

**REPORT OF THE
INDEPENDENT REMUNERATION PANEL'S
2023 REVIEW
OF
THE MEMBERS' ALLOWANCES SCHEME 2024-2027
FOR
ROTHER DISTRICT COUNCIL**

January 2024

INTRODUCTION

1. This report has been prepared in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations") as amended, which require all local authorities to appoint an Independent Remuneration Panel ("the IRP") to advise on the terms and conditions of their Scheme of Members' Allowances ("the Scheme").
2. The IRP acknowledges that it is a matter for Rother District Council ("the Council") to decide the level of Members' Allowances. The statutory position (paragraph 19 of the 2003 Regulations) is that the Council "shall have regard to" the advice from the IRP and the Council cannot make any changes to its Scheme without first considering the IRP's advice on the issues involved. In having "regard" to the IRP's advice, the Council is to "give proper consideration" to the IRP's report. In this way, the Council can take full account of its particular circumstances and be directly accountable to its electorate.
3. The function of the IRP is therefore to provide the Council with advice on the type of its allowances and the amounts to be paid.
4. The 2003 Regulations require the authority to make copies of the Scheme available for inspection by members of the public at all reasonable hours and publish a notice in a local newspaper giving details of the Scheme and the amounts payable in respect of each allowance mentioned in the Scheme.
5. The Council last set its allowances in 2023 to take effect for the Council Term 2023-2024 only. Certain decisions were deferred to 2023-2024 to be undertaken at this review.

COMPOSITION OF INDEPENDENT REMUNERATION PANEL

6. The following persons comprise the IRP:
 - Hazel Bentall, MRCVS, veterinary consultant, regulator
 - Clive Mills, MIHM, retired Public Services Senior Manager (previous IRP Member)
 - Ruth Wilson, local authority HR Manager Recruitment and Reward
7. The members of the IRP have between them considerable experience in local government as officers / managers, advisors and members of remuneration panels for other county, district and borough local authorities.
8. In accordance with paragraph 20 (3) of the 2003 Regulations, the Council has paid an allowance and expenses incurred by the IRP members in carrying out its functions.
9. Mrs Lisa Cooper, Democratic Services Manager, Rother District Council provided the IRP with the information required for them to undertake this review, together with administrative support and assisted in the compilation of this report.

TERMS OF REFERENCE

10. The terms of reference for the 2023 review were as follows, as agreed by Full Council in February 2023:
- That the Basic Allowance for 2024-27 is reviewed by the IRP in 2023 after the staff pay award has been agreed.
 - That the Special Responsibility Allowances (SRAs) for 2024-27 are reviewed by the IRP in 2023 after the staff pay award has been agreed.
 - That an SRA for the Chair of the Human Resources Committee be considered in 2023.
 - That the allowances paid to the “co-optees” be increased by 5% for 2023-24 only and that the amount be reviewed in 2023.
 - That each of the subsistence allowances, breakfast, lunch, tea and dinner be increased by approximately 10%, rounded to the nearest 10p for the period 2023-2024 and that it is reviewed by the IRP in 2023 after the staff pay award has been agreed.

GUIDING PRINCIPLES

11. The IRP considers that the following principles which had guided its previous reviews held good and should continue to be used in framing its current recommendations, namely that the scheme as recommended should:
- conform with legislative requirements and have regard to published guidance;
 - preserve a recognition that the work of a local Councillor contains an element of voluntary public service and is not undertaken for private gain;
 - assume that all Members will participate as fully as possible in Council business and play an active part in their wards and that the importance of these two roles should be reflected in the level of the Basic Allowance;
 - recognise the demands placed upon Councillors by their differing roles and responsibilities within the Council and fairly and equitably compensate Councillors, so far as it thinks appropriate, for the time and effort they devote to their work as Members of the Council and/or the time and effort they can reasonably be expected to devote;
 - ensure that individual Councillors are not disadvantaged by virtue of the ward or party (if any) which they represent, or the geographic spread, within the District, of the places where Council business is conducted be economic, efficient, effective to administer and easy to explain, understand and justify to the local communities within the District; and
 - the scheme should ensure, as far as practical, that as wide a range of people as possible should be able to stand for election and that they should not be financially penalised in doing so.

THE PROCESS AND INFORMATION CONSIDERED

12. The IRP met on one occasion during November 2023 and held a remote meeting with Councillor Doug Oliver, Leader of the Council and Group Leader for the Association of Independents, Bexhill Collington Ward (Cabinet Member

for Corporate Policy, Communications, Improvement, Devolution, HR and strategic issues).

13. It is noted that all Members were given the opportunity to submit comments to the IRP to aid this review and/or request a meeting with the IRP; whilst a number of comments were received, no requests to meet with the IRP were received.
14. The IRP was provided with the following information and gave due consideration thereof in coming to the recommendations within this report:
 - An IRP update report setting out the decisions of the Council on Members' Allowances in 2023 following recommendations of the IRP and other updated information, together with the comments submitted by several elected Members.
 - the South East Employers Members' Allowances Survey 2023 which provided regional comparative data on allowances.
15. The IRP are extremely grateful for the useful contributions made by individual Members, officers and the information made available to them whilst conducting this review.

CONSIDERATIONS AND RECOMMENDATIONS

Basic Allowance

16. Taking into account the guiding principles above and the evidence provided by Members, it is considered by the IRP that the current Basic Allowance is low compared to other local authorities. Whilst the Basic Allowance should not be set at a level to attract candidates, for that alone, but compensate those who devote the time and effort to the role, it should be recognised that having too low a Basic Allowance may prohibit certain groups from becoming a Member.
17. There is no evidence to suggest that the level of basic allowance is a deterrent from standing for election many are not even aware that there are allowances, however the diversity and longevity of candidates may be affected by the level of the Basic Allowance.
18. The Council's annual increase to all allowances was previously linked to the staff pay award which takes effect from May each year following the staff pay award in the preceding September.
19. In 2022, the staff pay award was a fixed value and it was recommended by the IRP that where a fixed value was agreed for a staff a percentage award be applied for Members instead.
20. It is recommended that the Members' Basic Allowance increases in line with the staff pay award of 3% for the period 2024-2025.
21. The majority of councils align Members' awards with staff pay awards and given the financial constraints on councils at present, it would be financially prudent to align or cap awards made to Members in line with staff pay awards and to review the amount to be paid annually. It is therefore recommended

that the IRP convene annually to review the Basic Allowance only until Autumn of 2026 when the next full review is due to take place.

22. It is further recommended that the amounts are either rounded up or down to the nearest full pound for ease of administration, which could result in a marginal increase or decrease in the percentage awarded.

Recommendation 1: That the Members' Basic Allowance be increased by 3%, in line with the staff pay award for 2024-2025.

Recommendation 2: That the IRP meet annually to review the Basic Allowance until Autumn 2026 when the next full review is due to take place.

Recommendation 3: That the amounts are rounded either up or down to the nearest full pound.

Special Responsibility Allowances (SRAs)

23. The Council agreed with the IRP's recommendation in 2022 that Special Responsibility Allowances (SRAs) be set as a ratio of the Basic Allowance.
24. In order to maintain the ratios, any increases to the value of the SRAs would result from an increase to the Basic Allowance.
25. It is recommended that the IRP does not routinely make a recommendation on the value of the SRAs, only the ratios for each SRA, and that general increases are linked to any increase to the Basic Allowance.

Recommendation 4: That the value of the SRAs is determined by any increases made to the Basic Allowance.

Recommendation 5: That the IRP review and make recommendations on the ratios of SRAs to Basic Allowances as part of the review process.

SRA for Chair of Human Resources Committee

26. The IRP considered if the Chair of the newly established Human Resources Committee should receive a SRA. At the time of the review, the Committee had met on two occasions with a third meeting scheduled.
27. The lowest ratio for a Chair of a Committee is set at 0.33 of the Basic Allowance. It is considered that the role of Chair of any Committee is demanding and should be recompensed through the payment of a SRA.
28. Given the scope and volume of work of the Human Resources Committee, the IRP recommend that a SRA applies to the Chair of the Human Resources at a 0.33 ratio of the Basic Allowance (the same ratio applied to the Audit and Standards and Licensing and General Purposes Chairs).

Recommendation 6: That a SRA for the Chair of the Human Resources Committee be applied at a 0.33 ratio of the Basic Allowance.

Co-Optees

29. It is a requirement of the Localism Act and the Standards regime that the Council appoints Independent Persons (IPs) to assist with the investigation and determination of complaints made against elected Members and Statutory post holders. The Council currently has two IPs. The IPs assist the Monitoring Officer with the assessment and consideration of complaints on an ad hoc basis and attend at least two meetings per year of the Audit and Standards Committee when matters relating to Standards are considered. It is noted that the number of complaints has increased in recent years and the IPs are consulted on numerous occasions between meetings.
30. The Council has also decided to retain two Parish and Town Council Representatives (P&TC) who also attend two meetings per year of the Audit and Standards Committee when matters relating to Standards are considered.
31. Neither the IPs nor the P&TC Representatives have voting rights on the Audit and Standards Committee and while commonly referred to as “co-optees”, they are not co-opted Members of the Council.
32. The IRP recommend that the Co-optees Allowance be increased in line with the increase applied to Members’ Basic Allowances for the period 2024-2027.

Recommendation 7: That the allowances paid to the “co-optees” be increased in line with increases agreed for Members’ Basic Allowance between 2024-2027.

Subsistence Allowance

33. In 2022, the IRP recommended that each of the subsistence allowances, breakfast, lunch, tea and dinner be increased by 10% for the period 2023-2024 to reflect a more realistic price for these meals.
34. The IRP did note that the subsistence rates for Members are different to those paid to staff, with higher rates available for Members. In 2022, the IRP recommended that the newly formed Human Resources Committee consider if staff subsistence rates should be increased and matched to the rates Members receive.
35. As a decision on subsistence rates for staff has not yet been considered the IRP recommendation is that the current subsistence rates for Members apply until 2027.

Recommendation 8: That the subsistence rates remain unchanged until 2027.

RECOMMENDATIONS AND CONCLUSION

36. Considering the above recommendations, the proposed allowances for the Council year 2024-2025, together with a list of all the recommendations for ease of reference are set out at Appendix 1 to this report.
37. The IRP would also like to draw Councillors’ attention to paragraph 5 of the current Members’ Allowance Scheme on renunciation:

“A Councillor or other recipient of an allowance may elect to forego any part of their entitlement to an allowance under this scheme by giving notice to the Chief Finance Officer.”

38. The IRP would also like to recommend that the Council actively promotes the Allowance Scheme and provisions contained therein to all Councillors and prospective Councillors through the website and pre-election candidate material in the lead up to elections or any by-elections before 2027.
39. The IRP confirms that the foregoing views are those of the Members of the IRP and that this report concludes the task allotted to it of reviewing the Council's Scheme of Allowances for the period 2024-2027.
40. In accordance with the regulations and the recommendations within this report, it will be necessary for the IRP to meet annually in the Autumn of each year to consider the Basic Allowance for the following civic year. A full review will need to take place in Autumn 2026 to review the allowances to be set for the successive Council in 2027.

Ruth Wilson
Hazel Bentall
Clive Mills

January 2024

TABLE OF ALLOWANCES – 2024-2025

Allowance	Current £	Proposed 2024/25 £
Basic Allowance (ALL 38 Members)	4,938	5,086
Special Responsibility Allowances:		
Leader of the Council (1)	14,814	15,258
Deputy Leader (1)	4,938	5,086
Cabinet Member (8)	3,259	3,357
Overview and Scrutiny (1)	3,259	3,357
Planning (1)	3,259	3,357
Audit and Standards (1)	1,630	1,679
Licensing and General Purposes (1)	1,630	1,679
Vice Chair Planning (1)	494	509
Vice Chair Scrutiny (1)	494	509
Other Allowances:		
Major Opposition Group Leader	1,630	1,679
Other Political Group Leaders	494	509
Designated Cabinet Spokespersons / Member Champions (Max 5)	564	581
Dependent Allowance	14	14
Childcare Allowance	10.42	10.42
Co-Optees (Standards Related Matters):		
Independent Person Audit	954	983
Independent Person Standards	379	390
Town and Parish Representatives (2)	214	220
Subsistence Allowances:		
Breakfast	6.10	6.10
Lunch	8.50	8.50
Tea	3.60	3.60
Dinner	12.10	12.10

List of final recommendations:

Recommendation 1: That the Members' Basic Allowance be increased by 3%, in line with the staff pay award for 2024-2025.

Recommendation 2: That the IRP meet annually to review the Basic Allowance until Autumn 2026 when the next full review is due to take place.

Recommendation 3: That the amounts are rounded either up or down to the nearest full pound.

Recommendation 4: That the value of the SRAs is determined by any increases made to the Basic Allowance.

Recommendation 5: That the IRP review and make recommendations on the ratios of SRAs to Basic Allowances as part of the review process.

Recommendation 6: That a SRA for the Chair of the Human Resources Committee be applied at a 0.33 ratio of the Basic Allowance.

Recommendation 7: That the allowances paid to the “co-optees” be increased in line with increases agreed for Members’ Basic Allowance between 2024-2027.

Recommendation 8: That the subsistence rates remain unchanged until 2027.