

Members Allowances in the North Northamptonshire Shadow Authority

Report of the Independent Review Panel

Context

- 1.1 Elections for the North Northampton Shadow Authority were due to be held in May 2020, but had to be postponed until May 2021, because of the Coronavirus pandemic. As a result, membership of the Shadow Authority was appointed rather than elected in May 2020, to carry out the necessary preparatory work over the 2020-21 municipal year. Shadow authorities are required to establish a members' allowances panel to make recommendations as to what allowances should be paid to the authority's members over the period of their existence. The Panel was appointed in June 2020 and comprises the chair, Steve Leach (Emeritus Professor of Local Government, De Montfort University), Ged Dempsey (retired CEO of an International Retail Company and member of the Judiciary and the Lord Chancellor's Advisory Committee for Justice) and Sue Watts (Business Development Director, Age UK, Northamptonshire). The Panel participated in a zoom meeting on 15th July 2020. It wishes to express its thanks to Paul Goult of Corby Borough Council for setting up the meeting and the helpful briefings and information he provided for the Panel.
- 1.2 The Shadow Authority consists of all the members of the four constituent district councils (Corby, Wellingborough, Kettering and East Northamptonshire) plus those members of Northamptonshire County Council whose wards fall within the North Northamptonshire. The resulting total membership is 152. Following discussions with MHCLG, an executive of ten members has been established, two from each of the five local authorities concerned. The role of leader of the Shadow Authority is filled by the leader of Kettering Borough Council and that of his deputy by the leader of Wellingborough Council. All the remaining cabinet positions have been filled by leading members from the five authorities, typically leaders and their deputies.
- 1.3 A chair and vice-chair have been elected for the Shadow Authority, which has so far had one meeting, organised on a virtual basis (this is likely to be the case for the foreseeable future). The executive meets monthly, on the same basis. A further three or four meetings of the full authority are envisaged, before it ceases to exist. A streamlined committee system has been established, which comprises an Overview and Scrutiny committee (which is chaired by a minority party member) an Appointments Committee (chaired by the deputy leader) and a Standards Committee, which may never be required to meet.
- 1.4 The key tasks facing the Shadow Authority are the production of an implementation plan to facilitate the transition to the new unitary authority, which will have as a key element the goal of ensuring continuity of service provision: the setting of a budget for the first year of new authority's existence: and making the key appointments for the new authority including head of paid service, monitoring office and finance officer. It will have no responsibility for service delivery throughout the year of its existence.
- 1.5 The government has issued a regulation which is germane to this Panel's deliberations. If a Shadow Authority member receives a basic allowance from his or her parent authority (as will invariably be the case) then he or she cannot claim a basic allowance from the Shadow Authority. To do so, he or she would have to forego the allowance from their parent authority. A similar provision applies to any special responsibility allowances

(SRA) which the Panel might recommend. Councillors in this position are required to choose between accepting this SRA or retaining the SRA they have been allocated in their parent authority. They cannot claim both.

- 1.6 The Panel had the benefit of studying the report of the Members Allowances Panel which operated when local government in Dorset was going through a similar period of transition, with a Shadow Authority in operation for a one-year period

Analysis and Recommendations

- 2.1. The responsibilities of the Shadow Authority, though of undoubted significance, do not equate with those of the coterminous district and county councils, all of whom have responsibility for the delivery of key local services. It follows that the levels of the basic allowance and the SRAs which this Panel decides to recommend are likely to be much less than those received by the 152 members of the Shadow Authority in their parent authorities. In the case of the Shadow Authority's executive, it has already been noted that all its members hold senior positions in their own authorities. The likely outcome is that most, if not all, of the Shadow Authority members will choose the basic allowance and/or SRA which they receive from their parent authorities, rather than the much smaller allowances associated with the Shadow Authority
- 2.2 It was an awareness of a parallel situation in Dorset which led to the Members Allowances Panel there to recommend a basic allowance of zero! This option was considered by this Panel but rejected on the basis that the basic allowance should be a fair reflection of the responsibilities attached to the work of the Shadow Authority. Whether or not members choose to accept it is a matter for them, rather than the Panel.
- 2.3. These responsibilities involve preparing for and attending the four or five meetings scheduled for the Shadow Authority and being party to some important decisions, in particular setting the budget for the new authority. In some case there will be additional responsibilities associated with membership of the Overview and Scrutiny, Appointments or Standards Committees. Many of the 'backbench' members will be involved in the work of one or other of the eleven 'task and finish' groups, (all of which are chaired by a member of the executive) which have set up to advise the executive on specific issues. There is no equivalent to the ward-related work involved in their parent authorities. In the Panel's view a basic allowance of £1,000 would be a fair level of remuneration for the responsibilities involved.
- 2.4. The Panel considered the case for allocating SRAs to the various formal positions which had been designated on the Authority. The leader of the Authority clearly merited an SRA (a view with which the report of the Dorset panel concurred). This, the Panel felt, was also the case with other members of the executive. It is the executive which will have the responsibility of taking the many executive decisions which will be required in the managing the transition to the new unitary authority.
- 2.5 During the municipal year 2019-2020 a similar role was played by the small group of leading members who were involved in the North Northamptonshire Joint Committee, which was then playing a lead role in preparations for the election to the North Northamptonshire Council, scheduled for May 2020, but which in the event had to be postponed. The Wellingborough members' allowances panel was asked to consider the case for increasing the SRA of the chair of the leader of Wellingborough Council (who

was at the time the chair of the Joint Committee), in the light of the extra workload this role had placed on him. The Panel recommended an increase in the leader's SRA of around £2,500 to reflect these circumstances. The responsibilities of the leader of the Shadow Authority are likely, in so far as the Panel can judge, to be considerably more demanding. In the Dorset report, an SRA of £10,000 was recommended for the leader of the Shadow Authority. The Panel felt that this figure, which is close to the average of the SRAs allocated to the leaders of the four North Northamptonshire district councils, was too high, given the lack of service responsibilities involved in the work of shadow authorities. It recommends that an SRA of £6,000 be allocated to the leadership position, and an SRA of £4,000 be allocated to other members of the executive, all of whom will be heavily involved in the detailed preparations for the inception of the unitary authority.

- 2.6. Considering the other formal positions established, the Chair of the Shadow Authority is likely to prove a particularly demanding role, steering 152 members through a series of virtual meetings. This conclusion is similar that reached by the Dorset panel. The panel recommends that an SRA of £4,000 be allocated to this position (the comparative Dorset figure was £5,000). It is not yet clear what the workload of the Overview and Scrutiny Committee will comprise, but in principle it is an important 'checks and balances' element in the Shadow Authority. An SRA of £2,000 was felt to be appropriate. The Appointments Committee will also have an important role to play. Its chair should receive a similar SRA (£2,000). In the Panel's view, the Standards Committee is unlikely to be required to meet. No SRA is felt to be needed, but if this assumption about its role should prove unwarranted, the Panel should be notified.
- 2.7 The Panel was of the view that all claims for travel and subsistence expenses plus childcare and dependent carers allowances should be dealt with by the four district councils and county council.
- 2.8. All allowances should be backdated to the May 2020, when the Shadow Authority was established.

Summary of recommendations

- A basic allowance of £1,000 should be allocated to the members of the shadow authority.
- A special responsibility allowance of £6,000 should be allocated to the authority's leader.
- A special responsibility allowance of £4,000 should be allocated to the other members of the executive
- A special responsibility allowance of £2,000 should be allocated to the chairs of the Overview and Scrutiny Committee and Appointments Committee respectively.
- A special responsibility allowance of £4,000 should be allocated to the chair of the Shadow Authority
- All allowances should be backdated to the date of the inception of the Shadow Authority.
- All travel and subsistence expenses and carers allowances should be met by the five participating local authorities.