

MEMBERS ALLOWANCES IN NORTH NORTAMPTONSHIRE COUNCIL

Report of the Independent Panel

Background

- 1.1. In June 2020, a panel was appointed by the North Northamptonshire Shadow Authority to recommend what allowances should be paid to its members during the municipal year 2020-21, prior to the election of a new unitary authority in May 2021, which had been postponed in May 2020 due to the Covid pandemic. The Panel comprises Steve Leach (Emeritus Professor of Local Government, De Montfort University) who is the chair, Ged Dempsey (retired CEO of an international retail company and member of the Judiciary and the Lord Chancellor's Advisory Committee on Justice) and Sue Watts (Business Development Director, Age UK Northamptonshire). It issued its report in August 2020, and its recommendations were agreed by the Shadow Authority the following month.
- 1.2. In January 2021, the Panel was reconvened and asked to submit a report which incorporated a set of recommendations regarding the allowances which it considered should be allocated to the various positions of responsibility in the new unitary authority, when it came into existence in May 2021. The Shadow Authority has been authorised to determine the decision-making structure for the new authority and also its schedule of allowances. The Panel's report was requested to be submitted in time for decision at the Shadow Council's budget-setting meeting on February 25th 2021.
- 1.3. This timetable presented the Panel with a number of challenges. First, it was, of course, important to enable members of the shadow authority to express their views about allowances to the Panel. This input was organized through virtual Panel meetings on February 2nd and 5th 2021, which left little time for the Panel to prepare a report for submission to the February council meeting. Second, although a draft decision-making structure was made available to the Panel in late January, it was in outline form only, with several issues (number of scrutiny committees, size of cabinet, additional minor committees) not yet finalized. This situation made the Panel's task difficult; it was required to devise an allowances system for a structure which was as-yet unadopted and which might well be modified during the short period of time available to the Panel.
- 1.4. Third, there was the fact that the evidence which the Panel heard would in many cases be from members who would not be elected to the new authority in May, indeed may not even be standing for election. There 152 members of the Shadow Authority; the membership of the new authority will be 78. Even those in senior positions in their current authorities and/or on the Shadow Authority have no guarantee that they will be elected in May. In addition, none of the existing members have ever served in a unitary authority; their experience has been with the county council or one of the four district councils (or in several cases both). This situation is fundamentally different from that faced by most members allowances panels, which are typically dealing with councillors who are familiar with a particular type of authority and their roles within it, and who are less likely to be facing an imminent election. As a result, there will inevitably be a significantly greater degree of speculation in the Panel's analytical processes and an unavoidable provisional quality in the recommendations it makes. Indeed, the first recommendation of the Panel is that, in these circumstances, it should be reconvened in a year's time, when it will be able to test out its provisional conclusions and recommendations against the reality of the experience of the new authority's members.

- 1.5. The Panel held virtual meetings with the Executive of the Shadow Authority and with the task - and - finish group which had been working on the decision-making structure for the new authority. Virtual meetings with two other councillors and with the chief executive and the head of legal services also took place. In addition, eight written representations were received from other councillors. The Panel is grateful to all those who shared their thoughts and concerns, and to Anne Ireson and David Pope for providing information and organizing and facilitating meetings.

Analysis and recommendations

- 2.1 The Panel discussed the principles which it felt should underpin its approach to the review and its recommendations. These principles were drawn from work undertaken in other authorities by the three Panel members and are consistent with the content of other panel reports accessed:

*the allowances scheme should facilitate a greater diversity of council membership, including currently under-represented groups such as younger people, those with full-time jobs, women, and ethnic minorities.

* it should respond to the high levels of workload and responsibility involved in a large unitary authority.

* it should take account of allowances schemes in comparable authorities.

* it should acknowledge that not all of the time commitment of members should be deemed eligible for allowances; 50% is the proportion commonly specified.

* it should facilitate the democratic viability of the council, by giving due weight to the role of the opposition and of overview and scrutiny.

* it should facilitate as wide a possible sharing of positions of responsibility; hence, it should be specified that only one special responsibility allowance can be claimed by any one member.

* the proportion of members qualifying for an SRA should ideally not be greater than one third of the council membership. (this is government guidance).

* special responsibility allowances (SRAs) are primarily a reflection of the level of responsibility associated with the role, rather than the time commitment involved.

- 2.2. In the interviews with members, there was a good deal of support expressed for these principles, particularly the first, which emphasizes the desirability of a more diverse council membership. Amongst other views which were expressed by more than one member were the following:

* the basic allowance should not be less than that paid in Northamptonshire CC prior to the reductions agreed in 2019, because the workload of each councillor in a unitary North Northamptonshire will certainly be greater than it was in the county.

* the importance of realistic dependents and childcare allowances, which could contribute to the goal of increasing diversity.

* the basic allowance should be pitched at a level which incorporates an IT element (including the purchase of laptops), rather than having a separate IT allowance.

* there is a case for strengthening the role of overview and scrutiny and more adequately rewarding it in the allowances scheme.

* there is a case for executive advisory groups not being chaired by executive members, in which case a modest SRA should be allocated to these positions.

- 2.3 The Panel was clear that an important reference point in its work should be the level and distribution of allowances paid in authorities which could be deemed similar in nature to North Northamptonshire. This should be an important consideration in any panel report, but it assumes an added weight in a situation where there are so many unknowns and so little concrete local concrete evidence to draw upon. The question is then raised of which authorities should be selected as potential comparators? No CIPFA family of comparable authorities has yet been devised for the new authority. The Panel felt that three criteria were of particular importance in this process: first, only unitary authorities should be considered: second, those selected should be similar in their settlement pattern to the North Northamptonshire area – a range of small and medium sized towns in a predominantly rural setting: and third the selected authorities should have comparable population sizes to the new authority.
- 2.4 Unitary authorities with similar settlement patterns and comparable populations comprise the following: Cheshire East, Cheshire West and Chester and Central Bedfordshire (all recently-established ‘part counties’, like North Northamptonshire): South Gloucestershire and North Somerset (both on the fringes of the Greater Bristol city region, established in the aftermath of the Banham commission in the 1990s) and Dorset, the East Riding of Yorkshire, Northumberland, Wiltshire and Shropshire (all authorities based on former county councils). Other possible candidates included Herefordshire and Bath and North-East Somerset (which were excluded because of their relatively small populations), Rutland (likewise) and Cornwall (population significantly greater than that of North Northamptonshire). The group of ten authorities specified above are the ones which the Panel felt to be most relevant as comparators.
- 2.5 Appendix One sets out details of the levels set for the Basic Allowance and a range of positions of special responsibility in each of the ten comparator authorities. Set out below in Table One are the average figures for each of these positions. In carrying out this analysis, it became apparent that in two of the ten authorities selected – Dorset and Wiltshire- the basic allowance and the allowances paid to leader of the council, deputy leader and members of the executive were significantly above the average, typically by 10-15 %. This discrepancy may well reflect the fact that both these authorities existed as shire counties before they acquired unitary status (in Dorset, with amended boundaries) in 2019 and in Wiltshire in 2007), and their respective panels may have felt it inappropriate to reduce the levels of allowances paid in the predecessor authorities (although such discrepancies were less noticeable in Northumberland and Shropshire). For the positions listed above, Table One also includes for comparison average figures which exclude Dorset and Wiltshire. The conclusion which the Panel drew from consideration of these figures was that it would be difficult to justify recommending allowances which were significantly greater or less than these average figures, unless North Northamptonshire could be demonstrated to be an ‘exceptional case’ which, at present, it cannot.

TABLE ONE Average allowances payments for the Ten Comparator Authorities

Category	Average allowance	Average Allowance excluding Dorset and Wilts
Basic	£ 12,617	£ 11,670
Leader	£ 28,390	£ 26,789

Deputy Leader	£ 21,200	£ 20,203
Exec member	£ 15,318	£ 13,798
Council Chair	£ 10,285	
Opposition leader	£ 8,028	
Chair Planning	£ 7,629	
Chair Licensing	£ 5,525	
Chair O and S	£ 9,561	
Chair minor cttes	£ 4,040	

2.6 There are several other comparative measures which demonstrate differences among authorities regarding the priority they give to different elements of the decision-making structure.

*average allowance payment per member; this figure enables us to compare the priority given to elected members, as reflected by the relative generosity of their average council income.

*percentage of total allowances budget paid out in SRA payments; this figure provides an indication of the relative priority given to the work of the executive and position holders generally vis-a-vis councillors who do not hold positions of responsibility.

*SRAs paid to the leader of the largest minority group as a percentage of the basic allowance; this measure reflects the importance attached to the role of the opposition.

* the percentage of the SRA paid to cabinet members which is allocated to chairs of overview and scrutiny committees; this measure indicates the priority given in the authority to the role of overview and scrutiny.

2.7 The most recent IRP report of Central Bedfordshire Council (one of the comparator authorities the Panel has identified) proved a helpful source of this data for at least some of the comparator authorities. It is summarised in Table Two. The Panel has had to make its own judgements about the choices involved in each of the above four categories in ways which are explained below. Whether the new authority shares these judgements can only be determined during its first year of operation

TABLE TWO Comparative indicators in comparator authorities

	Average	Range
Average allowances payment per member.	£13,070	£10,270--£19,530
% of allowances paid in SRAs.	25%	19%-31%
SRA paid to leader of main opposition as % of basic.	67%	38%-95%
SRA paid to chairs of O and S as % of SRA for exec member.	65%	42%-100%

Note: In categories (1) and (2), information is based on returns from 7 of the 10 comparator authorities. In categories (3) and (4), Information from all ten authorities is included.

The Basic Allowance

- 2.8. Table One shows that the average basic allowance paid in the ten comparator authorities is £12,617 (£11,670 if Dorset and Wilts are excluded) Given the strength of feeling expressed to the Panel about the importance of attracting a more diverse council membership, in particular of increasing the incentives for younger people in full- or part- time work, the Panel considered that it was appropriate to pitch the basic allowance close to the overall average figure, at £12,500. Members should be expected to fund their own IT equipment within this allowance. The recommended figure represents a significant increase on that paid by the county. But this increase is appropriate. The responsibility and workload of all the members in a unitary North Northamptonshire will be greater than in both the county and the districts, as it will involve the full range of local government functions and in many cases, the representation of a larger divisional population.
- 2.9. The Panel would wish to emphasise, however, that the financial incentive aimed at increasing diversity of membership, important though it is, is not an adequate response to this challenge. It recommends that a 'diversity strategy' should be developed in the new council which addresses a range of other mechanisms for achieving this goal.

The Council Leader and Deputy

- 2.10. The position of leader of a large unitary authority such as North Northants is a demanding one, requiring high levels of personal ability and responsibility, with regard both to the performance of the council itself and its external profile and relationships. The significance of the leadership role has increased in recent years, particularly the external dimension, and as a result of the power a leader has over the allocation of roles and responsibilities within the executive. In unitary authorities the size of North Northants, it is widely regarded as a 'full-time job' by incumbents and allowances panels alike.
- 2.11. In Table One, it can be seen that the average SRA for leaders in comparable authorities is £28,390, or £26,789 if Dorset and Wiltshire are excluded. In this case, the Panel felt that these two counties should be excluded. As noted in 2.5 above, there are likely to be historical reasons why the leaders SRAs in these two counties are untypically high. The Panel's recommendation is that the Leaders in North Northamptonshire should be set at £27,000, close to the average of the remaining 8 comparator authorities. This will mean that the total allowance payable to the Leader is just below £40,000, which can reasonably be regarded as a full-time equivalent, although not one which is commensurate with the level of responsibility the job entails (M.P.s, whose jobs involve a good deal less responsibility than those of council leaders, currently receive £75,000). But to recommend a figure anything approaching this level would ignore the long-standing 50% voluntary time commitment principle in local government, outlined in para 2.1 above.
- 2.12. Setting the SRA for a deputy leader is more problematical. So much depends on the extent to which the leader delegates his or her own responsibilities to the deputy. Deputy leaders are invariably allocated a cabinet portfolio and hence would have an SRA of at least that level. The extent to which his or her SRA exceeds that level varies, as the detailed figures in Appendix One illustrate. The overall average is £21,200 (£20,203 if Dorset and Wiltshire are excluded). In this case the Panel felt that a lower figure was appropriate, in the lack of any current evidence of what the responsibilities of the deputy will be. Its recommendation is that, at this stage, the Deputy Leader's SRA should be set at £18,000, two-thirds that of the

leader. This figure can be increased (or indeed decreased) in a year's time when the proposed review of allowances takes place and when evidence will be available of what the job really entails.

Executive Members.

- 2.18. The Panel's understanding is that there will be eight portfolio- holders on the executive, in addition to the leader and deputy leader; and that all executive decisions will be taken collectively, rather than being partly or wholly assigned to individual portfolio-holders. In assessing the appropriate level of SRA in these circumstances, it is important to note that there would be an argument for a higher level if individual responsibilities were to be assigned, which in North Northamptonshire is not to be the case.
- 2.19. Average SRAs for executive posts in the comparator authorities are £15,318 (including Dorset and Wiltshire) and £13,798 (if these two counties are excluded). Given the decision not to allocate individual responsibilities to executive members in North Northamptonshire, the Panel considered that an SRA close to the second figure was appropriate. It recommends that the SRA for executive members be set at £13,500, half that recommended for the Council leader.
- 2.20. The overall allowances allocation to the executive would become, under these recommendations, £153,000. The brief provided for the Panel asked for its view on whether or not the SRAs of executive members should be changed, if the executive were to be reduced in size (it currently comprises ten, the maximum permitted figure) The panel's view is clear. The overall allocation specified above is a response to the level of responsibility attributable to the executive. If that level remains unchanged, but the size of the executive was to be reduced, then this allocation should be redistributed amongst the remaining members of the executive, depending on the way in which responsibilities have been reallocated. It is only if the reduction in executive size is premised on a significant reduction in the overall level of responsibility (for instance by the devolution of the responsibility for a range of decisions to officers) that existing SRAs should be maintained for the remaining executive members.

Leaders of Opposition Parties.

- 2.21. The Panel considered that it was important for the democratic viability of the new authority that the importance of the role of opposition parties and their leaders was recognized and appropriately recompensed in the allowances scheme. The average SRA allocated to the leader of the largest opposition party in the ten comparator authorities was £8,028. (this average is only marginally affected if Dorset and Wiltshire are excluded). The Panel's view was that in several of the comparator authorities, the figure was inappropriately low. The opposition leader plays a key role in holding the governing party or parties to account and is also not infrequently expected to work with the council leader when the interests of the council are best served by their doing so. The Panel's recommendation is that the SRA for the leader of the main opposition party in North Northamptonshire should be set at £10,000, which is close to 40% of the leader's recommended allowance. This is 20% higher than the average for comparator authorities, but the Panel is clear that this differential can be justified on democratic grounds.
- 2.22. This SRA should be paid whatever the size of the main opposition group. For other minority groups, the Panel recommends an SRA of £7,000 for leaders of groups with more than 10 members and £4,000 for leaders of groups with between 9 and 4 members. Four should be the minimum qualifying group size for a leaders SRA.
- 2.23. For the largest opposition group, a deputy group leaders allowance of £4,000 should be allocated, but only if this group has a membership of 15 (20% of council membership) or above.

2.24. The Panel is aware that in the County Council, it has long been the custom for allowances to be paid to group business managers (more widely known as whips) and their deputies. These roles are regarded by the Panel as ones which are predominantly focused on the internal management and discipline of party groups. For this reason, it has become increasingly rare in other authorities for SRAs to be allocated to these positions and the Panel can see no reason to recommend their introduction in the new authority.

Chairman's Allowance

2.25. This role typically has two principal components: chairing the meetings of the council, the difficulty of which will depend on the political arithmetic and culture of the council: and the ceremonial element – carrying out the duties which would be undertaken by mayors in authorities which have that tradition. In the absence of any evidence about how the role will develop in North Northants, the Panel sees little option but to take the average figure for the comparator authorities, which is close to £10,000 (see Table One) and apply it here. As with the role of deputy leader, it is a position the SRA for which may need to be re-assessed once the council is up and running. An important consideration is that no one holding this position should end the year out of pocket, as the result of expenses incurred as a result of his or her ceremonial role. But this outcome seems unlikely with an SRA of £10,000. In line with the practice in comparator authorities, it is recommended that the deputy chairman should receive an SRA of £5,000.

Overview and Scrutiny

2.26. The Panel was uneasy about the approach to overview and scrutiny, as set out in the decision-making structure diagram and noted that its unease was shared by some of those it interviewed. There is to be only one scrutiny committee, with a demanding range of responsibilities. Almost all other authorities in which the panel members have worked have designated more than one scrutiny committee, typically between three and five. The proposed Audit and Governance Committee may, the Panel understands also carry out some scrutiny, but this would be only part of a much wider remit.

2.27. As noted in para 2.1. the Panel considers that a strong and effective scrutiny function is an essential ingredient of the kind of 'good practice' authority which North Northamptonshire clearly wishes to become. This view was echoed by several of those interviewed. That commitment has to be manifested in the allowances system if it is to be credible. Even if the Panel were to recommend that the chair of the Scrutiny Committee should be paid an equivalent SRA to that of an executive member (£13,500), there would still be an imbalance between the allowances allocated to the executive and scrutiny functions respectively. Table Two shows that on average, a chair of scrutiny's SRA is set at 65% of that of an executive member. But in the vast majority of local authorities (including the ten comparators), there are at least three or four scrutiny committees resulting in an outcome where the overall allowances budget for scrutiny is around three times the SRA paid to an executive member (more if vice-chairs also receive an SRA). The implication is that an overall figure of around £40,000 should be allocated to scrutiny positions in North Northamptonshire if an appropriate balance is to be achieved.

2.28. There are various ways in which this desirable outcome could be realized. First the functions currently allocated to the single scrutiny committee could be distributed amongst three or four committees, each focusing on a group of related services. Second, three or four sub-committees could be established, and an SRA allocated to each chair, who would be expected to play a leading role in the task-and-finish group exercises, which the Panel is aware is an approach to which the new authority is committed. Third, if a single committee

were to be retained, SRAs could be allocated to members given the responsibility of chairing a task and finish group. Fourth, the role of the executive advisory panels could be reconsidered. In effect these groups are likely to operate as de facto overview panels, helping the authority to develop policy, which is one of the functions of 'overview and scrutiny'. But under the current arrangements, SRAs could not be paid to the chairs of these panels, because they are earmarked for executive members themselves. If it were decided that non-executive members, preferably including some from the opposition parties should chair these panels, then SRAs could be allocated, the sum of which could legitimately be viewed as contributing to the overall scrutiny allowances budget.

- 2.29. The Panel is of course not empowered to recommend changes in the council's organisational structure; the four options identified above should be seen as helpful suggestions. It does, however, recommend that a figure of £40,000 should be allocated to the Scrutiny allowances budget, whichever of these options (or alternatives identified by the council) is introduced.

Chairs of Committees

- 2.30. The committees specified in the Council's Governance Model are all committees for which SRAs are typically allocated in comparable authorities. In the case of the Planning Committee, the average SRA paid to the Chair in the ten comparator authorities is 7,269. However, this average figure disregards the fact that at least three of the authorities also operate area planning committees (see details in Appendix One), so the total allowances allocation to the planning function will be significantly higher than the figure quoted in Table One. For example, in Cheshire East, the Strategic Planning Board Chair, and the Chair of the Northern and Southern Area Planning Committees each receive an SRA of £7,650.
- 2.31. Planning is a local authority function which carries a high and transparent level of responsibility, in respect of the difficult and sometimes controversial decisions involved. It also involves a sizeable time commitment for all members of the committee, but particularly the chair. The Panel's understanding is that North Northants intends to introduce a strategic Planning Committee and two area planning committees, a system similar to that which operates in Cheshire East. The Panel's view is that, given this similarity and in the absence of any further detail about the division of labour between the strategic and local committees, the allowances which are set in Cheshire East should be applied here. It recommends that an SRA of £7,500 be allocated to each of these three positions. The total allocation of £22,500 to the planning function is felt to be justified, in the light of the level of responsibility and time commitment involved. The distribution of these allocations can if necessary be modified when the allowances system is reviewed in a year's time.
- 2.32. A similar SRA of £7,500 is recommended for the Chair of the Licensing Committee. This is higher than the average figure for comparator authorities of £5,525, but in the Panel's view, chairing a Licensing Committee is (like planning) a responsible and demanding role which is not always adequately recompensed. There is a problem here, neatly epitomized by one of our interviewees: 'what matters is who does the work'. This comment refers to the fact that the detailed work in the Licensing function is carried out in topic-specific panels, which, may or may not be chaired by the nominal chair of the Committee. It is difficult to know in advance how such panels will be managed in North Northants. The Panel's recommendation is that a fund of £10,000 be set aside in addition to the chair's SRA, to be allocated retrospectively amongst those chairing the Panels.
- 2.33. In relation to the remaining committees identified in the Governance model, there is a precedent in many other councils (including the comparator authorities) of setting two levels

of SRA for committee chairs, depending on the significance of and workload involved in the committee's brief. The Panel recommends that this practice is adopted in North Northants, with the two levels set at £7,500 and £4,000 respectively, which is in line with common practice elsewhere. In the first category should be placed the Democracy and Standards and the Audit and Governance Committees. With regard to the latter, the Panel understands that an independent chair will be nominated from outside the council. The panel's recommendation should in principle apply to whoever is appointed to this position, but it would be acceptable for the council to set a different figure for an independent chair, reflecting a negotiated outcome. The Employment Committee would typically be placed in the lower category.

- 2.34. There are other elements of organizational structure, in some but by no means all authorities, where SRAs are allocated to the chairs. Examples include the Police and Crime panel, the Health and Wellbeing Board, the Pensions Committee, and the Corporate Parenting Panel. In addition, payments are sometimes made to members who sit on Fostering and Adoption Panels and other panels with limited although not unimportant remits. The Panel's view of this practice is that if the basic allowance is set at a relatively generous level, which in its opinion is true of its recommendation in North Northamptonshire, then this allowance should be seen as covering a range of minor responsibilities which all councillors should be expected to take on board from time to time, including the chairing of panels and representing the council on outside bodies. However, The Panel can see a case for small SRAs (£4,000) to be paid to the chair of the Police and Crime panel (if this is a North Northamptonshire councillor) and the Health and Wellbeing panel (likewise). Otherwise, the previous provision citing the Basic Allowance should apply. The Panel understands that the Pensions Committee will be based in West Northamptonshire and chaired by a member from that authority.
- 2.35. Whether or not to allocate SRAs to vice-chairs of committees is always a problematic issue for allowances panels. Depending on the workload of the committee concerned, the frequency of its meetings and the propensity of the chair to delegate, the role of vice-chair may vary from being a nominal position to one with a degree of responsibility. It is certainly not axiomatic that SRAs should be paid to vice-chairs and the tendency in recent years has been for panels not to recommend allowances for these positions unless a strong case can be made. The Panel's view is that SRAs should not at this stage be allocated to vice-chair positions, but that this recommendation should be open to review in a year's time, in the light of experience. If, however, a chair, because of illness or other reasons, is unable to carry out his or her responsibilities for a significant length of time (three months or more), then the proportionate part of their SRA should be transferred to the vice chair who is taking over their responsibilities.
- 2.36. The panel's best estimate of the overall budget figure for members allowances (excluding the allowances paid to the chair and deputy chair of the council which are categorized as civic allowances) is £1,260,000. Referring back to the comparative measures set out in Table Two, the average remuneration received per councillor would be £15,930, which is above the average for comparator authorities but well within the range and largely explained by the level of the basic allowance recommended. The proportion of the allowances budget allocated to SRAs is 22.5%, which is below the average, with the same explanation. The proportion of an executive members SRA allocated to the leader of the largest opposition group is 74%, above the average, which reflects the Panel's concern to ensure the democratic viability of the allowances system. The same point is true of the scrutiny/executive ratio, the best estimate of which is an above average 74%.

Other allowances

- 2.37. All authorities earmark payments to be made to non-councillors who are appointed by the council to sit on particular committees or panels, for example parent-governor representatives on a scrutiny committee or non-councillors sitting on standards disciplinary panels. In the Panel's view, it is preferable to pay a 'rate per meeting' in such circumstances, rather than to specify an SRA, as the frequency of meetings may vary considerably. The rate per meeting tends to be set in the range £300-500. The Panel's recommendation is that an attendance allowance of £400 be specified in North Northamptonshire. Some authorities require that evidence of 'loss of earnings' has to be produced before such allowances can be claimed. The Panel would not recommend that this condition be imposed, but it is up to the Council to decide otherwise. It is also a matter for the council to assess which positions should be eligible for such payments, depending on the nature of the contribution of the co-optee, but the panel's view is that the normal expectation should be that payments should be made.
- 2.38. At present, the vast majority of councils are using the National Joint Council for Local Government (the NJC) officer pay award as the criterion for the annual uprating of members allowances, which has the advantage of avoiding the tensions that would ensue from differential increases. The Panel's recommendation is that this criterion should apply in North Northamptonshire, but that there may be a case for review if and when the government ceases to impose an annual limit on officers' pay increases.
- 2.39. With regard to travel and subsistence allowances, it is normal practice for councils to use the mileage allowances specified by HMRC and the subsistence rates agreed by the LGA in their allowances scheme and to ensure that all such allowances are the same for officers and members alike. The Panel sees no reason to depart from this practice and recommends accordingly.
- 2.40. As noted above (para 2.2), the childcare and dependents' carers' allowances can play a significant part in encouraging under-represented groups to stand for election to the council. It follows that the existence of such allowances should be well-publicised, realistic and relatively easy to claim (with the condition that receipts must always be produced). The Panel was impressed by the approach taken in Cheshire East, where no hourly rate or maximum is applied, but a maximum total annual amount which can be claimed is specified. The Panel recommends that a maximum rate of £6,500 be specified, which is marginally above the Cheshire East figure.

Summary of Recommendations.

- (1) The basic Allowance in North Northamptonshire should be set at £12,500.
- (2) Special Responsibility Allowances should be allocated as follows.
 - Leader of the Council: £27,000.
 - Deputy Leader of the Council: £18,000.
 - Member of the Executive: £13,500.
 - Leader of the largest opposition party: £10,000.
 - Deputy leader of the largest opposition party: £ 4,000 (if group size is 15 or over)
 - Leader of a party with 10 or more members: £7,000.
 - Leader of a party with 4-9 members: £4,000.
 - Chair of the Scrutiny Committee: £13,500 (see recommendation (3) below)
 - Chair of the Strategic Planning Committee: £7,500.
 - Chairs of the two Area Planning Committees: £7,500.

Chair of the Licensing & Appeals Committee: £7,500 (see recommendation (4) below)

Chair of the Audit and Governance Committee: £7,500 (but see para 2.33 above)

Chair of the Democracy and Standards Committee: £7,500.

Chairs of the Employment Committee, the Police and Crime Panel and the Health and Well-being Board: £ 4,000.

(3). A total allowance of £40,000 should be allocated to the Overview and Scrutiny function. Para 2.28 above sets out various suggestions as to how this allowance might be distributed, or the council may wish to introduce its own proposals, within this financial envelope.

(4). A total allowance of £10,000 should be set aside and allocated amongst members chairing Licensing Panels of major significance during the course of a municipal year.

(5). The civic allowance paid to the Chair of the Council should be set at £10,000 and that of the Deputy Chair, £5,000.

(6). SRAs should not at the present time be allocated to the vice-chairs of the committees and boards listed. This recommendation should be reviewed at the end of the 2021-22 municipal year.

(7). An attendance allowance of £400 per meeting should be paid to non-council members who have been co-opted on to council committees such as Audit and Governance and Democracy and Standards, to the Parent Governor representative on the Scrutiny Committee and to any other co-optees subsequently appointed.

(8). No hourly rate should be specified for the childcare and dependents carers allowance. Payment should be made on the production of receipts, within a maximum ceiling of £6,500 per municipal year any one councillor.

(9). The criterion used for the annual updating of members allowances should be the NJC pay award to officers. This criterion should be applied for as long as the government imposes an officers' pay settlement.

(10). Travel and subsistence allowances should be in accordance with HMRC-specified mileage allowances and the LGA-recommended travel and subsistence payments. These rates should be equally applicable to co-opted members.

(11). No additional allowance for IT equipment and use should be paid to member. The Basic Allowance has been set to incorporate an IT element.

(12). The allowances scheme should be reviewed in a year's time, when experience of operating the new decision-making structure will have accumulated.

(13) If the size of the executive is reduced, then the total allocation to the executive members should be redistributed within the same financial envelope, unless the change involves a substantial delegation of executive responsibilities to officers.

(14) If a councillor holds two positions for which SRAs are payable, it is only the higher of these SRAs which can be claimed.

(15) A 'diversity strategy' aimed at encouraging a wider range of groups to stand for council election should be a priority for the new council.