

APPENDIX 1

Report of the Gedling Independent Remuneration Panel in respect of the 2025/26 year

Introduction

- 1.1 The Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to provide advice and recommendations to the Council on its Members' Allowances Scheme and amounts to be paid under it.
- 1.2 The panel received administrative support from the Democratic Services Manager.
- 1.3 The Panel's Terms of Reference are as follows:

The Independent Remuneration Panel will review, on an annual basis, the level and extent of allowance payments made to Borough Councillors having regard to:

- The role of Councillor and the importance of effective democratically accountable local government and community leadership; and
- The scale and complexity of the Council's operations and changes taking place in the various roles Councillors are expected to fulfil and the responsibilities attached to the various roles; and
- The time commitment required from Councillors to enable both the Council and individual Councillors to be effective in their various roles; and
- The importance of encouraging people from all backgrounds and circumstances to serve in local government without suffering financial loss because of their membership of the Council.

The Panel will also:

- Consider the level and extent of travel and subsistence allowances including dependent carers' allowance; and
- Review the payment of allowances and expenses payable in relation to attendance at seminars, conferences, and other council business.

The Panel's operation:

- The Panel is comprised of four Independent Members
- Panel members are recruited by public advertisement and should be of good standing in the community either as a resident and/or a stakeholder in the Borough. Ideally members should have sound knowledge of employment and financial matters with an understanding of the operations of a local authority.
- The Panel is advisory in nature and the recommendations it makes are not binding on the authority. However, the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) requires Council to "have regard" to the Panel's recommendations when setting its allowances.

Process

- 2.1 A Strategic Review of Members' Allowances took place in 2015. The Review looked in detail at all allowances paid to members including the Basic Allowance and all positions attracting a Special Responsibility Allowance (SRA). The Review resulted in a completely rewritten scheme of members' allowances. The Panel made a series of recommendations to Council in March 2016 and a new scheme was agreed by members.
- 2.2 For the 2020 year, following the 2019 borough elections, Council adopted a revised scheme of members' allowances that better reflected the political makeup of the authority. Adjustments to the scheme were made to ensure that the amount of SRA's were better aligned to the size of a political group. Council also approved a new list of approved duties and a rate at which dependent carers allowance can be claimed.
- 2.3 Changes took place in the panel's membership due to resignations from previous panel members, which saw two new people join the panel in November 2023 with a third joining July 2024. The new panel undertook a thorough review, which took consideration of in depth benchmarking across the county, the council's current circumstances, changes in the councillors' roles and whether the specific roles and responsibilities for each type of role match the remuneration received by councillors.
- 2.4 For the 2024/25 financial year, councillors agreed to increase allowances against an indexation in line with the chief officer pay award, which was 3.6% for that year. This was agreed in July and paid to members in August, backdated to April.
- 2.5 As is usual practice, all members of the Council were contacted directly and asked for their views on the current levels of allowances paid to members.
- 2.6 As with last year, a Microsoft form was sent out to members in the form of a survey to get their views on a range of topics. The form had 14 questions in total and asked members to provide their views on areas such as basic allowances, special responsibility allowances, travel allowances and their recommendations for the upcoming year. We received responses from 15 members of the Council.
- 2.7 The survey found that 40% of respondents were unhappy with the current level of basic members allowance, with 60% noting that they did not feel it adequately reflected the duties of a councillor. The main reason cited for this was the amount of time members spent on casework. 73% of respondents noted they were happy with the current levels of special responsibility and travel and subsistence allowances.
- 2.8 All members of the Panel contributed their views and discussed each individual allowance in the scheme in turn to discuss whether they felt it needed reviewing.

Panel's Deliberations

- 3.1 Panel members reviewed anonymised responses from members, as well as benchmarking of allowances paid by surrounding councils of varying size and political control. Current and predicted financial information, such as inflation figures (CPI and RPI), were also reviewed to get a feel for the upcoming national financial picture.
- 3.2 The Panel heard that there had been a general change to duties performed by some members since the last review, in particular from increased queries and scrutiny from the public. They heard that the consistently low financial support from central government and the rising homelessness across the borough had significantly impacted finances.

Basic Allowance

- 3.3 The Panel next noted that members had agreed to link both Basic and Special Responsibility Allowances to increase in line with Chief Officer's local authority pay awards as agreed in previous years. As a form of indexation, they agreed that the Chief Officer local authority pay award adjustment be applied to Basic and Special Responsibility Allowances for the next four years in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003. As such, the panel agreed to not suggest anything to the contrary for the upcoming year.

Special Responsibility Allowances (SRAs)

- 3.4 The Panel reviewed each element of the level of Special Responsibility Allowances that were currently paid and benchmarked these against other councils in the area. Their review noted that no other district council included an allowance for a Business Manager in their scheme. Member noted that they still felt the role should be paid for by the political parties and not the local taxpayer, given its administrative nature and benefit to only particular parties and decided to make a recommendation once again on its removal from the scheme.
- 3.5 The Panel also reviewed the allowance for the Policy Advisor, which was not in place at any other district, and felt that the naming of the role made it seem misleading to the actual nature of the role. They felt the roles were more supportive of the Portfolio Holder, rather than expert advisors in particular policies. Even though they felt the allowance did not need to be included in the scheme or funded by the taxpayer, it was agreed that no recommendation for removal would be made at this time.
- 3.6 Finally the Panel considered the allowances paid to co-opted members as well as mileage, subsistence, and dependent carers' allowances. The panel concluded that it would be useful and in line with the council's carbon reduction priorities to add in an allowance for a bicycle rate of 20p per mile under the travelling expense section. No other adjustments were deemed necessary, as the majority were on par with other authorities.

3.7 As a result of the benchmarking exercise which revealed that broadly SRA allowances were in line with other authorities, bar one exception, and reviewing the members comments, it was felt that no new information had been received to suggest a change to any other SRA. As such, the recommendation is that the current SRA's stay as they are for the 2025/26 year.

Recommendations

- 1) That all Basic Allowances only, payable from 1 April 2025, should be increased in line with the senior officer pay award offer; and
- 2) Add a bicycle rate to the travel expenses section of 20p per mile; and
- 3) That the allowance for Business Managers be removed from the scheme; and
- 4) No other changes are made for the 2025/26 year.