

The Welland Partnership Members Remuneration Panel

Report to South Kesteven District Council Meeting

1. Purpose of Report

- 1.1 This Report has been prepared by the Independent Panel set up to make recommendations and provide guidance to the Council in respect of its scheme for Members' allowances
- 1.2 The Report sets out the Panel's recommendations for the Council's consideration.

2. Framework

- 2.1 The Local Government (Members' Allowances) 2003 Regulations put in place a consolidated and simplified framework for allowances that covers Principal Councils and Parish and Town Councils.
- 2.2 Part 4 of the Regulations makes provision for the establishment of an Independent Panel to make recommendations concerning allowances, travel and subsistence and carers' provision. The Welland Remuneration Panel, comprising John Cade (Chairman), John Greenwood, Ian Davis and Gordon Wells, is compliant with the necessary arrangements. John Cade, John Greenwood and Gordon Wells undertook this review.
- 2.3 A Council is unable to revoke or amend its scheme of allowances without first considering the recommendations of an Independent Panel. Whilst the Council is not bound by the recommendations of the Panel, there is a duty placed upon it to consider the recommendations, publish the Panel's recommendations and publish its Scheme.

2.4 Essentially, legislation provides that Local Authorities' Schemes of Allowances:

- Must make provision for a Basic Allowance, payable to all Members.
- May make provision for Special Responsibility Allowances.
- May include provision for payment of travel and subsistence expenses.
- May include provision for Co-optee Allowances
- May make provision for Carers' Allowances

2.5 Government guidance on the scheme has generally become more relaxed. There are, however, three constraints on the Panel's work which it is important to highlight:

- Attendance Allowances are prohibited.
- The Basic Allowance must be paid equally to all Members.
- Where one or more Groups on a Council form an Administration, a Special Responsibility Allowance must be paid to a Member of the Opposition – usually paid to the Leader of the Opposition.

2.6 Allowances can be backdated to the beginning of the financial year.

2.7 For the avoidance of doubt the Council has also adopted the good practice that only one Special Responsibility Allowance can be claimed.

3. Our way of working

- 3.1. As with our previous reviews for your Council, we are always keen to hear from as many Councillors as possible on the scope of the allowances scheme. There is rarely a consensus of view – some Councillors emphasising the voluntary nature of the role while others believe there is a need for better remuneration. We need to be aware of these opinions in conjunction with the comparative information we look at from neighbouring and similar sized Councils.
- 3.2 Our Panel met to take evidence on Wednesday 9th March 2022. John Cade and Gordon Wells attended in person, John Greenwood by Zoom video link.
- 3.3 Over the course of the day we met, in person, with Councillors Kelham Cooke, Helen Crawford, Paul Wood, Sarah Trotter, Robert Reid and Barry Dobson. We met, via Zoom, with Councillors Amanda Wheeler, Nick Robins and Penny Robins. We also saw your Chief Executive, Karen Bradford. In addition, we received a written submission from Councillor Nicola Manterfield.
- 3.4 We are very grateful to all those who gave us evidence. This is vital for us to gain an understanding of the context for our review.
- 3.5 The other key component to our work is to examine how South Kesteven's allowances compare with neighbouring and similar sized Authorities.
- 3.6 We are very grateful here for the comparative information provided to us by Graham Watts (Head of Democratic Services and Monitoring Officer).
The comparator Councils were: North Kesteven, Boston, City of Lincoln, East Lindsey, South Holland, Braintree, East Hampshire, Tonbridge and Malling, Waverley and West Lancashire.
- 3.7 Graham also provided us with excellent support throughout the process.

4. Context

- 4.1 An important component of our study is the last review we undertook for you. This was in November 2017. This inevitably provides the platform for any subsequent changes.
- 4.2 A hallmark of that review was the evidence we received that Members were taking a more prominent role in the performance and promotion of the Council. That led us to recommend some significant increases in allowances.
- 4.3 This means that, in comparative terms with Councils of similar demographics and budgets, your allowances are nearly always in the top quartile.
- 4.4 We wanted to understand if this pro-active, “Member-led” approach was still in evidence. A recent independent Peer Review (overseen by the Local Government Association), whilst identifying issues still to be addressed, essentially confirmed this to be the case.
- 4.5 We also recognise that South Kesteven is a large area with a population of 156,000 and with considerable housing growth in the pipeline. It is also one of only a few Authorities in the country with a positive five-year land supply in respect of housing allocation, with employment growth projected to be significant as well.
- 4.6 We understand your wish both to attract and retain motivated and able Councillors.

5. Findings

5.1 Basic Allowance

- 5.1.1. The Basic Allowance is a particularly important allowance for two reasons. The first is that it is received by all Councillors. The second is that it is the building block for your Special Responsibility Allowances which are determined as multiples of it.

5.1.2. Your current Basic Allowance is £5,886.00 p.a. This places you well into the top quartile of comparator allowances yet is less than an Authority with fewer Members and of smaller size.

5.1.3. In looking at whether there was a case for any increase in the Basic Allowance our attention was drawn to the fact that Councillors are currently eligible for a “broadband allowance”. With the advent of different and competitive broadband packages this seemed to us an antediluvian payment. We thought that incorporating an element of this into the basic allowance was more appropriate.

5.1.4. We decided that an uplift of 2% of the Basic Allowance could be justified. This would also mean a corresponding uplift of all Special Responsibility Allowances by 2%

5.1.5. We think you might want to consider the timing for the introduction of this increase. There is a case for delaying it until after the next all-out elections in 2023.

5.2. Special Responsibility Allowances

5.2.1. Leader

5.2.1.1. Many Members spoke of the energetic and skilful leadership of the post-holder. There is no doubting that the role requires a full-time commitment.

5.2.1.2. We believe, in actual and comparative terms, that the current factor of 3.5 of the Basic Allowance remains appropriate.

5.2.2. Deputy Leader

5.2.2.1. We believe the current factor of 2.75 of the Basic Allowance remains appropriate.

5.2.3. Cabinet Members

5.2.3.1. We believe the current factor of 2.00 of the Basic Allowance remains appropriate.

5.2.4. Planning Committee Chairman

5.2.4.1. We received good evidence that the current Special Responsibility Allowance is out of kilter with other allowances given the responsibility placed on this post. The Planning Committee is a quasi-judicial body. There are also a number of significant planning applications in the pipeline that will be very complex and contentious over the next few years.

5.2.4.2. Consequently, we believe the factor of the Basic Allowance should increase from 0.9 to 1.00.

5.2.5. Governance and Audit Committee Chairman

5.2.5.1. We also received compelling evidence that the allowance for this post should be increased. The Committee plays a pivotal role in the good governance arrangements for the Council and is also the key link with both District Audit and Internal Audit.

5.2.5.2. Consequently, we believe the factor of the Basic Allowance should increase from 0.67 to 1.00.

5.2.6. Licensing Committee Chairman

5.2.6.1. We believe that looking across the Council's comparative allowances there is a case for an increase in this allowance.

5.2.6.2. We believe the factor of the Basic Allowance should increase from 0.55 to 0.8.

5.2.7. Employment Committee Chairman

5.2.7.1. You have given to your Employment Committee a wider range of responsibilities than is usually the case in other Authorities. However, all witnesses spoke very positively about the way in which this cross-party Committee is working.

5.2.7.2. We believe the factor of the Basic Allowance should increase from 0.67 to 0.8.

5.2.8. Overview and Scrutiny Committee Chairman

5.2.8.1. For good governance under a “Strong Leader” model it is important to have an effective scrutiny function.

5.2.8.2. We understand that you have just had a review of the overview and scrutiny structure by the Centre for Governance and Scrutiny.

5.2.8.3. We believe the Special Responsibility Allowance should remain as a factor of 1.00 of the Basic Allowance.

5.2.9. Opposition Allowances

5.2.9.1. And, as for scrutiny, so for Opposition Allowances. Opposition Members need to provide effective challenge.

5.2.9.2. We believe that the current Special Responsibility Allowance as a factor of 1.00 of the Basic Allowance, shared on a pro-rata basis according to the numerical size of the Groups, should remain.

5.2.10. Constitution Committee Chairman

5.2.10.1. We believe that the current Special Responsibility allowance as a factor of 0.45 of the Basic allowance should remain.

5.2.11. Companies Committee Chairman

5.2.11.1. We believe that the current Special Responsibility allowance as a factor of 0.67 of the Basic Allowance should remain.

5.2.12. Vice Chairmen

5.2.12.1. We believe that the Special Responsibility allowance for Vice Chairmen should remain at 0.33 of the Special Responsibility Allowance for their respective Chairman.

5.3. Independent Person (Standards) Allowance

5.3.1. It is important that this allowance is seen as reflecting the responsibility attached to the role and can attract candidates with appropriate skills.

5.3.2. We believe that the allowance for this role should increase from its current level to £1,092.00 p.a. to £1,500.00 p.a.

5.4. Childcare and Carers' Allowance

5.4.1. This is a very important allowance if Councils are to ensure that people from a broad demographic are able to fully participate in meetings of the Council. It needs also to be stressed that it is not just for childcare but also for care of dependent adults.

5.4.2. We would also ask again that your Audit section look at what flexibility they could give in meeting costs. The example was given to us of when a child might need to stay in the afterschool club where the parent only gets a term-to-term bill but no invoice with dates.

5.4.3. The current allowances are £5.89 per hour with an annual cap of £1,100.

5.4.4. We believe that the hourly rate should be the same as the national minimum wage – currently £9.50 per hour with an annual cap of 200 hours.

5.4.5. Hereafter, until the next Independent Remuneration Panel's report or for a period of 4 years, whichever is the sooner, the hourly rate should increase in line with the national minimum wage.

5.5. Travel and Subsistence Allowances

5.5.1. We make no proposal for changes.

5.6. Index-Linking

We believe you should continue to index link allowances to any pay awards to District Council employees. This not only makes some attempt to match inflation but also avoids the need for periodic “catch-up” lump sum proposals which are much more difficult for the public to relate to their own circumstances.

5.7. Financial Implications

5.7.1. These will be affected by your decisions as to the timings of any of our recommendations.

5.7.2. The financial implications of our proposals are shown in the Appendix to our report.

6. Recommendations

We recommend to full Council:

- 6.1. That the Basic Allowance be increased to £6,004.00pa and that consideration be given to the timing of its introduction.
- 6.2. That any uplift in Special Responsibility Allowances be effective from your 2022 Annual General Meeting of the Council.
- 6.3. That the Special Responsibility Allowance for the Leader should be a factor of 3.5 of the Basic Allowance.
- 6.4. That the special Responsibility allowance for the Deputy Leader should be a factor of 2.75 or the Basic Allowance.
- 6.5. That the Special Responsibility Allowance for Cabinet Members should be a factor of 2.00 of the Basic Allowance.

- 6.6. That the Special Responsibility Allowance for the Planning Committee Chairman should be a factor of 1.00 of the Basic Allowance.
- 6.7. That the Special Responsibility Allowance for the Governance and the Audit Committee Chairmen should be a factor of 1.00 of the Basic Allowance.
- 6.8. That the Special Responsibility Allowance for the Licensing Committee Chairman should be a factor of 0.8 of the Basic Allowance.
- 6.9. That the Special Responsibility Allowance for the Employment Committee Chairman should be a factor of 0.8 of the Basic Allowance.
- 6.10. That the Special Responsibility Allowance for the Overview and Scrutiny Committee Chairman should be a factor of 1.00 of the Basic Allowance.
- 6.11. That the Opposition Allowance be a factor of 1.00 of the Basic Allowance and be paid on a pro-rata basis according to Group size.
- 6.12. That the Special Responsibility Allowance for the Constitution Committee Chairman should be a factor of 0.45 of the Basic Allowance.
- 6.13. That the Special Responsibility Allowance for the Companies Committee Chairman should be a factor of 0.67 of the Basic Allowance.
- 6.14. That the Special Responsibility Allowance for Vice Chairmen should be a factor of 0.33 of the Special Responsibility Allowance of their respective Chairman.
- 6.15. That the Allowance paid to the Independent Person (Standards) should be £1,500.00 p.a.
- 6.16. That the Childcare and Carers' Allowance should be £9.50 per hour with an annual cap of 200 hours.

- 6.17. That until the next Independent Remuneration Panel's report or for a period of 4 years, whichever is the sooner, the hourly allowance for childcare and carers be increased in line with the increase in the national minimum wage.
- 6.18. That no change be made to your Travel and Subsistence Scheme.
- 6.19. That allowances continue to be linked to any annual salary increase awarded to South Kesteven District Officers and that such index-linking continue until the next Independent Remuneration Panel's report or for a period of 4 years, whichever is the sooner.
- 6.20. That the broadband allowance be removed.

John Cade,
Chairman, Welland Partnership Members Remuneration Panel

March 2022