

REPORT OF THE

INDEPENDENT REMUNERATION PANEL'S

2024 REVIEW

OF

THE MEMBERS' ALLOWANCES SCHEME 2025-2026

FOR

ROTHER DISTRICT COUNCIL

January 2025

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 of the Scheme and the amounts payable in respect of each allowance mentioned in the Scheme.
5. The Council last set its allowances in February 2024 to take effect for the Council Term 2024-25. At that time the IRP were requested to meet annually to consider the Basic Allowance for each subsequent year of the current scheme.

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 2024 review were as follows, as agreed by Full Council in February 2024:
 - That the Basic Allowance for 2025-26 is reviewed by the IRP in 2024.
 - That the SRA for the Chair of the Human Resources Committee and the newly separated Chair of the Audit and Standards Committee's be reviewed.

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 Councils 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 19 November 2024.
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 2024 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 2024 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. See Appendix 1 for benchmarking data.
17. 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 low Basic Allowance may prohibit those from certain groups from becoming a Member.
18. 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.
19. In 2024 Members did not support the IRP recommendation to increase any allowances due to several factors, largely to do with the Council's financial situation and current economic climate at that time. No award was therefore agreed for 2024-25.
20. Whilst the Council operates in a financially challenging climate still, if an increase to the Basic Allowance were not agreed for a second year the Basic Allowance would fall further behind what other local authorities pay. It would also be more challenging politically to agree larger increases in future years to align rates with other local authorities. For example, achieving this may require increases greater than those given to staff.
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 Members' Basic Allowance for 2025-26 increases in line with the staff pay award agreed in September 2024 of 3%. The IRP note that there is a further proposed staff pay award in April 2025, currently under negotiation, which equates to a further 3% for the majority of staff for the period 2025-26.

Recommendation 1: That the Members Basic Allowance be increased by 3% for 2025-26, in line with the 2024 staff pay award.

Special Responsibility Allowances (SRAs)

22. The Council agreed with the IRP's recommendation in 2022 that Special Responsibility Allowances be set as a ratio of the Basic Allowance.

23. In 2023 the IRP considered whether the Chair of the newly established Human Resources Committee should receive an SRA. An SRA of 0.33 of the Members Basic Allowance was agreed by Members.
24. In July 2024 Full Council agreed to separate the current Audit and Standards combined committee into two separate committees, namely the Audit Committee and the Standards Committee. The SRA for the Chair of the Audit and Standards Committee was 0.33.
25. The HR Committee and new stand-alone Standards Committee are only scheduled to meet twice per year. The majority of the items brought to the HR Committee are for information only rather than for decision.
26. Taking all the above into account it is recommended that the Chair of the Human Resources Committee and the Chair of the Standards Committee are both set at a 0.22 ratio of the Basic Allowance and the Chair of the Audit Committee remains at 0.33.
27. The IRP considered if Members should continue to be limited to receiving one SRA. The IRP considered that the limit of one SRA allowance should remain to encourage a fair distribution of additional responsibilities amongst Members.

Recommendation 2: That the SRA for the Chair of the Human Resources Committee be reduced from 0.33 to a 0.22 ratio of the Basic Allowance.

Recommendation 3: That the SRA for the Chair of the Standards Committee be applied at 0.22 of the Basic Allowance.

Recommendation 4: That the SRA for the Chair of the Audit Committee be applied at 0.33 of the Basic Allowance.

RECOMMENDATIONS AND CONCLUSION

28. Considering the above a list of all the recommendations, for ease of reference, are set out at Appendix 2 to this report.
29. 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 2025-2026.
30. In accordance with the wishes of the Council, the IRP will meet again in November 2025 to review the Basic Allowance payable for the period 2026-2027.
31. In accordance with the regulations, it will be necessary for the Council to reconvene the IRP in Autumn 2026 to review the allowances to be set for the successive Council in 2027; however, should a significant change be made to the decision making structure in the meantime, it may be necessary to convene the IRP at that time to consider the impact on Councillor Allowances.

Ruth Wilson
Hazel Bentall

Clive Mills

January 2025

Basic Allowance benchmarking 2024

Local Authority	Value of Basic Allowance
Rother	£4,938
Ashford	£5,551
Chichester	£5,460
Eastbourne	£4,573
Hastings	£6,429
Lewes	£5,002
Maidstone	£6,047
Tunbridge Wells	£5,500
Wealden	£5,040

List of final recommendations:

Recommendation 1: That the Members Basic Allowance be increased by 3%, in line with proposed staff pay award for 2025-26.

Recommendation 2: That the SRA for the Chair of the Human Resources Committee be reduced from 0.33 to a 0.22 ratio of the Basic Allowance.

Recommendation 3: That the SRA for the Chair of the Standards Committee be applied at 0.22 of the Basic Allowance.

Recommendation 4: That the SRA for the Chair of the Audit Committee be applied at 0.33 of the Basic Allowance.