

**A Review**

**Of**

**Members' Allowances**

**For**

**Derbyshire Dales**

**District Council**

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**A Report**

**By the**

**Independent**

**Remuneration Panel**

**Jackie Batchelor**

**Dr Declan Hall (Chair)**

**Barry Mellor**

**David Willis**

**Susan Whitfield**

**January 2023**

**The IRP recommends that the following allowances and indexation are paid and applicable for 2023/24**

<b>Derbyshire Dales Council IRP Executive Summary</b>	<b>BA &amp; SRAs 2023/24 (recommended)<sup>1</sup></b>					
<b>REMUNERATED POSTS</b>	<b>Basic Allowance</b>	<b>Methodology</b>	<b>Nos. Paid</b>	<b>SRA per Post</b>	<b>Total per Member</b>	<b>Total per Category</b>
All Members	£5,150	(91 days - 45% PSD) = 51 days X £103 p/day	34	-		£175,100
Leader of Council	£5,150	2.6 X BA	1	£13,390	£18,540	£13,390
Deputy Leader Council	£5,150	45% X Leader's SRA	1	£6,026	£11,176	£6,026
Chairman of Planning	£5,150	40% X Leader's SRA	1	£5,356	£10,506	£5,356
Vice-Chairman of Planning	£5,150	30% X Chair's SRA	1	£1,607	£6,757	£1,607
Chairman of Community & Environment	£5,150	35% X Leader's SRA	1	£4,687	£9,837	£4,687
Vice Chairman of Community & Environment	£5,150	30% X Chair's SRA	1	£1,406	£6,556	£1,406
Chairman of Governance & Resources	£5,150	35% X Leader's SRA	1	£4,687	£9,837	£4,687
Vice-Chairman of Governance & Resources	£5,150	30% X Chair's SRA	1	£1,406	£6,556	£1,406
Chairman of Council	£5,150	35% X Leader's SRA	1	£4,687	£9,837	£4,687
Vice-Chairman of Council	£5,150	30% X Chair's SRA	1	£1,406	£6,556	£1,406
Chairman of Licensing & Appeals	£5,150	20% X Leader's SRA	1	£2,678	£7,828	£2,678
Vice-Chairman of Licensing & Appeals	£5,150	30% X Chair's SRA	1	£803	£5,953	£803
Chairman of Scrutiny	£5,150	20% X Leader's SRA	1	£2,678	£7,828	£2,678
Vice-Chairman of Scrutiny	£5,150	30% X Chair's SRA	1	£803	£5,953	£803
Main Opposition Group Leader	£5,150	15% X Leader's SRA	1	£2,009	£7,159	£2,009
Minority Opposition Group Leader	£5,150	50% X Main Opposition Group Leader's SRA	1	£1,004	£6,154	£1,004
<b>SUB TOTALS</b>						
<b>BA SUB TOTAL</b>	£5,150		<b>34</b>			<b>£175,100</b>
<b>SRAS SUB TOTAL</b>			<b>16</b>			<b>£54,631</b>
<b>TOTAL PAYABLE (BA + SRAs)</b>						<b>£229,731</b>

<sup>1</sup> Note – all recommended SRAs and Basic Allowance for 2023/24 will be subject to the recommended indexation for that year

The IRP also recommends that

**Expenses deemed to be covered by the recommended Basic Allowance**

For clarification purposes that the allowances scheme is amended to state the Basic Allowance is deemed to cover such incidental costs as personal use of Members home lines, mobility phones, broadband and IT consumables.

**Where there are two Main Opposition Groups of equal size**

Where there are two Main Opposition Groups of equal size that the recommended SRA (£2,009) for the Leader of the Main Opposition Group and recommended SRA (£1,004) for the Leader of the Other Opposition Group is aggregated (£3,013) and divided by two (£1,607) and paid equally to each Main Opposition Group Leader.

**Discontinuing the SRAs for Member Representatives**

From 2023/24 the SRA (£675) for the role of Member Representative is discontinued.

**Confirming the 'One SRA only' Rule**

The One SRA only rule is maintained

**The Independent Persons**

The Independent Persons are paid at a flat rate of £300 per annum.

**The Dependants' Carers' Allowance**

The DCA is maintained but that two different categories of care are recognised and payable as follows:

- Childcare - maximum hourly rate at National Living Wage (£10.42 from 1 April 2023)
- Elderly/disabled care – maximum hourly rate at the median hourly rate charged by Derbyshire County Council Social Services Department for a Home Care Assistant

For clarification purposes, the IRP also recommends that it is inserted in the Members' Allowances Scheme that the duties for which the DCA may be claimed are defined by statute as set out in paragraph 7.1 of the 2003 Members' Allowances Regulations.

**Approved duties for claiming Travel and Subsistence Allowances**

The right of Members to claim Subsistence Allowances for attending approved duties within the area of Derbyshire District Council is removed and that amendment is inserted into the scheme of allowances.

The IRP also recommends that the current restriction on claiming travel allowances for journeys of over three miles only is removed. It also recommends that the approved duties for claiming travel allowances are amended to clarify that:

- Members are able to claim travel allowances for attending Parish Council meetings within their ward
- Members are not able to claim travel allowance for attending duties regarding constituent issues

### **Rates at which Subsistence Allowances may be claimed**

The current Subsistence rates which may be claimed by Members for attending an approved outside the Council area are maintained.

### **Rates at which Mileage Allowances may be claimed**

The allowances scheme is amended to set out the current HMRC Mileages rates applicable for the following modes of transport:

- **Travel by cars and vans:** 45p per mile
- **Travel by motorcycle:** 24p per mile
- **Travel by bicycle:** 20p per mile
- **Passenger supplement rate:** 5p per passenger (maximum of 4)

The Passenger Supplement allowance should only be claimed for carrying fellow elected Members to an approved duty who would also be eligible for claiming the mileage allowance if travelling in their own vehicle.

To future the proof the travel allowances the IRP also recommends that the scheme is clarified and amended to expressly state that where a Member claims the mileage allowance by travel in a hybrid/electric vehicle that the HMRC rate of 45p per mile is applicable.

### **The Civic Allowances**

There is no change to the annual civic allowance of £3,250 and £950 paid to the Civic Head and Deputy Civic Head respectively.

### **Issues arising – Remuneration and Member performance**

The RP is not making any recommendations in this regards.

### **Indexation**

The Derbyshire Dales District Council Members Allowances are indexed as follows:

- **Basic Allowance, SRAs, Independent Persons remuneration and Civic Allowances:**
  - Indexed to the annual percentage salary increase for local government staff set at SCP 43 to be applied for the same year that applies to staff
- **Travel Allowance – Mileage Rates:**
  - Indexed to HMRC approved mileage rates for motor, hybrid and electric vehicles, motor cycles and bicycles

- **Subsistence Allowances:**
  - Indexed to the same rates that apply to Officers
  
- **Dependants' Carers' Allowance – Maximum Rates:**
  - Childcare element:
    - indexed to the 'national living wage' hourly rate
  - Elderly or Other Dependant Relatives element:
    - indexed to median hourly rate charged for a Home Care Assistant by Derbyshire County Council Social Services Department

The IRP also recommends that the indices apply for the maximum length permitted by the 2003 Regulations namely four years and to run from 1 April 2023 until 31 March 2027.

### **Implementation of Recommendations**

All the recommendations contained in this report should be implemented from the date of the Council's Annual Meeting on 25<sup>th</sup> May 2023 with the exception of the recommendations on indexation which for continuity purposes should be implemented from 1<sup>st</sup> April 2023.

# **A Review of Members' Allowances**

**For**

**Derbyshire Dales District Council**

**By the**

**Independent Remuneration Panel**

**January 2023**

## **The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (the IRP) for Derbyshire Dales District Council to advise the Council on its Members' Allowances scheme. The IRP is established under *The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory Independent [Members] Remuneration Panel to review and provide advice on Members' allowances on a periodic basis. All Councils are required to convene their IRP and seek its advice before they make any changes or amendments to their members' allowances scheme. They must 'pay regard' to their IRP's recommendations before setting a new or amended Members' Allowances Scheme.
2. On this particular occasion, the IRP has been reconvened in accordance with a decision of the full Council on 26<sup>th</sup> May 2022. In particular, the authority for the Council to continue the indexation of allowances lapsed at the end of 2020/21 as indexation had been in place for four years, the maximum time period permitted by the 2003 Regulations (10. (5)). This is known as the 4-year rule and is the mechanism by which IRPs are convened at least every four years so as to ensure that a Council's Members' Allowances Scheme is subject to periodic scrutiny in a context whereby the Council retains the right to determine its own allowances but only after receiving advice from its IRP. Moreover, the review was also prompted by the forthcoming changes in the size of the Council from May 2023. As such the IRP has also been asked to

review the whole scheme of allowances as it has not been fully reviewed since 2016.

### Terms of Reference

3. The Terms of Reference of the IRP are to make recommendations to the Council on:-
  - I. The amount of basic allowance that should be payable to its elected members and the expenses that it is deemed to include
  - II. The responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance
  - III. The duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
  - IV. Whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance and the means by which it is determined
  - V. Whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run
  - VI. The remuneration of the Independent Persons
  - VII. The level of the Civic Allowance paid to the Civic Head and Deputy Civic Head

### The IRP

4. Derbyshire Dales District Council reconvened its Independent Remuneration Panel and the following IRP Members were appointed to carry out its independent review; namely:

<u>Jackie Batchelor:</u>	Formerly a Town Planner in Local Government and Head of Environmental Services for two Hampshire District Councils. Currently Chair of a local Community Group
<u>Declan Hall PhD (Chair)</u>	A former academic at the Institute of Local Government, The University of Birmingham, now an independent consultant specialising in Members' allowances and support.
<u>Barry Mellor:</u>	A former Chief Executive in the NHS, Commercial Director at Sheffield City Council and

Non-Executive Director on the Board of two NHS Trusts. Currently, on the Joint Audit Committee for the Derbyshire Police & Derbyshire Police and Crime Commissioner

David Willis: Previously worked in IT at a global strategic level. Currently runs own consultancy on business strategy

Susan Whitfield: Formerly a paramedic. Sits on Patient Forums for two hospitals and is an independent businesswomen working on disability awareness and inclusion

5. The IRP was supported by Jason Spencer, Electoral and Democratic Services Manager at Derbyshire Dales District Council and whose role was to take the organisational lead in facilitating the work of the IRP.

### Process and Methodology

6. The IRP convened in person<sup>2</sup> at the Town Hall, Matlock on 16<sup>th</sup>-17<sup>th</sup> November 2022 to meet with a range of Members to discuss issues of concern and receive factual briefings from relevant Officers to obtain an overview on any recent changes in Council structures and the challenges it faces.
7. All Members were invited to make written submissions to the IRP, with eight responses received. In addition, all Members who were not specifically invited to meet with the IRP were given the opportunity to request a meeting with the IRP if they so wished, no such requests were received.
8. In arriving at its recommendations, the IRP also took into account a wide range of information and evidence. The details of representations and evidence received and considered by the IRP are set out in the following appendices:
  - Appendix 1: Written evidence and data reviewed by the IRP
  - Appendix 2: Members who met with and Officers who briefed the IRP
  - Appendix 3: Benchmarking data – summary of allowances paid in the seven other Derbyshire District Councils and the Councils six Nearest Neighbours as defined by the Chartered Institute of Public and Accountancy (CIPFA - 2014 model)

### Key Messages – Allowances do require revision

9. It became clear during the course of the review that the current allowances, and in particular the Basic Allowance, were no longer fit for purpose. They have been frozen since 2021 and the allowances scheme has not been fully

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<sup>2</sup> David Willis joined the IRP virtually



reviewed since 2015, with the current framework not revisited since 2008. This review was an opportune time to fully revisit the basis of the whole scheme and the levels payable.

### **Allowances as an enabler**

10. The function of allowances is to enable most people to be an elected Member rather than attract people to being an elected Member. There was a near universal agreement in the representation received that this principle should underline the allowances paid in Derbyshire Dales District Council. Generally in the representation received the view was that the Basic Allowance in particular was so low as to be a barrier to serving on Council. While there was a general agreement that financial recompense should not be a driver in being an elected Member the majority view in the representation received that the current level of the Basic Allowance and some of the SRAs in particular undervalued the work of Members.
11. The IRP notes that the elected Members are not representative of the residents of Derbyshire Dales District Council, in particular regarding younger working people and women. A similar point was raised in the representation received. However, Derbyshire Dales District Council is not unique in that respect; it is a fact across all of UK local government, which in turns suggests other factors may be in play when it comes to widening access. Moreover, to increase representation from traditionally underrepresented groups would require such a boost in allowances that they would have to reflect commercial market rates and thus become an attraction rather than enabler – a principle that had limited support. Indeed, the legislative underpinning of the current framework of allowances in England is that they should be an enabler rather than an attraction.

### **Recognising the economic context**

12. Nonetheless, even though the general view in the representation received that the allowances needed revisiting there was also the concomitant view that the IRP had to have an eye to the economic context when arriving at recommendations. It continues to be an economically tough climate for both the Council and its residents. In particular it was stressed that as the Council continues to grapple with austerity it is unlikely to accept any recommendations that result in no more than a marginal increase in the current spend on allowances at this moment. In fact, if the recommendations are accepted it will result in only an additional spend of £1,588, which is accounted for by the addition of SRAs for the Chair and Vice-Chair of Scrutiny.
13. Regardless, the IRP cannot ignore the current economic context or the realities faced by Members. There is little point in the IRP making recommendations that bear no relationship to economic constraints within which the Council has to operate; otherwise, the review would simply make aspirational recommendations for a future date rather than supporting Members in the present.

## Prime function of this review – seeking a balance

14. Ideally, the purpose of any review is to make recommendations based on knowledge of the current governance structures, an analysis of the evidence and representations and the levels and scope of allowances paid in comparator councils - thus arriving at an evidenced-based judgement on the monetary worth of the roles under consideration. On the other hand, the logic of having an IRP is *inter alia* to ensure public accountability vis-à-vis allowances.<sup>3</sup> In turn this means being cognisant of the current economic climate. Bearing in mind the requirement to balance these two competing imperatives the IRP concluded in conjunction with looking at the wider evidence such as the benchmarking that at this stage the main task is to address the fact that the current allowances are out dated while balancing that fact against fiscal realities.

## Recommendations - the Basic Allowance

### The starting point for the arriving at the Basic Allowance

15. The IRP began its deliberations on the Basic Allowance by noting that it had been frozen since 2021. It was supposed to be indexed but the Covid pandemic put paid to the IRP meeting to remedy that situation. If the Basic Allowance for 2021/22 and 2022/23 had been indexed to the traditional index, namely the same percentage uplift in staff salaries then it would have now be at the following level
  - 2021/22 - £4,628 + 1.75 per cent = £4,709
  - 2022/23 - £4,709 + 4.04 per cent = £4,899
16. Thus, just to stand still the Basic Allowance should be at least £4,899.
17. The IRP noted that from the May 2023 elections the number of Members will be reduced from 39 to 34 which produce a savings on the Basic Allowance payable. The IRP further noted that the current spend on the Basic Allowance with 39 Members is £180,492. By dividing that figure by 34 Members from May 2023 it arrives at a tentative Basic Allowance of £5,309. The IRP considered whether an argument can be made that as 34 Members will be doing the work of 39 Members then the Basic Allowance should be £5,309? However, the logic is not so linear. While fewer Members will have a greater corporate responsibility and for most Members their workloads will increase it will not be increased to such an extent as to recommend a Basic Allowance at £5,309.
18. Nonetheless, by going through the deliberations set out above it did provide the IRP with an indicative range of what the recommended Basic Allowance might be.

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<sup>3</sup> See 2006 Statutory Guidance paragraph 4

## Recalibrating the Basic Allowance in line with the 2006 Statutory Guidance

19. As a checking mechanism the IRP recalibrated the Basic Allowance in line with the methodology set out in the 2006 Statutory Guidance. The IRP is required to pay regard to the 2006 Statutory Guidance when arriving at recommended levels of allowances. In considering the Basic Allowance the Guidance (paragraph 67) states:

Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated.

20. The Statutory Guidance (paragraphs 68-69) expands on the above statement by breaking it down to three variables - time, public service and worth of remunerated time.

### Time to fulfil duties for which the Basic Allowance is paid

21. The Basic Allowance is primarily a time-based payment (see 2006 Statutory Guidance paragraph 10). It is paid to compensate for workload, plus an element of minor expenses. Obviously, Members work in different ways and have varying commitments and the time spent on council duties varies. Yet, the Basic Allowance is a flat rate allowance that must be paid equally to all Members. As such, the time assessment is typically the average time required to carry out all those duties for which the Basic Allowance is paid. These duties included preparing for and attending meetings of the Council and its Committees, Sub-Committees and panels (formal and informal), addressing constituents' concerns, representing and engaging with local communities, external appointments and other associated work including telephone calls, emails and meetings with Officers.
22. The IRP was unable to ascertain the time basis of the current Basic Allowance. However, in data supplied to the Chair of the IRP from the Local Government Association, it shows that Councillors in district councils who held "no positions" of responsibility put in on average 14.3 hours per week "on council business"<sup>4</sup>.
23. For the purposes of recalibrating the Basic Allowance in line with the 2006 Statutory Guidance, the IRP rounded down the 14.3 hours per week from the 2018 Councillors Census and adopted 14 hours per week, or 728 hours, 91 days on an eight hour day, per year, as the expected time input from Members for their Basic Allowance.
24. The IRP recognises that some Members who hold no positions may well put in more than the average of 14 hours per week as set out in the LGA Councillors Census (2018). However, the IRP has opted for 14 hours as it has a basis in the hard data and that to adopt a higher figure would be recognising those Members who have the capacity to put in more time than 14 hours per week.

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<sup>4</sup> Information based on National Census of Local Authority Councillors 2018 (LGA), breakdown of weekly hours by councillors by number of positions held and type of council, in email from S. Richards, LGA 21 October 2019.

## The Public Service Discount (PSD)

25. The Public Service Discount (PSD) recognises the principle that not all of what an elected Member does should be remunerated – there is an element of public service. Typically, this voluntary principle is realised by discounting an element of the expected time inputs associated with the Basic Allowance. It is often conceptualised as the proportion of time frontline Members spend dealing with constituents, surgeries, general enquiries from citizens and working with local community groups.
26. The normal range for this public service discount is between 33%-40% in counties, unitary and metropolitan councils whereas for district councils the normal range for this public service discount is between 40%-50%. The public service discount tends to be higher at district councils as there is a closer relationship between elected Members and their constituents at the district level, thus more time is spent dealing with constituent and local issues due to the nature of the services they are responsible for.
27. For the purposes of recalibrating the Basic Allowance the IRP has opted for the mid-point between 40%-50% and chosen a public service discount of 45%. Thus, of the expected time input of 91 days per year, 45% of that time, or 41 days per year are deemed public service and not paid, leaving 50 remunerated days per year.

## The rate for remuneration

28. ASHE (Annual Survey of Hours and Earnings) 2021 Table 7.2a shows that the median hourly earnings (excluding overtime) for all full time employees in the area of Derbyshire Dales District Council was £103 per day.<sup>5</sup> For the purposes of recalibrating the Basic Allowance the IRP has adopted this daily rate of £103 per day as it is related to the median hourly earnings of those Members represent. It is the most commonly rate of remuneration utilised by IRPs as it is robust and defensible vis-à-vis the public and cannot be attacked for being excessive. It relates to the median earnings of the constituents that Members represent.
29. If the IRP updated the variables to arrive at a recalibrated Basic Allowance by the methodology as set out in the 2006 Statutory Guidance to take into account the most recent data available it gives the following values:
  - Time required to fulfil duties: 91 days per year
  - Public Service Discount: 45% (41 days)
  - Rate for Remuneration: £103 per day
30. By following the methodology as set out in the 2006 Statutory Guidance with the updated variables it produces the following recalibrated Basic Allowance:

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<sup>5</sup> The actual weekly median figures was £515.40, which divided by five working days equals £103.08 per day which the IRP rounded down to £103

- 91 annual hours input minus 45% PSD = 50 remunerated days multiplied by £103 per day = £5,150.

31. This figure had an attraction for the IRP as it falls within the fully indexed Basic Allowance (£4,899) and the Basic Allowance was arrived at by dividing total 2022/23 spend on the Basic Allowance for 39 Members by 34 Members for 2023/24 (£5,309).

### **Benchmarking the Basic Allowance**

32. As a further checking mechanism the IRP considered how the Derbyshire Dales District Council Basic Allowance benchmarked against the Basic Allowance paid in the comparator group of Councils. Benchmarking shows that the current Basic Allowance paid in Derbyshire Dales is below with that paid in the comparator group:

- Mean Basic Allowance in benchmarking group: £5,240
- Derbyshire Dales BC Basic Allowance: £4,628

33. Moreover, the recalibrated Basic Allowance (£5,150) would still be less than the mean Basic Allowance paid across peer Councils.

34. Consequently, the IRP is recommending that the recalibrated Basic Allowance (£5,150) should be adopted for the following reasons:

- It reflects the weight of the representation received
- It is based on the recalibrated Basic Allowance arrived at by following the methodology laid out in the 2006 Statutory Guidance
- It is still below the mean Basic Allowance paid in the benchmarking group of Councils

35. **The IRP recommends that the Basic Allowance to be set at £5,150 for 2023/24, subject to any indexation that may be applicable for that year.**

### **Expenses deemed to be covered by the recommended Basic Allowance**

36. The 2006 Statutory Guidance (paragraph 10) points out that the Basic Allowance, in addition to being primarily a time based allowance “is also intended to cover incidental costs.” Currently there is lack of clarity in the Derbyshire Dales District Council allowances scheme over what those incidental expenses include and just as importantly what additional costs should be provided to Members. In the representation received there was not a great deal of feedback on additional costs faced by Members that the IRP should take into account. An issue that was raised was for security reasons Members should be provided or given the financial support for a dedicated mobile phone and number for constituents to contact them but not on their private personal phone number. However, the IRP was informed that all Members receive an iPad and the Council was looking into purchasing

software to enable all Members to have a dedicated telephone line and number on that piece of IT.

37. It is the common practice for the Basic Allowance to be deemed to cover such incidental costs as personal use of Members home lines, mobility phones, broadband and IT consumables. By and large these costs for most Members most of the time are marginal.
38. As such, **the IRP for clarification purposes recommends that the allowances scheme is amended to state the Basic Allowance is deemed to cover such incidental costs as personal use of Members home lines, mobility phones, broadband and IT consumables.**

### **Special Responsibility Allowances – Leader of the Council**

39. In consideration of the Leader's SRA (currently £12,024) the IRP explored the extent to which the Leader's role has changed. It was noted that the relative value of the Leader's SRA (based on a standard element of £6,942 plus £2312 per Member) has not been fundamentally revisited since 2008. Yet, the nature of the role has changed. While it is not a necessary requirement for the Leader of Derbyshire Dales District Council to be a full time role it does require a substantial time requirement that rules out full time employment in the normally accepted sense of the term
40. In particular there are greater external demands on the role regarding working with other stakeholders and partners, including outside appointments such as Derbyshire Economic Partnership and the Vision Derbyshire Joint Committee that at present is particularly working on the proposed East Midlands Combined Authority. The Council is also a non-constituent member of the South Yorkshire Combined Authority (SYCA). Duties of this nature were largely absent since the Leader's SRA was last fundamentally reviewed in 2008.
41. Finally, the IRP noted that in the representation received the majority view was the current Leader's SRA did not recognise the demands on the role and was a potential barrier to future Members becoming Leader of the Council.

### **Recalibrating the Leader's SRA – the factor approach**

42. As noted the Leader's current SRA (£12,024) is arrived at by taking into account two variables as follows:
  - Standard element – 1.5 X Basic Allowance (£4,628) = £6,942
  - Variable element - £231 per Member X 22 Members = £5,082
43. It is noted that it is highly unusual to have this hybrid approach in arriving at a Leader's SRA; in fact no other Council in the benchmarking group adopts a similar methodology. The IRP could see no logic in this methodology. By definition the Leader will inevitably be the Leader of the largest group on the Council. Moreover, the prime purpose of the Leader's SRA is to recognise the

workload and responsibility of the role regardless of group size. In the representation received the current methodology in arriving at the Leader's SRA was also questioned.

44. The most common way of arriving at a Leader's SRA is through what is known as the factor approach. This approach is set out in the 2006 Statutory Guidance (paragraph 76) which states

One way of calculating special responsibility allowances may be to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance for either the elected mayor or the leader.

45. The normal range of a multiple of the Basic Allowance to arrive at a Leader's SRA is 2.6-3.0. Benchmarking shows that the Leaders' mean SRA (£15,840) is just over 3 times the mean Basic Allowance (£5,240). However, most of the Leaders in the benchmarking group have executive powers which are not the case in Derbyshire Dales District Council.
46. As such, for recalibration (purposes the IRP decided that in this context a more appropriate factor is 2.6 times the recommended Basic Allowance, which is at the lower end of the typical range of multiples to arrive at a Leader's SRA. This factor has been chosen to recognise the fact the Derbyshire Dales District Council does not have an executive Leader. It was also partly driven by the IRP having an eye to the financial impacts of its recommendations. Thus, by multiplying the recommended Basic Allowance (£5,150) by 2.6 it equates to a recalibrated Leader's SRA of £13,390.

### **Benchmarking the Leader's SRA**

47. As a further checking mechanism the IRP considered how the SRA for the Leader of Derbyshire Dales District Council benchmarked against the Leaders SRA paid in the comparator group of Councils. Benchmarking shows that the Leader's current and recalibrated SRA paid in Derbyshire Dales is in both cases below with that paid in the comparator group:

- Mean Leaders SRA in benchmarking group: £15,840
- Derbyshire Dales DC Leader's current SRA: £12,024
- IRP recalibrated Leader's SRA: £13,390

48. Benchmarking against the current Leader's SRA (£12,024) shows that it is significantly below that paid to peers even when taking into account that most the Leaders in the benchmarking group have executive powers. To an extent it is logical that a Leader of a 4<sup>th</sup> Option Council, i.e., where there is no executive Leader, is paid less than executive Leaders yet the current SRA for the Leader of Derbyshire Dales District Council significantly undervalues the role. As such, the IRP concluded that the recalibrated SRA (£13,390) arrived at by following the factor approach is more appropriate.

49. **The IRP recommends that the Leader's SRA is reset at £13,290 for 2023/24, subject to any indexation that may be applicable for that year.**

## Changing the methodology to arrive at other SRAs – the pro rata approach

50. The IRP notes that in the main most of the other SRAs are arrived at by setting it at multiple of the current Basic Allowance, except in the case of the Deputy Leader and Vice-Chairman of the Licensing and Appeals Committee which are set in relation to the Leader's and the Licensing and Appeals Committee Chair's SRA. There appears to be no logic in this mix and match methodology in setting SRAs.
51. Moreover, the IRP was cognisant of the advice set out in the 2006 Statutory Guidance (paragraph 76) which states:

Having determined which duties should be acknowledged as significant additional responsibilities, the local authority will need to consider the levels of special responsibility allowance which are attached to each post. A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance.
52. This is known as the 'pro rata' approach. It is transparent, simple to understand and allows for greater flexibility in setting SRAs when compared to setting them as a multiple of the Basic Allowance. Moreover, it is the most common methodology adopted by English IRPs. The IRP has decided to follow this approach in setting the other SRAs.

## The Deputy Leader's SRA

53. Currently the Deputy Leader's SRA is £6,012 and is arrived at by setting it 50 per cent of the Leader's SRA. It is an active role that requires generally supporting the Leader and standing in when necessary. Benchmarking shows that the mean Deputy Leader's SRA (£8,905) is paid at 56 per cent of the mean Leaders SRA (£15,840). However, most of the Deputy Leaders in the comparator group of Councils will also have a portfolio with executive powers which is not the case in Derbyshire Dales District Council. As such, the IRP has not been guided by the benchmarking regarding both the ratio to mean Leaders SRA and the level of mean Deputy Leaders SRA payable.
54. The IRP received no evidence that the role of the Deputy Leader had altered to the same extent that the Leader's role had and that the current SRA was broadly appropriate. In line the with the pro rata approach the IRP has decided to reset the Deputy Leader's SRA at 45 per cent of the recommended SRA (£13,390), which equates to £6,026.
55. **It is recommended at the Deputy Leader's SRA is reset at 45 per of the Leader's recommended SRA (£13,390), which equates to £6,026 for 2023/24, subject to any indexation that may be applicable for that year.**



### The SRA for the Chairman of the Planning Committee

56. Currently, the Chairmen of the two policy committees (Community and Environment and Governance and Resources) and the Planning Committee and the Council all receive an equal SRA of £4,628, which has been set at one times the current Basic Allowance or 38 per cent of the Leader's SRA when converted to the pro rata approach. Yet, the Planning Committee meets more often than the Policy Committees/Council; on a monthly cycle as opposed to a normal bi-monthly cycle for the Policy Committees/Council.
57. On a simply workload basis chairing the Planning Committee is clearly a larger role. Moreover, it is a statutory committee that exercises quasi-judicial functions and the Chairman has to be able to chair what are often highly visible meetings dealing with contentious issues and is subject to lobbying more than any other Chairman. In the representation received it was also generally agreed that the role of the Chairman of the Planning Committee is a larger role than chairing the policy committees/Council.
58. Benchmarking shows that the mean SRA (£5,587) paid to planning chairmen is 35% of the mean SRA paid to Leaders. The IRP notes that the mean ratio leads to a substantially higher mean SRA for Planning Chairmen as the mean Leaders SRA is boosted by having the benchmarking group dominated by executive Leaders. Nonetheless, the role of Planning Chairman does not vary significantly regardless of governance model in operation and the mean SRA payable in the benchmarking group has provided an approximate guide for the IRP.
59. The IRP has decided to reset the SRA for the Chairman of the Planning Committee at 40 per cent of the recommended SRA for the Leader, which equates to £5,356.
60. **The IRP recommends that the SRA for the Chairman of the Planning Committee is reset at 40 per cent of the recommended SRA for the Leader, which is £5,356 for 2023/24, subject to any indexation that may be applicable for that year.**

### The SRAs for the two Policy Committee (Governance and Resources and Community & Environment) and Council Chairmen

61. Currently the Chairmen of the two Policy Committees and the Council each receive an equal SRA of £4,628, which has been set at one times the current Basic Allowance or 38 per cent of the Leader's SRA when converted to the pro rata approach. In the representation received it was agreed that this was appropriate, largely on the grounds that their workloads (including meetings schedule) and responsibilities were broadly equal.
62. In considering their current SRA (£4,628) the IRP received next to no representation that it needed revision. Their roles have not changed that much since they were largely set in 2008.

63. Benchmarking the SRA paid to the Chairmen of the Governance and Resources and Community & Environment Committees is difficult as only four out of the 14 Councils in the benchmarking group have a similar governance model. Nonetheless, the mean SRA paid to equivalent posts in the group of four is £5,842, with a mean ratio against the mean Leaders SRA being 37 per cent. However, the IRP has not been guided by this very small benchmarking sample as the mean is skewed by a very high SRA paid in South Derbyshire where equivalent roles are paid an SRA of £9,815 (higher than many Executive Members in the benchmarking group) but then South Derbyshire has a completely different remuneration model to that of Derbyshire Dales.
64. Equally benchmarking the SRA for the Chairman of the Council is difficult. Only seven out of the 14 Councils in the benchmarking group pay such an SRA, with a mean figure of £3,685. Moreover, unlike in Derbyshire Dales most if not all of those Council Chairmen will be their respective Council's Civic Head for which they will also receive a Civic Allowance. This Civic Allowance, which is not required to be published in a Members' Allowances Scheme, is often paid directly. While it is designed to help meet the costs of holding the post of Civic Head in many cases it can in effect be a supplemental remuneration depending on costs incurred.
65. Nonetheless, the IRP received no evidence that the current SRA paid to the Chairmen of the two policy committees and Council required revision. It remains broadly appropriate at the current level. In line with the pro rata approach the IRP has decided to reset the SRA for the two policy committee and Council Chairmen at 35 per cent of the recommended SRA (£13,390), which equates to £4,687.
66. **The IRP recommends that the SRA (£4,628) for the Chairmen of the Planning & Development, Resources and Community & Environment Boards remains unaltered for 2022/23 subject to any indexation that may be applicable for that year.**

### **The SRAs for Vice-Chairmen of the Committees (Planning, Governance and Resources, Resources, Community and Environment) and Council**

67. Currently the Vice-Chairmen of Planning and two Policy Committees and the Council each receive an SRA of £1,620. This has been set at 0.35 times the current Basic Allowance or 35 per cent of their respective Chairs' SRA when converted to the pro rata approach.<sup>6</sup>
68. In exploring the workload and responsibility of the respective Vice-Chairman the IRP noted that it is a fairly limited role. They are expected to attend relevant pre-meetings and briefings with Officers alongside their Chairmen, although not all do so assiduously. They are also expected to support their Chairman during meetings and stand in when required, although this happens infrequently. In no particular instance do they have a discrete additional tasks assigned to them which can be the case elsewhere.

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<sup>6</sup> In the pro rata approach Vice-Chairmen's SRAs are typically set in relation to the SRA of their respective Chairman's SRA rather than that of the Leader, as the more relevant reference point.

69. Benchmarking the SRA paid to the Vice-Chairmen of the two Policy Committees suffers from the same problem in benchmarking the SRA for the two Policy Committee Chairmen; there are only four Councils in the benchmarking group, with a mean SRA of £1,215. Regarding benchmarking the SRA for the Vice-Chairmen of Planning Committees all but two of the comparator Councils pays the role, with a mean SRA of £2,086. For Council Vice-Chairmen only five out of the 14 Councils in the comparator group pay an SRA for this role with a mean SRA of £1,428. Again this does not take into account where Councils also pay their Council Vice-Chairmen a Civic Allowance paid directly to them and which cannot be known from a reading of their respective allowances schemes.
70. Nonetheless, the IRP concluded that an SRA for Vice-Chairmen set at a ratio of 35 per cent of their Chairmen's SRA was somewhat on the high side, taking into account the relatively limited nature of the role. As such, the IRP has decided to reset the ratio for arriving at the SRA for Vice-Chairmen at 30 per cent of their recommended SRA for their respective Chairmen.
71. **The IRP recommends that for 2023/24 the SRA paid to the Vice-Chairmen of the Planning, Governance and Resources and Community and Environment Committees and the Council is reset as follows:**

**Vice Chairmen's recommended SRA (subject to any indexation that may be applicable for 2023/24):**

- **Planning: 30% X Chairman's recommended SRA (£5,356) = £1,607**
- **Governance & Resources: 30% X Chairman's recommended SRA (£4,687) = £1,406**
- **Community & Environment: 30% X Chairman's recommended SRA (£4,687) = £1,406**
- **Council: 30% X Chairman's recommended SRA (£4,687) = £1,406**

#### **SRAs for Vice-Chairmen once they chair their full committee for three months**

72. It was brought to the IRPs attention that there had been a situation recently where a Chairman was not able to chair due to long term illness and the Vice-Chairman had chaired the respective meetings for a prolonged period without any further remuneration.
73. The IRP considered this type of situation inequitable. Consequently, it concluded that it was only reasonable that when a Vice-Chairman had to chair meetings for three months that they should be paid their Chairman's SRA on a pro rata basis.
74. **The IRP recommends that when a Vice-Chairman has chaired their full committee for a period of three months in the absence of their respective Chairman then from that point on they are paid their Chairman's SRA on a pro rata basis for the further length of time they are required to chair their committee.**

### The SRA for Chairman of the Licensing and Appeals Committee

75. Currently the Chairman of the Licensing and Appeals Committee is paid an SRA of £1,388, which has been set at 30 per cent of the current Basic Allowance, This equates to 12 per cent of the Leader's current SRA when converted to the pro rata approach.
76. In exploring the nature of the role the IRP noted that the full Licensing and Appeals Committee meets less than the other committees, once a quarter and at full committee the agendas are comparatively shorter although there are occasional taxi licensing appeals at this level that can extend their meeting time substantially. Moreover, there is an additional tier of work for Licensing, namely through the Appeals Sub-Committees. These are three Member Sub-Committees, with the membership drawn from the full committee, that meet as and when required to deal with applications where representations have been received under the terms of the Licensing Act 2003 and Gambling Act 2005. This mostly involves dealing with applications to vary licensing hours where an objection has been made. They also deal with Employment Appeals. Typically there are four-five of these Appeals Sub-Committees each year. More importantly, it is the expectation that the Chairman and Vice-Chairman of the Licensing and Appeals Committee sit on the Appeals Sub-Committee when they are able to. The Chairman is also expected to chair the Appeals Sub-Committee and in their absence the Vice-Chairman. The decisions they make are also quasi-judicial in nature.
77. Taking this evidence into the account the IRP concluded that there was little logic in paying the Chairman of the Licensing and Appeals Committee a lower SRA than Vice-Chairmen of the Committees and Council.
78. Benchmarking shows that the mean SRA paid to Chairman of equivalent committees is £2,813, with a mean ratio of 18 per cent in relation to the mean Leader's SRAs. As such the IRP has reset the SRA for the Chairman of the Licensing and Appeals Committee at 20 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,678.
79. **The IRP recommends that the SRA (2023/24) for the Chairman of the Licensing and Appeals Committee is set at 20 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,678, subject to any indexation that may be applicable for that year.**

### The SRA for the Vice-Chairman of the Licensing and Appeals Committee

80. Currently the SRA paid to the Vice-Chairman of the Licensing and Appeals Committee is £694, which was set using the pro rata approach, at 50 per cent of the Chairman's SRA. Benchmarking shows that the mean SRA paid to equivalent posts is £817.
81. The IRP received no evidence that the SRA for the Vice-Chairman of the Licensing and Appeals Committee should not be reset at the standard ratio

now utilised to arrive at the other Vice-Chairmen's SRA, namely 30 per cent of their Chairmen's SRA, which in this case equates to £803.

82. **The IRP recommends that the SRA (2023/24) for the Vice-Chairman of the Licensing and Appeals Committee at is set at 30 per cent of the recommended SRA (£2,678) for the Chairman of the Licensing and Appeals Committee Leader, which equates to £803, subject to any indexation that may be applicable for that year.**

### **SRA for Chairman of the Scrutiny Committee**

83. Derbyshire Dales District Council has recently established a Scrutiny Committee. It is not a statutory requirement for a 4<sup>th</sup> Option governance model Council to establish a Scrutiny Committee however it is regarded as good practice. The aim is involve more Members in policy reviews and development. There will be six scheduled meetings per year and it is expected to have a few additional meetings each year to help facilitate reviews.
84. In the representation received it was felt that the Scrutiny Chairman (and Vice-Chairman) merited an SRA. Benchmarking shows that in Councils with a main or single Scrutiny Committee pay a mean SRA of £3,552 to their Scrutiny Chairmen. The IRP has not been guided by this benchmarking figure as there has been no experience of how Scrutiny will operate in reality. As such in the absence of experience the IRP has taken a relatively cautious approach and concluded at this stage that the SRA for the Chairman of the Scrutiny Committee should be set on a par with the recommended SRA for the Chairman of the Licensing and Appeals Committee, which is at 20 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,678.
85. **The IRP recommends that the Chairman of the Scrutiny Committee is paid an SRA from 2023/24 set at 20 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,678, subject to any indexation that may be applicable for that year..**

### **SRA for Vice-Chairman of the Scrutiny Committee**

86. Similarly, it was felt equitable that the Vice-Chairman of Scrutiny should receive an SRA. Again; the IRP was faced with having no experience of the role, in particular whether there would be role for the Vice-Chairman of Scrutiny in the policy reviews. Benchmarking shows that in Councils with a main or single Scrutiny Committee pay their Vice-Chairmen a mean SRA of £1,438. Once again, The IRP has not been guided by this benchmarking figure as there has been no experience of how Scrutiny will operate in reality. The IRP decided to set the SRA for the Vice-Chairman of Scrutiny at the standard ratio utilised for set the SRA for other Vice-Chairmen, namely 30 per cent of their Chairman's recommended SRA (in this case £2,678), which equates to £803.
87. **The IRP recommends that for 2023/24 that the Vice-Chairman of Scrutiny is paid an SRA set at 30 per cent of their Chairman's SRA (£2,678), which**

**equates to £803, subject to any indexation that may be applicable for that year.**

### **Leader of the Main Opposition Group**

88. Currently the Leader of the Main Opposition Group receives an SRA based on the number of Members in the group at £232 per Member. Presently, with seven group Members in the Main (Liberal Democrat) Opposition Group this equates to £1,617, which equates to 13 per cent of the Leader's current SRA when converted to the pro rata approach. The IRP noted that it is general practice to pay an SRA for Opposition Leaders on a fixed basis. Consequently, the IRP has decided to reset the SRA for the Opposition Leaders on a pro rata basis.
89. Benchmarking shows that the mean SRA paid to Leaders of the Main Opposition Groups in the comparator group of Councils is £3,828. However, the IRP has decided not to be guided by this figure as mean figure is skewed by two Councils, Chesterfield and South Derbyshire, who pay their Main Opposition Leaders an SRA of £9,105 and £9,249 respectively.
90. The IRP has decided to set the fixed SRA for the Leader of the Main Opposition Group by applying a marginal uplift on the current ratio of 13 per cent and reset it at 15 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,009.
91. **The IRP recommends that for 2023/24 that the SRA for the Leader of the Main Opposition Group is fixed at 15 per cent of the recommended SRA (£13,390) for the Leader, which equates to £2,009, subject to any indexation that may be applicable for that year.**

### **SRA for Leaders of Other Opposition Groups**

92. Currently the Leaders of Other Opposition Groups only receive an SRA, set at £231 per group Member, when their group meet qualifying criteria of having four Members. This qualifying criterion is fairly common. Under the 1989 Local Government Act it only needs two Members to form a group and many IRPs have taken the view that two Members is not a critical mass. The IRP concurs that this qualifying criterion of having four Members to be paid an SRA for a Leader of another Opposition Group should be maintained.
93. Currently the only Opposition Group that meets this criteria is the Leader of the Green/Independent Opposition Group with four Members who receives an SRA of £924, which is 57 per cent of the Main Opposition Leader's SRA when converted to the pro rata approach. Benchmarking shows that the mean SRA paid to Leaders of Other Opposition Groups in the comparator Councils is £1,013. It is further noted that such posts are only paid in six out of the 14 comparator councils but this is often due to the fact there may not be another Opposition Group in some of the other comparator councils or that the Other Opposition Group does not reach the qualifying criteria where one is in place.

94. Nonetheless, the IRP has decided that the benchmarked SRA for the Leaders of Other Opposition provides a suitable rough guide and has decided to set the SRA for the Leaders of Other Opposition Groups at 50 per cent of the recommended SRA (£2,009) for the Leader of the Main Opposition Group, which equates to £1,004.
95. **The IRP recommends that the SRA for Leader of the Other Opposition Groups are only paid an SRA if they have at least four Group Members and for 2023/24 it is set at 50 per cent of the recommended SRA (£2,009) for the Leader of the Main Opposition Group, which equates to £1,004, subject to any indexation that may be applicable for that year.**
96. Where there is only one Opposition Group with less than four Members, i.e., they are the Main albeit small Opposition Group then the qualifying criteria should not apply, the Leader should continue to be paid the full SRA for the Leader of the Main Opposition Group of £2,009.

#### **Where there two Main Opposition Groups of equal size**

97. **The IRP also recommends that where there are two Main Opposition Groups of equal size that the recommended SRA (£2,009) for the Leader of the Main Opposition Group and recommended SRA (£1,004) for the Leader of the Other Opposition Group is aggregated (£3,013) and divided by two (£1,607) and paid equally to each Main Opposition Group Leader.**

#### **Discontinuing the SRAs for Member Representatives**

98. Currently, the allowances scheme provides for an SRA of £675 for the role of Member Representatives. These posts are no longer appointed therefore the provision is redundant and should be discontinued.
99. **The IRP recommends that from 2023/24 the SRA (£675) for the role of Member Representative is discontinued.**

#### **Confirming the 'One SRA only' Rule**

100. The 2003 Members' Allowances Regulations do not limit the number of SRAs a Member may receive. Nevertheless, it is common for authorities to have a 'One SRA only' rule set out in their allowances scheme. In other words, regardless of the number of remunerated posts a Member may hold they can only receive one SRA. The prime reason for this rule is that it can create a lack of transparency in the allowances scheme. If a Member receives more than one SRA, the public are unable to ascertain their true level of remuneration by a reading of the Members' Allowances scheme. It can also lead to (and in some councils has led to) a situation whereby the highest remunerated Member is not necessarily the Leader, an anomalous situation which does not meet the 'feel fit and fair' test.

101. The 'One SRA only' rule has always been accepted by Derbyshire Dales District Council and no reasons were presented the IRP to alter this situation.
102. **The IRP recommends the continuation of the One SRA only rule.**

### The Independent Persons

103. Under the provisions of the 2011 Localism Act the Council is required to appoint Independent Persons. Their role is to provide advice to the Monitoring Officer when a complaint is received against a Member and when a complaint has been deemed to have merit to provide advice to the Hearings Panel. Although the remuneration of the Independent Persons falls outside the remit of the 2003 Regulations the IRP has been asked to provide advice in the absence of any other external validation.
104. Currently the three Independent Persons appointed by the Council are paid on a per case basis as follows:
- Consultation on a complaint: £25 per case
  - Consultation on a hearing: £100 per case
105. The IRP considered that a flat rate retainer was more appropriate as it captures the wider work that an Independent Person may undertake beyond a case by case basis, such as relevant wider reading and being asked to be involved on Member training on the Code of Conduct.
106. Benchmarking was of little utility in guiding the IRP in reaching the appropriate flat rate remuneration for the Independent Persons. As the remuneration of the Independent Persons is outside the remit of the 2003 Regulations most Councils do not publish their remuneration of their Independent Persons. However, the IRP noted that it was not unreasonable for an Independent Person to be consulted up to eight times per year on a complaint against a Member (which would equate to £200) and consulted on one formal complaint hearing per year (which would equate to £100). As such the IRP concluded that an annual flat rate remuneration of £300 per year would be appropriate.
107. **The IRP recommends that the Independent Persons are paid at a flat rate of £300 per annum.**

### The Dependants' Carers' Allowance

108. While the Dependants' Carers' Allowance (DCA) is rarely claimed there was universal support in the representation received to maintain this allowance as it helps to reduce a barrier to serving on Council for those with caring responsibilities. There may be an issue around awareness of the DCA and its availability and there may well be a case for the Council to promote this allowance where it knows an elected Member has caring responsibilities.
109. It is noted that the DCA is an allowance given statutory recognition in the 2003 Regulations and as such is now almost universally adopted by English



councils. Currently, the allowances scheme provides for a DCA paid at the national living wage upon the production of receipts regardless on the type of care required. There was some representation received that the DCA did not necessarily cover all costs associated with care for a Members' dependents. The IRP considered whether the scheme should be amended to simply state that the DCA would reimburse actual costs incurred. However, it decided against this approach on the grounds that it would be an open ended recommendation and was also cognisant of the potential costs.

110. However, the IRP did note that a number of Councils differentiate between two types of care – for childcare and elderly/disabled care with the latter type of care claimable at a higher hourly rate to recognise the higher level of care typically required; a distinction that the IRP concluded that Derbyshire Dales District Council should adopt.
111. **The IRP recommends that the DCA is maintained but that two different categories of care are recognised and payable as follows:**
- **Childcare - maximum hourly rate at National Living Wage (£10.42 from 1 April 2023)**
  - **Elderly/disabled care – maximum hourly rate at the median hourly rate charged by Derbyshire County Council Social Services Department for a Home Care Assistant**
112. It is noted that unlike Travel and Subsistence Allowances (see below) that the duties for which the DCA may be claimed are defined by the 2003 Regulations (paragraph 7.1). As such, for clarification purposes, **the IRP recommends that it is inserted in the Members' Allowances Scheme that the duties for which the DCA may be claimed are defined by statute as set out in paragraph 7.1 of the 2003 Members' Allowances Regulations.**

### **Approved duties for claiming Travel and Subsistence Allowances**

113. Currently, the scheme enables Members to claim both Travel and Subsistence Allowances for attending approved duties within the District of Derbyshire Dales Councils although it is rarely claimed in the case of Subsistence Allowances and only somewhat more so in the case of the Travel Allowances. It is noted that these days most Councils no longer permit Members to claim Subsistence Allowances for attending approved duties within their Council area; it is an outmoded allowance now that the Basic Allowance and SRAs are beyond nominal sums. As such **the IRP recommends that the right of Members to claim Subsistence Allowances for attending approved duties within the area of Derbyshire District Council is removed and that amendment is inserted into the scheme of allowances.**
114. The IRP also received representation on what other duties the Travel Allowance could be claimed, namely attending Parish Council meetings and attending duties concerning constituent issues. The IRP considered that Members should be able to claim attendance allowances for attending Parish Council meetings within their ward as it could be recorded and there are only so many Parish Council meetings a Member could attend.

115. However, the IRP has decided that for Members attending duties concerning constituent issues claiming a Travel Allowance should not be permitted as this is an open ended commitment as attendance at such duties cannot be verified. The IRP also notes that the allowances scheme currently restricts claiming travel allowances to journeys greater than three miles, the IRP considered this over restrictive.
116. **The IRP recommends that the current restriction on claiming travel allowances for journeys of over three miles only is removed. It also recommends that the approved duties for claiming travel allowances is amended to clarify that:**
- **Members are able to claim travel allowances for attending Parish Council meetings within their ward**
  - **Members are not able to claim travel allowance for attending duties regarding constituent issues**

#### **Rates at which Subsistence Allowances may be claimed**

117. The IRP notes that the subsistence allowances rates that Members can claim are relatively low. However, when a Member is attending an approved duty outside the Council area it is expected that it is booked in advance where most of the costs are paid directly. Moreover, the Subsistence rates are the same that apply to Officers. The IRP received no evidence to revisit the Subsistence rates.
118. **The IRP is recommending that the current Subsistence rates which may be claimed by Members for attending an approved outside the Council area are maintained.**

#### **Rates at which Mileage Allowances may be claimed**

119. The IRP did receive some representation that the current mileage rates, which largely reflect HMRC rates, for which Members can claim for attending approved duties no longer reflect cost with the soaring cost of vehicle fuel. The IRP had some sympathy with this view particularly considering that the HMRC rates had not changed since 2012. However, it is also noted that it is almost universal practice for the public sector to pay mileage rates at the current HMRC rates. Moreover, if the mileage rates were increased even above 1p over the HMRC rates then the whole rate becomes subject to tax and national insurance. As such the IRP is not minded to increase the mileage rates.
120. The IRP did note however that the mileage rates claimable do not fully reflect the actual HMRC rates payable, particular in relation to claiming by bicycle and motorcycle. As such the IRP recommends that the allowances scheme is amended to set out the current HMRC Mileages rates applicable for the following modes of transport:

- **Travel by cars and vans: 45p per mile**

- **Travel by motorcycle: 24p per mile**
  - **Travel by bicycle: 20p per mile**
  - **Passenger supplement rate: 5p per passenger (maximum of 4)**
121. **The Passenger Supplement allowance should only be claimed for carrying fellow elected Members to an approved duty who would also be eligible for claiming the mileage allowance if travelling in their own vehicle.**
122. While the issue was not raised with the IRP there is no express provision in the allowances scheme for when a Member claims a mileage allowance if undertaking an approved duty when travelling by a hybrid/electric vehicle. The IRP notes that the Office of Low Emission Vehicles clarifies that when claiming business mileage by travel in an hybrid/electric vehicle that the normal HMRC rates apply with no tax or national insurance implications.
123. Thus to future the proof the travel allowances **the IRP recommends that the scheme is clarified and amended to expressly state that where a Member claims the mileage allowance by travel in a hybrid/electric vehicle that the HMRC rate of 45p per mile is applicable.**

### **The Civic Allowances**

124. The Council appoints a Civic and Deputy Civic Head separate from the Chairman and Vice-Chairman of the Council to carry out civic leadership roles on the behalf of the Council. In accordance with the Local Government Act 1972 a principal council may pay the Civic and Deputy Civic Head an allowance which it thinks reasonable for the purpose of meeting the expenses of those offices (s3(5), and s5(4), of the Local Government Act 1972. This is often known as 'civic dignitaries' allowance'.
125. Currently the Civic Head has a sum of £3,250 per annum and the Deputy Civic Head a sum of £950 per annum that they can draw against to meet the expenses of holding their offices.
126. Again while the Civic Allowance is outwith the remit of the 2003 Regulations IRPs are often asked to provide advice on it in the absence of any other means of external validation. The Council has asked the IRP to consider and make recommendations on the Civic Allowance for this review.
127. The IRP did not receive any representation that the Civic Allowance required revising. Moreover, the IRP was informed that in most years the maximum levels claimable (£3,250 and £950) have not been fully claimed.
128. **The IRP is not recommending any changes to the annual civic allowance of £3,250 and £950 paid to the Civic Head and Deputy Civic Head respectively.**

### **Issues arising – Remuneration and Member performance**

129. One issue raised with the IRP was the perceived inequity of paying all Members an equal Basic Allowance when it was felt that not all Members were putting in the same amount of effort or work into their role. This was not a perceived issue for SRAs as post holders who were not performing could be readily pulled from their post whereas the Basic Allowance is paid by virtue of being a Councillor, as a long as an individual remains an elected Member they are paid the Basic Allowance by right.
130. It was an issue that was raised strongly with the IRP but was raised nonetheless and as such the IRP has addressed it. As noted the Basic Allowance is required to be paid equally to all Members, it cannot be varied according to such metrics as attendance at meetings. Moreover, attendance at meetings is not necessarily the most meaningful metric. A Member may attend meetings assiduously but not have a great deal of input, alternatively a Member may be very active in their ward as that is where they feel they can make their best contribution and that activity may not be observed by other Members.
131. There is nothing the IRP can do about this issue, the legislation is not in place to vary the Basic Allowance and ultimately the final arbiters on the effectiveness of individual Members are the local parties and voters. As such the IRP is not making any recommendations in this regards.

## **Indexation**

132. Until the end of March 2021 all allowances were indexed. Under the 4-year rule the authority to index allowances lapsed and the Council requires a further view from the IRP if it wishes to continue with the indexation of allowances. In the representation received the principle of indexation had almost universal support. Moreover, the IRP notes that indexation of allowances is common practice. The IRP received no evidence to not recommend that the allowances continue to be indexed. To do otherwise would only lead to allowances decreasing in relative value over time leading to the IRP having to recommend periodic substantial increases simply to maintain their relative value.
133. The IRP points out that if there is no provision in the allowances scheme to index allowances then the Council is not able to apply an annual cost of living increase without coming back to the IRP for advice. However, where a Council has adopted indices they are under no obligation to apply them each year. Councils retain the right choose whether or not to apply an index to their allowances even though the provision has been adopted.
134. In settling on the appropriate index for the Basic Allowance and SRAs the IRP has continued to adopt what is known as the 'NJC' index. This is the annual percentage increase in local government staff salaries as agreed each year by the National Joint Council (NJC) for local government staff. For instance if staff salaries increase by 1% next year then the Basic Allowance and SRAs would also be increased by the same amount. By using the NJC index it ensures Members and Officers are treated equally in the indexation of their salaries and allowances. If another index was utilised, such as CPI currently around

10%, it creates an inequity between the annual cost of living increase between staff and Members.

**135. The IRP recommends that the Derbyshire Dales District Council Members Allowances are indexed as follows:**

- **Basic Allowance, SRAs, Independent Persons remuneration and Civic Allowances:**
  - Indexed to the annual percentage salary increase for local government staff set at SCP 43 to be applied for the same year that applies to staff
- **Travel Allowance – Mileage Rates:**
  - Indexed to HMRC approved mileage rates for motor, hybrid and electric vehicles, motor cycles and bicycles
- **Subsistence Allowances:**
  - Indexed to the same rates that apply to Officers
- **Dependants’ Carers’ Allowance – Maximum Rates:**
  - Childcare element:
    - indexed to the ‘national living wage’ hourly rate
  - Elderly or Other Dependant Relatives element:
    - indexed to median hourly rate charged for a Home Care Assistant by Derbyshire County Council Social Services Department

**136. The IRP also recommends that the indices apply for the maximum length permitted by the 2003 Regulations namely four years and to run from 1 April 2023 until 31 March 2027.**

### **Implementation of Recommendations**

**137. The IRP recommends that all the recommendations contained in this report should be implemented from the date of the Council’s Annual Meeting on 25<sup>th</sup> May 2023 with the exception of the recommendations on indexation which for continuity purposes should be implemented from 1<sup>st</sup> April 2023.**

## **Appendix One**

### **Information considered for Derbyshire Dales District Council – Member’s Allowances Review December 2022**

1. IRP Terms of Reference
2. Record of Council decision to hold review 26<sup>th</sup> May 2022
3. Review of Members’ Allowances for Derbyshire Dales District Council, IRP Report November 2015
4. Extract of Council minutes recording Council decision on IRP Report November 2015, 11<sup>th</sup> November 2016
5. Review of Members’ Allowances for Derbyshire Dales District Council, IRP Report February 2017
6. Extract of Council minutes recording Council decision on IRP Report February 2017, 6<sup>th</sup> April 2017
7. Derbyshire Dales District Council Members’ Allowances Scheme 2022/23, including SRAs paid to Group Leaders and Councillors Guidance Note
8. Derbyshire Dales District Council statutory publication of Members’ allowances and expenses received, including sub-totals 2020/21
9. Briefing paper for the IRP outlining changes in Council and potential issues for consideration since last review
10. Diagram/flowchart showing Derbyshire Dales District Council committee structure
11. Schedule of Council and Committee meetings 2022/23
12. Terms of Reference for Council, Committees, Panels, etc. Part 3 of Council Constitution
13. Derbyshire Dales District Council, 2022/23 membership of Cabinet, Committees, Panels and setting out the Chairmen and Vice-Chairmen and political makeup of the Council
14. Role Profile for Members of the Council, Article 2 of Constitution
15. Record of number of times a Vice-Chairman has stood in for their Chairman in the past two years
16. Record of number of times the Appeals Sub-Committee has met in past two years and who has chaired them

17. Consultation of elected Members on Derbyshire Dales Members' Allowances Scheme – written feedback from Members based on short questionnaire sent out to all Members
18. New Council Constitutions: Guidance on Regulation for Local Authority Allowances, Department for Communities and Local Government, 5<sup>th</sup> May 2006 (extract)
19. Benchmarking data BM1-3 - Members' Allowances Schemes from the seven other Derbyshire shire District Councils and six CIPFA Nearest Neighbours (2022/23) – see Appendix three for summary
20. Hard copies of Allowances Schemes from the Councils included in the benchmarking group
21. Derbyshire Dales District Council CIPFA Near Neighbours Model 2014
22. Statutory Instrument 2003 No. 1021, The Local Authorities (Members' Allowances) (England) Regulations 2003
23. National Joint Council for Local Government Services, Local Government Pay Agreement 2021-22, 28<sup>th</sup> February 2022
24. National Employers for Local Government Services, Local Government Services Pay Offer, 2022-23, 25<sup>th</sup> July 2022
25. Power point IRP training presentation by IRP Chair (Dr Declan Hall), "Reviewing Members' Allowances: the Derbyshire Dales District Council Model, Patterns, Approaches and Issues to consider"
26. Office for Low Emissions Vehicles, Ultra Low Emission Vehicles Tax Benefits , 2018
27. National Census of Local Authority Councillors 2018 (LGA), breakdown of weekly hours by councillors by number of positions held and type of council, in email from S. Richards, LGA 21 October 2019.
28. Annual Survey of Hours and Earnings (ASHE), Table 7.2a, weekly pay (excluding overtime) - all full time employee jobs in area of Derbyshire Dales District Council, Office of National Statistics (Work Geography), 2021
  - Showing median DDDC earnings of £103 per day

## Appendix Two

### Members and Officers who met with the IRP

#### **Members**

Cllr J. Atkin	Chairman of Planning Committee (Conservative)
Cllr N. Buttle <sup>7</sup>	Leader of 2 <sup>nd</sup> (Green/Independent) Opposition Group
Cllr T. Donnelly	Chairman of Governance Resources Committee (Conservative)
Steve Dunning <sup>8</sup>	Independent Person
Cllr R. FitzHerbert	Vice-Chairman of Planning Committee (Conservative)
Cllr H. Froggatt	Chairman of Community & Environment Committee (Conservative)
Cllr C. Furness	Vice-Chairman of Community & Environment Committee (Conservative)
Cllr S. Hobson	Deputy Leader of the Council (Conservative)
Cllr G. Purdy	Leader of the Council (Conservative)
Cllr A. Shirley	Deputy Chairman of the Council (Conservative)

#### **Written Submissions:**

Cllr J. Atkin	Chairman of Planning Committee (Conservative)
Cllr R. FitzHerbert	Vice-Chairman of Planning Committee (Conservative)
Cllr D. Greatorex	Conservative Member
Cllr S. Hobson	Deputy Leader of the Council (Conservative)
Cllr G. Purdy	Leader of the Council (Conservative)
Cllr A. Stratham	Chairman of Licensing & Appeals Committee (Conservative)

Plus two written submission that were anonymous

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<sup>7</sup> Interviewed via Zoom

<sup>8</sup> Ditto



**Officers**

Jason Spencer                      Electoral & Democratic Services Manager

Paul Wilson                        Chief Executive of the Council

## Appendix Three: Benchmarking

BM1 Derbyshire Dales DC Comparator Group: BA & Exec & Scrutiny SRAs 2022/23 (unless indicated)										
Authority	Basic Allowance	Leader	Leader Total	Deputy Leader	Policy Committee Chairs	Policy Committee Vice Chairs	Chair Main O&S	Vice Chair Main O&S	Chairs of Scrutiny	Vice Chairs of Scrutiny
Ryedale (20/21)	£3,958	£3,998	£7,956	£592	£3,198	£591	£3,198	£591		
Hambleton	£6,958	£34,790	£41,748	£17,395	Executive Governance Model		£1,740			
Craven (20/21)	£4,690	£8,910	£13,600	£4,690	Leader & Deputy Leader Chair Policy Committee		£2,350	£470		
Cotswold	£5,228	£15,684	£20,912	£10,456	Executive Governance Model		£5,228	£2,764		
Eden (20/21)	£3,972	£11,916	£15,888	£4,965	Executive Governance Model		£1,986		£1,986	
Ribble Valley (21/22)	£3,818	£15,272	£19,090	£9,545	£5,727	£546				
Amber Valley	£4,210	£12,632	£16,842	£6,316	Executive Governance Model		£1,882			
Bolsover (20/21)	£9,902	£14,672	£24,574	£9,781	Executive Governance Model				£3,260	£1,630
Chesterfield (21/22)	£6,286	£29,122	£35,408	£16,021	Executive Governance Model				£4,885	£1,629
Erewash (21/22)	£4,321	£14,320	£18,641	£8,592	Executive Governance Model		£3,792	£1,262		
High Peak	£3,002	£9,905	£12,907	£5,942	Executive Governance Model		£1,980		£1,485	
NE Derbyshire (21/22)	£5,488	£18,867	£24,355	£13,557	Executive Governance Model				£4,128	£1,373
S Derbyshire (20/21)	£6,900	£19,653	£24,693	£10,809	£9,815	£2,103	£9,815	£2,103		
<b>Derbyshire Dales</b>	<b>£4,628</b>	<b>£12,024</b>	<b>£16,652</b>	<b>£6,012</b>	<b>£4,628</b>	<b>£1,620</b>	<b>NA</b>		<b>NA</b>	
<b>Mean</b>	<b>£5,240</b>	<b>£15,840</b>	<b>£20,948</b>	<b>£8,905</b>	<b>£5,842</b>	<b>£1,215</b>	<b>£3,552</b>	<b>£1,438</b>	<b>£3,149</b>	<b>£1,544</b>
<b>Highest</b>	<b>£9,902</b>	<b>£34,790</b>	<b>£41,748</b>	<b>£17,395</b>	<b>£9,815</b>	<b>£2,103</b>	<b>£9,815</b>	<b>£2,764</b>	<b>£4,885</b>	<b>£1,630</b>
<b>Lowest</b>	<b>£3,002</b>	<b>£3,998</b>	<b>£7,956</b>	<b>£592</b>	<b>£3,198</b>	<b>£546</b>	<b>£1,740</b>	<b>£470</b>	<b>£1,485</b>	<b>£1,373</b>
<b>Mean Ratios</b>	<b>3.0</b>	<b>100%</b>		<b>56%</b>	<b>37%</b>	<b>21%</b>	<b>22%</b>	<b>40%</b>	<b>20%</b>	<b>49%</b>

<b>BM2: Derbyshire Dales DC Comparator Group: Regulatory &amp; Other SRAs 2022/23 (unless indicated)</b>										
<b>Authority</b>	<b>Chair Planning</b>	<b>V/Chair of Planning</b>	<b>Members Planning</b>	<b>Chair Licensing (inc Regulatory)</b>	<b>V/Chair Licensing</b>	<b>Chair Licensing Appeals inc Taxi</b>	<b>Chair of Audit &amp;/or Governance</b>	<b>Vice Chair Audit &amp;/or Governance</b>	<b>Chair HR or Employ'mt</b>	<b>Chair Standards</b>
Ryedale (20/21)	£3,198	£591								
Hambleton	£10,437	£6,958	£1,740	£1,740			£1,740			
Craven (20/21)	£2,350	£470		£2,350	£470		£2,350	£470		£2,350
Cotswold	£7,842	£2,764		Inc in Planning			£2,764			
Eden (20/21)	£3,972			£663			£1,986		£1,324	
Ribble Valley (21/22)	£7,636	£1,092		£5,727	£546		£5,727	£546	£5,727	
Amber Valley	£2,526		£632	£1,674			£1,674			£1,674
Bolsover (20/21)	£4,890	£2,445		£3,260	£1,630		£1,467			£1,222
Chesterfield (21/22)	£5,912	£2,956		£4,885		£5,912	£4,885		£3,663	
Erewash (21/22)	£3,792	£1,262		£3,792	£1,262	£3,792	£3,792	£1,262	£3,792	£3,792
High Peak	£2,970	£1,485		£600	£300		£1,980			£989
NE Derbyshire (21/22)	£8,256	£1,373		NA						£4,128
S Derbyshire (21/22)	£9,815	£2,013		£4,865			£4,865			
<b>Derbyshire Dales</b>	<b>£4,628</b>	<b>£1,620</b>		<b>£1,388</b>	<b>£694</b>					
<b>Mean</b>	<b>£5,587</b>	<b>£2,086</b>		<b>£2,813</b>	<b>£817</b>		<b>£3,021</b>	<b>£759</b>	<b>£3,627</b>	<b>£2,359</b>
<b>Highest</b>	<b>£10,437</b>	<b>£6,958</b>		<b>£5,727</b>	<b>£1,630</b>		<b>£5,727</b>	<b>£1,262</b>	<b>£5,727</b>	<b>£4,128</b>
<b>Lowest</b>	<b>£2,350</b>	<b>£470</b>		<b>£600</b>	<b>£300</b>		<b>£1,467</b>	<b>£470</b>	<b>£1,324</b>	<b>£989</b>
<b>Mean Ratios</b>	<b>35%</b>	<b>37%</b>		<b>18%</b>	<b>29%</b>		<b>19%</b>	<b>25%</b>	<b>23%</b>	<b>15%</b>

<b>BM3: Derbyshire Dales DC Comparator Group, Opposition &amp; Other SRAs &amp; Comments 2022/23 (unless indicated)</b>						
<b>Authority</b>	<b>Main Opposition Leader</b>	<b>Main Opposition Deputy Leader</b>	<b>2nd Opposition Group Leader</b>	<b>Council Chair</b>	<b>Council Vice Chair</b>	<b>Other SRAs/Comments</b>
Ryedale (20/21)	£400		£400	£847	£591	More than 1 SRA payable
Hambleton	£1,740		£1,740	£5,219		
Craven (20/21)	£940		£940			Vice Chair Standards £470, Lead Members £1,170
Cotswold	£1,743		£1,743	£5,228	£2,764	Opposition SRA pot = £5,228 & paid equally between Group Leaders, Green Leader £1,743
Eden (20/21)	£330		£330	£663		
Ribble Valley (21/22)	£7,636					Vice Chair Personel £546
Amber Valley	£3,158					Deputy Cabinet Members (x3) £1,566
Bolsover (20/21)	£4,891	£1,694				
Chesterfield (21/22)	£9,105					Vice Chair Appeals £2,956, Assistant Cabinet Members £3,996
Erewash (21/22)	£5,580	£824		£3,992	£1,329	Vice Chair GP (HR) + Vice Chair Appeals (Taxi) £1,262, Shadow Executive Members (x5) £549
High Peak	£1,980					
NE Derbyshire (21/22)	£5,216			£5,216	£834	Vice Chair Standards £1,373
S Derbyshire (21/22)	£9,249	£4,630				
<b>Derbyshire Dales</b>	<b>£1,617</b>		<b>£924</b>	<b>£4,628</b>	<b>£1,620</b>	<b>Opposition Group Leaders SRA based on £232 per member (4 to qualify), Member Representatives £675</b>
<b>Mean</b>	<b>£3,828</b>	<b>£2,383</b>	<b>£1,013</b>	<b>£3,685</b>	<b>£1,428</b>	
<b>Highest</b>	<b>£9,249</b>	<b>£4,630</b>	<b>£1,743</b>	<b>£5,228</b>	<b>£2,764</b>	
<b>Lowest</b>	<b>£330</b>	<b>£824</b>	<b>£330</b>	<b>£663</b>	<b>£591</b>	
<b>Mean Ratios</b>	<b>24%</b>	<b>62%</b>	<b>26%</b>	<b>23%</b>	<b>39%</b>	