this report.

2.16 The Panel recognises and acknowledges that the evidence provided to it is based upon emerging work in relation to the development of the Constitution and governance structure for West Northamptonshire Council and the best predictions of workloads and roles.

2.17 The Panel had regard to the extent to which the 132 members of West Northamptonshire Council may be engaged in the normal business of the authority during the interim period and whether proposals for the scheme of allowances should differ in the interim period. The Panel recognised that the Purdah period would apply during the interim period.

3. Recommendations for Interim Period – 1 April 2021 to 11 May 2021

3.1 The Panel was advised that there were no meetings of full council scheduled to take place during the interim period. A small number of committees may meet during the interim period in order to deal with any urgent matters, such as the three Area Planning Committees. It is

expected that the Executive will continue to meet during this period and make urgent decisions where required.

- 3.2 The Panel notes that there will be an ongoing community representation role for all councillors during the interim period. The Panel further notes that councillors seeking election to the new council will likely be involved in election campaign activities during the interim period.
- 3.3 The Panel considers that the payment of a BA in the interim period will be in recognition that all councillors will continue to perform their community representation role, whether or not they seek election to the new council. The ongoing community stresses caused by Covid-19, coupled with the inevitable uncertainties leading up to May 6th elections, as indicated by many Councils wanting to delay the election until the autumn 2021 means that the Councillor role will not diminish over this period. The Panel felt that the fairest and most transparent method of calculating a suggested BA for Councillors during the interim period was to apply an average of the Basic Allowance for the four Sovereign Councils:

Daventry District Council	£5,075
Northampton Borough Council	£7,172.90
Northamptonshire County Council	£8,644.48
South Northants Council	£5,568
Average	£6,615.10

This equates to £636.07 (£636) for the interim period of 1 April to 11 May 2021.

- 3.4 The Panel notes that it would not be lawful to continue the existing Councils' allowances schemes as this would lead to different levels of BA being payable which is not permitted in the regulations. The Panel recommends to pay a BA to all members of the West Northamptonshire Council for the interim period based on the representational role only and realises that all 132 councillors will continue to serve residents taking into account the pre-election period regardless of whether councillors are seeking re-election.
- 3.5 The Panel further notes that the Executive will be expected to meet during the interim period and will continue to have a key role in the operation of the new Council, with Executive Members being responsible for their own specific portfolios. It has not been the government's intention that a vacuum should exist over this period. Therefore, considering the anticipated responsibility of the Executive during this interim period, the Panel considered an SRA should be payable to each member of the Executive. In taking this decision regarding the Executive, the Panel was mindful that this would also recognise that over the foregoing period for the shadow Authority, Executive Members had been taking on extra responsibilities whilst retaining their sovereign Council's SRAs. The SRA for the Leader and Executive Members should be pro rata to that of the SRA that the Panel is recommending for the Leader and Executive from 11 May 2021: For the Leader, this equates to a weekly SRA of £661.06, totalling £3,305 for the total interim period of 5 weeks. The recommended SRA for the Deputy Leader for the interim period totals £2,596. For Executive Members, this equates to a weekly SRA of £396, totalling £1,983 for the total interim period.
- 3.6 Each Area Planning Committee is expected to each hold a meeting during the interim period. The Panel felt that a fair approach to recommending an SRA for the three Chairs of the Area Planning Committees would be to pro rata it to that of the suggested BA during this period, at 0.75 of the BA of £640, equating to £480.
- 3.7 **The Panel recommends that during the interim period:**

(a) The rate of the basic allowance to be paid to members of West Northamptonshire Council shall be set at £636;

(b) An SRA of £3,305 to be paid to the Leader of the West Northamptonshire Council;

(c) An SRA of £2,596 to be to be paid to the Deputy-Leader of the West Northamptonshire Council;

(d) An SRA of £1,983 to be paid to Executive Members;

(e) An SRA of £480 to be paid to the three Chairs of the Area Planning Committees.

4 Recommendations for the Basic Allowance (BA) for West Northamptonshire Councillors to come into effect on 11 May 2021

4.1 Over time most Independent Remuneration Panels have moved to recommending allowances by benchmarking against comparable authorities. The Panel considered the following seven Councils to be appropriate comparators:

Bournemouth, Christchurch and Poole,
Buckinghamshire
Cheshire West and Chester
Cornwall
Durham
Dorset
Wiltshire

All of these Councils have gone through a similar process to West Northamptonshire in the forming of a new unitary authority.

4.2 The Panel considered the benchmarking data provided, the representations made by members and the Chief Executive, WNA and written responses received. The comparative data used by the Panel in terms of the benchmark is shown at Appendix 1 to this report.

4.3 Without any embroidery it also has to be recognised that West Northamptonshire Council retains a major conurbation in Northampton. In the formation of other unitaries it has often been the case that sizable towns were excluded (for example, Milton Keynes in Buckinghamshire and Swindon in Wiltshire). Northampton Borough Council is indeed currently the largest district council in the country. This mix of big urban and rural will bring its own challenges.

4.4 Views of Councillors responding to the Panel suggested varied levels of hours are spent on council business and this can vary between Councillors. Some Councillors have a significant amount of casework, whereas others not so much. The extra work required in respect of additional services of a Unitary authority were also highlighted. A wide range of average hours spent on Council business was suggested ranging from 12 hours to 35 hours a week. The Panel did expect that hours worked by Councillors on council business would increase in dealing with Unitary matters.

4.5 One consistent theme throughout the evidence we took was that the BA should be set at a level that would attract people from a much broader demographic base. All respondents emphasised the importance of the new council being representative of the communities it serves.

4.6 The Panel acknowledged that unitary council services will add significantly to councillors' workload. For example, District Councillors may not be experienced with complex services such as Adult and Children's services, whereas County Councillors may not be experienced with local Planning and Licensing issues. The complexity of these services will add significantly to the workload of any councillors not used to dealing with such district services.

- 4.7 The Panel was informed that the majority of Committee meetings would take place outside working hours in the evening; but there may be the need for some meetings to be scheduled during the hours of the working day.
- 4.8 The Panel is aware that the BA is an allowance and not a salary and is offered in recognition of members' time and certain expenses incurred on Council business.
- 4.9 From the comparative data of our benchmarked unitary authorities provided to the Panel, the BA ranges from £12,351 to £15,596.
- 4.10 The Panel was advised that the electoral ratio figures for the new council states that the average electorate per councillor will be 1:4324, with 93 Councillors representing 31 wards (3 members per ward); whereas currently it is 1:2414, 1:5002, 1:10277 and 1:1631 for Daventry District Council, Northampton Borough Council, Northamptonshire County Council respectively. Prior to 1 April 2021 there are 132 Councillors providing an electorate ratio of 1:3046. With the significant changes, the Panel recognises that it is apparent that their existing allowances are not in keeping with unitary authorities.
- 4.11 The Panel is aware that the scheme can be set for a maximum period of four years and that the scheme may be linked to an index. The creation of the new Council makes the task of setting allowances complex. The Panel recognises that the Council is about to go through a period of significant change and therefore suggests that allowances be reviewed earlier than four years. The Panel felt that it should review the allowance scheme in 9 -12 months' time. After which a review of allowances could then be undertaken every four years to coincide with the election of new members. The Panel is aware that any proposed changes to an agreed scheme of allowances would be subject to the Council having regard to the recommendations of the Panel.

4.12 The Panel recommends that the rate of the basic allowance paid to members:

(a) Be set at £13,750 per annum

(b) That a review of allowances be undertaken by the Panel in nine to twelve months' time, to check that the scheme continues to be suitable following a period of significant change for the Council.

(c) That allowances are index linked to the Officers' annual pay award. As the maximum period a scheme may be linked to an index is four years the Panel must meet to review allowances no later than 2025.

5 Special Responsibility Allowances (SRAs)

- 5.1 The Panel agrees that in principle a clear, transparent and justified methodology for calculating SRAs is required. It is recommended that SRAs be based on a proportion of the BA. For example, a multiplier of the BA will be used according to the duties and responsibilities associated with each role. The multipliers for each SRA are detailed at paragraph 5.23.
- 5.2 Whilst the BA is a recognition of the time spent on council activities, an SRA as its name suggests essentially about the responsibility carried by the position. The acronym RATE, of responsibility, accountability, time and effort captures what is needed to be considered.
- 5.3 Although the proposed governance structure is in place, certain details about its operation have inevitably yet to be determined. An example here is which decisions will be exercised by the leader, which allocated to Cabinet Members and which taken to full Cabinet meetings. In terms of accountability this is very significant. Our recommendations are therefore based on the best information currently available which will need to be re-examined at the nine to twelve months' point.

- 5.4 From evidence provided by Councillors and Officers it was realised that there are currently four sovereign councils with different cultures and bringing them together into a new organisation will be a significant task. There is a significant responsibility to start the Council in the most positive way. Cabinet Members will need to share significant workloads in order to achieve the objectives of the new council. The roles of the Leader and Cabinet Member will likely increase in the foreseeable period, particularly in relation to those equivalent roles in the existing sovereign councils. The Leader of the new council will be expected to establish the priorities, behaviours and values for West Northamptonshire Council for the forthcoming four years.
- 5.5 The role of the leader is critical to this transition. Many commented also about how this is now a full-time job. In our comparable benchmark authorities, the SRA for the Leader was in the range of £22,532.53 to £45,000. We recommend that the leader's SRA be 2.5 x the BA as shown in paragraph 5.23.
- 5.6 The Panel acknowledges that the role of the cabinet member is significantly more than that of a committee chair and the emerging governance structure indicates that they could also be making individual key decisions. An SRA for cabinet members is therefore recommended at 1.5 x BA and is shown in paragraph 5.23.
- 5.7 The Panel understands that the deputy leader's workload would be different to that of a cabinet member since they will be required to deputise for the leader. The deputy leader will also have responsibility for their own portfolio, in addition to deputising for the leader. The leader will determine how cabinet roles will be allocated. The Panel therefore agreed to recommend an SRA for deputy leader, noting from the evidence provided that they will also be responsible for their own portfolio. An SRA for Deputy Leader is therefore recommended at a rate of 1.75 x BA as shown in paragraph 5.23.
- 5.8 The Panel understands that the civic role of Chair of West Northamptonshire Council will be significant and will have important links to other partner organisations. The Chair will have an important role in managing and presiding over regular full Council meetings to ensure that Councillors who are not Cabinet Members or Committee Chairs are able to hold office holders to account. The Panel notes the responsibilities and work required of that of the Vice Chair of the Council, in addition to deputising for the Chair at meetings of the Council, they will also fulfil a civic role. It is further recognised that each sovereign Council's Chair or Mayor currently attends a large number of events and the amalgamation of all four councils would likely lead to a significantly increased workload. The SRAs recommended for the Council Chair and Council Vice-Chair are therefore recommended at 0.75 x BA and 0.5 x BA respectively as shown in paragraph 5.23.
- 5.9 The Panel used the emerging governance structure and Constitution to inform its considerations of other SRAs and understands that the roles would evolve.
- 5.10 The Panel would like to emphasise again that in recommending the level of various SRAs, these were recommended in accordance with the responsibility and accountability of the role rather than just the number of hours spent.
- 5.11 The Panel believes that overview and scrutiny is a valuable resource which requires investment and is vital in holding the executive to account. There will be three Overview and Scrutiny Committees each with their own range of service areas. Each one would have similar workloads and responsibilities.
- 5.12 It was felt that the workload and responsibility of the Overview and Scrutiny Committee Chair to be significant as the work of the Committee would include pre-decision scrutiny, post-decision Scrutiny, and call-in. Therefore, the three Chairs of the O&S Committees should attract an SRA that recognises this. The Panel highlights that the role the Vice Chair to Overview and Scrutiny Committees encourages succession planning and the Vice Chairs of Overview and Scrutiny Committees do undertake a more enhanced role than a Vice Chair of

another Committee and should therefore attract an SRA. In recognising the additional work undertaken by the Vice Chairs of Overview and Scrutiny Committees the level of SRA for the Chair and Vice Chair of Overview and Scrutiny is recommended at 1.25 x BA and 0.25 x BA and is shown in paragraph 5.23.

- 5.13 The Panel felt that the Chair of the Strategic Planning Committee would have particular responsibilities, requiring good partnership work and community skills in a publicly high-profile Committee. The Strategic Planning Committee will be considering major developments for West Northamptonshire. The level of SRA recommended is 1.35 x BA as shown in paragraph 5.23.
- 5.14 The Panel notes the responsibilities required of the Chairs of the three Area Planning Committees. The level of SRA recommended is 0.75 x BA as shown in paragraph 5.23.
- 5.15 The Panel notes that there will be a Planning Policy Committee with specific responsibilities. It is understood that the chair of the Planning Policy Committee will be filled by a cabinet member who would receive their own SRA. The Panel therefore agreed that there is no SRA for the chair of the Planning Policy Committee.
- 5.16 The Panel notes that there will be a Licensing Committee that will set up sub committees, as required. It is recognised that Licensing has a quasi-judicial role and the role of chair is fairly procedural, although with some quite sensitive issues to decide. Therefore, in noting the roles and responsibilities the Panel agreed to recommend an SRA of 0.75 x BA as shown in paragraph 5.23.
- 5.17 The Panel realises that the Standards, Democracy and Governance Committee will be busier than normally anticipated over the next five years; as it would be required to undertake a boundary review. The other required roles of this Committee were noted. The Committee will also be required to set up Sub-Committees to investigate any complaints against Councillors. The Panel agreed that the responsibilities of the Chair were equal to that of the Chair of the Licensing Committee. Therefore, in noting the roles and responsibilities the Panel agreed to recommend an SRA of 0.75 x BA as shown in paragraph 5.23.
- 5.18 The Panel notes that although the chair of the Pension Fund Committee will have specific responsibilities; this role will be filled by a cabinet member who will receive their own SRA. Similarly, the chair of the Senior Appointments Committee will also be filled by a cabinet member, likely to be the Leader, who will receive their own SRA. The Panel therefore agreed that there be no SRA for the chair of the Pension Fund Committee and the chair of the Senior Appointments Committee.
- 5.19 The Panel places significant importance on the role of the Audit Committee. The Committee receives key information from both internal and external auditors; approves the accounts, has a crucial role in monitoring the risk register and also the performance of the Council. It is also involved in corporate governance. At a time when many councils are facing very challenging financial circumstances it is essential that the Audit Committee keeps a close watch on spending and the budget. The Panel was also made aware that the chair of the Audit Committee might be either an elected member or an independent person. The role of chair of the Audit Committee will need to provide the same level of robust challenge whether it is held by an elected member or an independent person. Therefore, the role should attract the same allowance whether held by an elected Member or that of an independent person. The level of SRA recommended is 1.25 x BA as shown at paragraph 5.23.
- 5.20 The Panel notes that the Adoption and Fostering Panel and the Corporate Parenting Panel will come under the remit of the Children's Trust. The DfE has advised that elected members should not be involved in such Panels. The Panel did not therefore need to recommend an SRA.

5.21 The Panel felt that there should be limitations on the payment of Special Responsibility Allowances. The Panel agreed that members should not receive more than one SRA, and where a member occupies multiple roles with an SRA, the member shall be entitled to receive the higher SRA from the roles they hold. This is a rule that is common amongst local authority member allowances schemes.

5.22 The Panel recognises the importance of the role of minority group leaders. For the purposes of the Regulations a group is a minimum of two members. The Panel considers that the allocation of the allowance for party group leaders should be set to a maximum of the four largest groups. The Panel considers that an allowance could therefore be set and be split proportionally, any registered group leader should be entitled to a share to reflect their additional workload. The Panel suggests that the allocated sum be recommended at the same amount that it is to recommend for the SRA for a cabinet member (i.e. 1 x BA). This allocated sum will be split proportionally dependent upon group size. The total level of SRA recommended is 1.5 x BA and is shown at paragraph 5.23.

5.23 Accordingly, the Panel recommends that the following special responsibility allowances be paid in recognition of the additional workload, levels of responsibility and accountability placed upon the following roles:

- **Leader £34,375 (2.5 x BA)**
- **Deputy Leader £24,063 (1.75 x BA)**
- **Cabinet Members £20,625 (1.5 x BA)**
- **Chair of the Council £10,313 (0.75 x BA)**
- **Vice-Chair of the Council £6875 (0.5 x BA)**
- **Chair of Strategic Planning Committee £18,563 (1.35 x BA)**
- **Chair of Area Planning Committees £10,313(0.75 x BA)**
- **Chair of Planning Policy Committee £nil***
- **Chair of Licensing Committee £10,313 (0.75 x BA)**
- **Chair of Audit Committee £17,188 (1.25 x BA)**
- **Chairs of the Overview and Scrutiny Committees £17,188 (1.25 x BA)**
- **Vice-chairs of the Overview and Scrutiny Committees £3,438 (20% of the SRA of the Chair of Overview and Scrutiny)**
- **Chair of Pension Fund Committee £ nil ***
- **Chair of Senior Appointments Committee £ nil ***
- **Chair of Standards, Democracy and Governance Committee £10,313 (0.75 x BA)**
- **Group Leaders SRA £20,625 split proportionally dependent upon group size (Group Leader SRA = £20,625 divide by 93 x number of group members)**

*This is on the understanding that these posts will be filled by Cabinet Members

5.24 The Panel further recommends that:

- a) **No SRAs be paid to vice-chairs of Committees with the exception of the vice-chair of Council and the vice chairs of the Overview and Scrutiny Committees.**
- b) **Members may not receive more than one SRA. The member will be entitled to receive the highest SRA from the roles that they hold.**

- c) That a review of allowances be undertaken by the Panel, in nine to twelve months' time, to check that the scheme is suitable following a period of significant change for the Council.**
- d) That allowances are index linked to the Officers' annual pay award. As the maximum period a scheme may be linked to an index is four years the Panel must meet to review allowances no later than 2025.**

6 Travel Allowances

6.1 The Panel notes that each of the relevant councils currently pays approved amounts under HMRC mileage allowance payments (MAPs). Anything payable above MAP approved amounts result in a taxable benefit to the claimant. Travel allowances are payable to Councillors to reimburse them for costs incurred in carrying out certain council duties. These duties are known as "approved duties."

6.2 The MAP approved amounts are currently:

- (a) Car – 45p per mile up to 10,000 and 25p per mile thereafter (including electrically powered);
- (b) Passenger payments – up to 5p per mile per passenger (up to a maximum of four) to be claimed only for passengers who would otherwise be eligible for travelling allowance;
- (c) Motorcycle – 24p per mile (including electrically powered);
- (d) Bicycle – 20p per mile (including electrically assisted e.g., ebike);
- (e) In relation to public transport (including rail and bus) – standard fare; and
- (f) Parking fees – actual cost
- (g) Train travel - best value will be obtained by an officer, using if possible, both comparison websites and advance fares.

6.3 The Panel recommends the travel allowances be paid to members:

(a) In line with HMRC rates for undertaking official business; and

(b) Travelling for the purpose of approved duties

Subsistence allowances

7.1 Subsistence allowances includes the costs of:

- (a) Accommodation (if a member is required to stay overnight);
- (b) Meals and other 'subsistence' while travelling

7.2 The Panel recommends the following subsistence allowances be paid to members:

- | | | |
|--------------|------------------|---------------|
| (i) | Breakfast | £6.00 |
| (ii) | Lunch | £8.00 |
| (iii) | Dinner | £12.00 |

The Council will advise how the meal subsistence can be claimed

- (iv) Accommodation (if a member is required to stay overnight) to be determined by an officer, taking advantage, if possible, of both comparison websites and advance bookings.**

8 Dependent Care allowance

8.1 The Panel reviewed the dependent care allowance currently included in the sovereign councils' allowances schemes and acknowledges the importance of setting this at such a level so as to avoid deterring anyone seeking to become a councillor or attending meetings. Research indicated that in accordance with NHS advice, the average cost of in-home care is around £20 per hour. The Panel felt that should care be provided by friends or relatives this should be at a rate of £10 per hour.

8.2 The Panel considered setting an upper limit for claims, however felt that members would claim only where necessary and the monitoring officer could do this.

(a) **The Panel recommends that should professional care be required, an hourly rate of £20 per hour, (in accordance with NHS advice) be applied to the dependant carers' allowance**

(b) **That should care be provided by friends or relatives an hourly rate of £10 per hour be applied to the Dependent Carer Allowance.**

(c) **That there be no upper limit for claims, but to be monitored by the Monitoring Officer.**

9 Maternity Allowance

9.1 The Panel considered evidence submitted to it in relation to a potential maternity allowance for Councillors. The Panel was advised and agreed, that a maternity allowance is not a matter for an independent remuneration panel but for the Council to determine such a Policy.

10 ICT for Members

10.1 The Panel was aware that the ICT Policy for Members had not as yet been finalised and was, at the time of the meetings, unable to make clear recommendations in relation to an allowance for ICT for Members. The Panel heard differing views on the matter, one view was that it was important that Councillors used ICT equipment provided by the Council., the alternative view was that Councillors should be free to chose what ICT equipment they should use providing it was compatible with the Council's operating arrangements. The Panel needs to know the ICT Policy before it can determine any remuneration for ICT.

11 Co-opted Members

Northamptonshire Police, Fire and Crime Panel

11.1 We understand that there will be co-opted people on this Panel. The Panel recognises these are important roles. Currently, no allowances are paid but the Panel felt given the importance of their work that an allowance should be paid as for other co-optees.

Independent Persons to the Standards, Democracy and Governance Committee

11.2 The Panel recognises that it is expected there will be two independent persons to the Standards, Democracy and Governance Committee. The Panel recognises that an allowance for an independent person is normally around £500. Therefore, a co optees allowance for the role of independent person will be recommended at £500.

Co Optee to the Overview and Scrutiny Committee

11.3 The Panel recognises that the Overview and Scrutiny Committee with education within its remit, is able to co opt. Therefore, the allowance for co optees to the Overview and Scrutiny Committee with education within its remit will be recommended at £500 each.

11.4 The Panel recommends that co optee allowances be set as follows:

**(a) Co optees to the Northamptonshire Police, Fire and Crime Panel
£500**

**(b) Co-Optees to the Overview and Scrutiny Committee with responsibility for
education £500**

**(c) Independent Persons to the Standards, Democracy and Governance
Committee £500**

12 Foregoing and donating allowances

12.1 The Panel recommends that members may, if they wish, forego all or any part of their entitlement to BA or any SRA by giving notice in writing to the Monitoring Officer of West Northamptonshire Council.

12.2 The Panel recommends that where a member ceases to be a member of West Northamptonshire Council, or ceases to occupy a role attracting an SRA, that the member only receives pro-rata payment for the period that they are entitled to receive an allowance. The authority may require that such part of any allowance as relates to any such period be repaid to the authority where an overpayment is made.

13 Emerging Governance Structure

13.1 The Panel received evidence that the governance structure will continue to evolve over time and that these would be matters for West Northamptonshire Council and not the shadow council. Specifically, this would include how the culture of the new council would evolve.

13.2 The Panel has made its recommendations on the information made available to it, as of February 2021, and recognises change will occur as the new Council evolves.

13.3 Given that change is likely during the formative years of the Council, the Panel recommends an early review of allowances is undertaken at a time considered appropriate by members. For example, after nine to twelve months following the current review. Following the early review, a scheme of allowances could then be index linked for up to three years to tie in with the election cycle for the new Council. It is further recognised that following a Boundary Commission review during the first 5 years of the Council, it is likely the number of members will reduce for the elections in 2025, at that point a further review will be necessary to establish how responsibilities will change.

14 Total Cost of the proposed Scheme of Member Allowances

14.1 The Independent Remuneration Panel is mindful that a key objective behind the formation of the new unitary West Northamptonshire Council is to realise cost savings and reduce the overall financial burden on the residents of the county.

14.2 The Scheme recommended by the Panel totals £1,689,195, excluding co optee allowances. The actual amount will depend on how roles are actually filled. The Scheme proposed by the Panel for the interim period totals £92,316.

14.3 The flat rate Basic Allowance scheme in operation allows members to receive not inconsiderable remuneration by automatic right as they are permitted to receive allowances by simply being a member. The only legal requirement is that a member must attend a formal meeting of the Council not less than once every six months.

15 In Sum

15.1 Our recommendations to you are based on the most up to date information provided by the Council and a careful comparison with comparable authorities. As we have mentioned in our report, your governance arrangements are still evolving and we look to our recommendations providing a foundation upon which our subsequent review in nine to twelve months' time can build.

John Cade (Chair)
Ann Tate
Alan Haynes
Independent Remuneration Panel

4 February 2021

