

**NORTH LINCOLNSHIRE COUNCIL**  
**REPORT OF THE INDEPENDENT REMUNERATION PANEL**  
**(MEMBERS' ALLOWANCES SCHEME)**

**February 2023**

**North Lincolnshire Independent Remuneration Panel –**

Mr M Allingham, Mr T Forbes, Mr A Hall, and Mr R Johnson (appointed Independent Persons of North Lincolnshire Council and North East Lincolnshire Council).

**1. The Council's Current Members' Allowances Scheme.**

In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, a Members' Allowances Scheme was approved and set by the Council at its meeting in February 2020 for a three-year period (financial years 2020/21, 2021/22 and 2022/23). A copy is attached as Appendix 1.

**2. Independent Remuneration Panel's Review - Findings and Recommendations.**

**An Open and Transparent Scheme**

2.1 The Panel acknowledges that the Council's Members' Allowances Scheme set for the above three-year period provided residents with published open and transparent information on the levels and types of allowances associated with all responsibilities carried out by elected and co-opted members for the full period. All members were also aware of approved allocated allowances for the duration of the that period. The scheme also provided operational and managerial flexibility and continued to remain in budget each year.

Significant reductions in mileage allowances claimed in 2020/21 and 2021/22 were experienced due to the restrictions on movement experienced during the Covid19 pandemic, and although these claims have increased in 2022/23 following restrictions being removed, they still remain well below mileage levels claimed pre-pandemic. It is however likely that mileage levels will slowly increase with increasing member activity and travel, but with the developing use of digital technology as 'normal practice' it is unlikely that levels will reach those claimed for pre-pandemic. The Panel acknowledges that the introduction and development of digital platforms like MS Teams during the pandemic were fully embraced by and enabled all North Lincolnshire members to carry out all allocated responsibilities, participate in statutory meetings and engage fully with residents. Business was conducted safely and adhering to all associated legislative requirements. It is also acknowledged that the success of using such digital platforms through IT hardware and software available to all members continues to provide members with modern operational and greener choices with efficiencies when carrying out their current responsibilities, especially ward work, as the council continues to move safely beyond restrictions of the recent pandemic.

All allowances claimed by all members are published on the council's web site and in the local Telegraph on an annual basis.

- 2.2 All elected members continue to use the digital 'iTrent e-claims' software system successfully for making claims for travel allowances, which is effective and efficient software and supports monitoring and auditing requirements.
- 2.3 In addition, the Council's Internal Audit recently carried out an audit of Members' Allowances' concluding in July 2022. In summary the overall statement regarding the audit is given below –
- “Based on our findings, we can provide substantial assurance on the effectiveness of the control environment. Overall, we have assessed the residual risk as low.”*
- 2.4 The Panel emphasises the importance of and value of its independent role but wishes to express its disappointment that the opportunity to engage and respond to its consultation seeking information throughout its recent review was not always supported collectively by some members.

#### **Future Scheme from 2023/24.**

- 2.4 The Panel acknowledges and emphasises the need to take into consideration continuing budget pressures and the impact of inflation on the current cost of living. Consequently, any adjustments to a future scheme should ensure costs are self-contained within budget with any additional expenditure kept to a realistic minimum.
- 2.5 Taking into consideration paragraph 2.4 above, it is the Panel's view that an option of no increase to members' allowances could be a timely initial recommendation because of economic constraints and public perception. However, this must be balanced against the fact that the amount of time being spent by councillors carrying out council responsibilities including associated ward work (especially on an evening) attending Town and Parish Councils, Neighbourhood Action Teams, and similar community groups for example, whether in person or through digital platforms continues to increase with additional follow up work. The generic Basic Allowance covers such responsibilities but there has been no increase to the Basic Allowance for over eight years and compared to other local Humber region councils' schemes North Lincolnshire 's Basic Allowance remains comparatively low. This together with the impact of inflation and the ongoing need to attract new and younger councillors it is recommended - **Recommendation (1)** that a realistic and proportionate flat rate increase of £500 be applied to the Basic Allowance of a future scheme for all members. This equates to £21,500 a year.
- 2.6 It is also recommended - **Recommendation (2)** that this cost should be offset by a reduction in the current level of the Special Responsibility Allowance (SRA) for Lead Members, or by a reduction in the number of Lead Members, combined with the ongoing reduction in overall savings from members' annual mileage claims. The Remuneration Panel having regard to the statutory and constitutional responsibilities of Cabinet Members and other committee chairs/vice-chairs is of the opinion that although Lead Members provide valuable support to the Executive and carry out champion/ambassador roles for various people and services, they have no decision-making responsibilities or statutory roles. Their level of SRA appears relatively high compared to other SRAs and their associated responsibilities within the current scheme.

The Panel acknowledges the role the Ambassador for Steel and Heavy Industry can play locally but recommends - **Recommendation (3)** that in practice the

extra significant level of allowance is not visibly demonstrated or justified. It should therefore be adjusted to the same level of other Lead Members in a future scheme.

2.7 The Panel also recommends – **Recommendation (4)** that consideration be given to further work being undertaken to compare and align the members' Basic Allowance to a point within the Employees NJC pays scales and in future therefore, that allowance receives a percentage increase applied to that point as and when employees receive a pay award. (Nationally, some council's members' allowances schemes apply this principle, subject to their Section 151 Officer's recommendation to council and associated additional costs).

2.8 The Panel's work has led to its recommendation - **Recommendation (5)** that the current levels of other SRAs within the current scheme continue to be proportionate and fit for purpose and could be rolled forward into a future scheme. Remuneration levels within schemes adopted by other similar sized unitary and principal councils do vary with some applying a higher or lower allowance to some responsibilities, subject to frequency of all meetings and associated business. It should be emphasised that proportionately, more North Lincolnshire Council members receive an SRA on top of the Basic Allowance compared to other local Humber region councils' schemes.

However, the balance between executive and non-executive functions appears consistent and a proportionate level of spend similar in most cases. Local preferences must also to be taken into consideration. Although all statutory roles and responsibilities are being carried out, how these are prioritised and applied locally remains at the discretion of individual councils so that their business can be carried out effectively and efficiently, achieving local ambitions and essential value for money. It also remains important that all roles and arrangements defined in the council's Constitution are carried out and monitored.

2.8 The Panel has observed that meetings for all four scrutiny panels are not scheduled in the Council's published 'Meetings Timetable' and currently now tends only to meet as and when business is allocated with dates agreed through their chairs. Consequently, scrutiny panels are meeting less frequently compared to when timetabled, but the same special responsibility allowance (SRA) is being paid to chairs and vice-chairs of panels. Public perception is likely to be that work being carried out by panels has reduced and therefore they are also being represented less. It is recommended - **Recommendation (6)** – that all meetings of scrutiny panels be scheduled in the Council's published 'Meetings Timetable' annually and if not, panels should meet more frequently for reasons given above, or a proportionate reduction in the Scrutiny Panel chair and vice-chair SRA allowances be considered and applied.

This and all levels of remuneration will continue to be monitored by the Panel alongside associated guidance and suggested good practice.

2.9 Regarding Travel Allowances, the Panel recommends - **Recommendation (7)** that the levels within the current scheme remain appropriate and consistent with recommended HMRC (Her Majesty's Revenue and Custom) rates and could be rolled forward into a future scheme. The current Overnight Rate for London of £100.50 however should be increased to £150.50 bearing in mind increasing higher pricing accommodation levels in the capital, which should be self-contained within the scheme. (The number of these claims are small annually.)

### **3. Further Observations**

#### **Information Technology**

- 3.1 It is the Panel's view that the increasing accessibility of councillors through available IT and mobile devices, and the increasing expectations from the public to respond immediately continues to be the role and responsibility of the 'modern day' councillor. (even more so since the Covid19 pandemic).

The Panel emphasises that it is essential therefore that all councillors have 'the digital tools' to carry out their work effectively to meet public expectations and to supports and enhance their roles. This should also provide councillors with improvements to their safety especially if working alone. The whole 'modern service package' for councillors is more effective, efficient, enabling and self-sufficient and councillors' roles must continue to be a priority factor within the council's IT Strategy. The Panel acknowledges that the council's member 'case management system', 'iTrent e-claims' software and Civica/ModernGov meetings management software provide digital enhanced support for all members.

Once again, this increasing digital activity will continue to be monitored.

#### **Member Training and Development**

- 3.2 The Panel wishes to emphasise strongly that member training and development remains key to providing all councillors with ongoing knowledge and skills. This is required to enable them to carry out their roles and responsibilities effectively, especially as decision makers who influence and shape the local place and services people desire and require. Ongoing training and development are an expectation of the electorate.

The Panel acknowledges that over the past two years resources have been committed to supporting a dedicated part-time Member Development Officer post enhancing and improving the delivery of digital and 'in-person' training opportunities for members. However, although statutory training obligations are being met for those councillors involved in planning, licensing and safeguarding functions, the panel remains concerned that some members do not receive or participate in training and development annually especially in relevant key disciplines, like overview and scrutiny, chairing skills, information technology skills and local government finance for example. Take-up and participation have been encouraged and improved but remains low and concern is expressed as the above Member Development Officer post to date remains vacant following the previous postholder leaving. Members' personal and group learning and development in key skills and knowledge goes some way to underpin their roles and responsibilities associated with all allowances received.

### **4. Recommendations**

- 4.1 That having regard to the Independent Remuneration Panel's report and recommendations, a Members' Allowance Scheme suggested at Appendix 2 be approved as the scheme for 2023/24, or for a further reasonable yearly period defined by council (up to the final year of the next four-year term of administration final - 2026/27).
- 4.2 That the council notes and considers supporting improvements suggested following the observations made by the Panel in paragraphs 3.1 and 3.2 above.

(January 2023)