

**COUNCIL  
25 JANUARY 2024**

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**MEMBERS' ALLOWANCES REVIEW**

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**Responsible Cabinet Member - Councillor Stephen Harker, Leader**

**Responsible Director – Ian Williams, Chief Executive**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To consider the recommendations of the Independent Remuneration Panel appointed by the Council in relation to the adoption of a new Scheme of Members' Allowances.

**Summary**

2. The Independent Remuneration Panel has produced a report (**Appendix 1**) with recommendations in accordance with the Council's terms of reference for the Panel. The report covers a wide range of issues and the Panel's reasoning for its recommendations.
3. Members will see from the report that the Panel have recommended that no changes should be made to the current scheme apart from one in relation to the Audit Committee to allow for the possibility of a future appointment of a co-optee. Any co-optee would need to be suitably qualified by having the requisite financial experience and knowledge and, on this basis, the Panel recommended that it would be appropriate to pay an allowance for such a post, if and when, it was appointed to.
4. Members can accept the Panel's recommendations in full, or part, or reject them. If the Panel's recommendations are accepted, the revised Members' Allowances Scheme is attached (**Appendix 2**).

**Recommendation**

5. Members are requested to :-
  - (a) consider the Members' Independent Remuneration Panel's recommendations as detailed in Appendix 1 (and as detailed in paragraphs 10 to 19 below) and accept the recommendations in full or part, with effect from 1 April 2024; and
  - (b) should the Panel's recommendations be approved, in full, approve the new Members' Allowances Scheme attached at Appendix 2; or amend the Scheme in accordance with the decision of Council.

## Reasons

6. To implement a new Members' Allowances Scheme with effect from 1 April 2024

**Ian Williams**  
**Chief Executive**

## Background Papers

Independent Panel's report and Members' Allowances Scheme

Shirley Wright Ext 5998

S17 Crime and Disorder	This report has no implications for Crime and Disorder.
Health and Well Being	This report has no implications to address Health and Well Being for the residents of Darlington.
Carbon Impact and Climate Change	There are no direct implications which this report needs to address.
Diversity	There are no direct implications to Diversity which this report needs to address.
Wards Affected	There is no direct impact on any individual Ward
Groups Affected	There are no Groups affected.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not an Executive decision
Urgent Decision	This is not an Executive decision
Council Plan	There are no links.
Efficiency	There are no efficiency proposals identified as part of this review.
Impact of Looked After Children and Care Leavers	This report does not impact on Looked After Children

## MAIN REPORT

### Information and Analysis

7. Council at its meeting held on 30 July 2023 asked its Independent Remuneration Panel to review its Members' Allowances, as a review was due (reviews have to be undertaken every four years – the maximum period that indexation extends to allowances). Council also asked the Panel to consider the Mayoral allowances and the remuneration to the members of the Education Appeals Panel. A review has been conducted in accordance with the terms of reference approved by Council and the report of the Panel is attached at Appendix 1.

### Panel's Review

8. The report covers a wide range of issues and the Panel's reasoning for its recommendations. The process and methodology of the Review is detailed in paragraphs 9 and 10 of Appendix 1 and the Principles and Key Messages are detailed in Paragraphs 15 to 20.
9. The Panel found that Darlington Borough Council's current Members' Allowances Scheme is based on a number of principles that are not always apparent in other schemes i.e Transparency, Equity and Simplicity and there was a general view that these principles should continue to be adhered to unless there was a clear case to deviate from them.

### Recommendations of the Panel

#### Basic Allowance

10. In respect of the Basic Allowance (paid to all Members of the Council), the Panel has recommended that the Basic Allowance should remain at the current level, subject to any indexation that may apply. In making this recommendation the Panel noted that, although the Basic Allowance was markedly below that paid to regional peers, with a benchmarking group based on other North East/Northern Unitary and Metropolitan Councils, that in itself was not a reason to revise the Basic Allowance. However, it did highlight that the Basic Allowance may be in danger of not fulfilling the function of enabling most people to be a Councillor as it has started to drift below the average in peer Councils.
11. In recommending the basic allowance (Paragraph 36 Appendix 1), the Panel used the basic allowance figure of £8,668, as indexation for 2023/24 had not been agreed at that point in time. With indexation now applied the basic allowance is now £9,003.87.
12. Despite this and the representations received from Members that the Basic Allowance was too low, the majority of Members who did make representations to the Panel, felt that it was not the time to have an above indexation increase in the Basic Allowance whilst many of their constituents were facing difficult economic times and the Panel took this view on board in making its recommendation.
13. The IRP was also of the view that the Basic Allowance is still deemed sufficient to include the costs of incidental expenses and ICT equipment (except the Council provided laptop),

consumables and peripherals and in-Borough travel and subsistence costs incurred on the part of Members.

### **Special Responsibility Allowances (SRA's)**

14. In relation to Special Responsibility Allowances (SRA's), the Panel has recommended no change in any of the current SRA's payable and the narrative which supports this in relation to each of the SRA's is contained in the Panel's report.
15. They also recommended that Members continue to claim only one SRA and that any indexation apply to all SRA's.

### **Mayoral Allowances**

16. In relation to the Mayoral Allowances, the Panel has recommended that there is no increase in the current Mayoral and Deputy Mayoral Allowances subject to any indexation that may apply.

### **Audit Committee - Co-optee**

17. Some Audit Committees have a suitably qualified (financial experience and knowledge) independent member co-opted to the committee. To allow for the possibility of having a co-optee on the Audit Committee, the Panel has recommended that a co-optee allowance should be paid for such a post, if and when, it is appointed to.
18. The Panel recommended that this allowance should be set at ten per cent of the Basic Allowance, subject to any indexation that might apply.

### **Independent Members on School Appeals Panels**

19. In relation to the Independent Members on School Appeals Panels, the Panel has recommended that the Financial Loss Allowance (FLA) and allowances that may be claimed by the Independent Members appointed to the Council's School Appeals Panels are maintained at their current rates, subject to any indexation that may apply.

### **Other Allowances and Expenses**

20. In relation to other allowances and expenses, the Panel has recommended the following :-
  - (a) **Dependent Carer's Allowances (DCA)** – The Panel recommends no change to the current conditions and scope for which the DCA may be claimed for subject to any index that may be applied.
  - (b) **Co-optees Allowances** – As there are currently no Co-optees appointed under the Local Government Act 2000, the Panel makes no recommendations in this regard.
  - (c) **Travelling and Subsistence Allowances** :-

- (i) **Subsistence Allowances** – The Panel does not recommend any changes to the current rates and terms and conditions of the Subsistence Allowance Scheme
  
- (ii) **Travel Allowances** –
  - Within the Borough.** The Panel recommends that no change be made to the current scheme in relation to travel within the Borough
  
  - Outside the Borough.** The Panel recommends that no change be made to the current scheme in relation to travel outside the Borough, but that it be clarified that, where a Member is using an electric or hybrid vehicle on an approved duty outside of the Borough, that they are able to claim mileage at AMAP rates (currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter).
  
- (d) **Approved Duties and Attendance at other Statutory Bodies** – The Panel recommends that the current approved duties, terms and conditions that are applicable for which Members can claim travel mileage allowances and the reimbursement of public transport (where used) remain unchanged.
  
- (e) **Indexation** – The Panel recommends and confirms the use of the following indices for allowances for the next four years :-
  - (i) Basic Allowance, SRA's, Civic Allowances and Appeals Panel Members Financial Loss Allowance – to be increased by the same percentage applied annually to the pay of local government staff, implemented at the start of each Municipal Year (linked to spinal column point 43 of the NJC scheme) starting from annual meeting on 21 May 2024;
  
  - (ii) DCA – Elderly/Disabled Element – Indexed to the hourly rate chargeable by the Council for provision of a Home Care Assistant;
  
  - (iii) Travel – (out of authority only) - Mileage rates to be indexed to HRMC rates. Other travel will be reimbursement of actual costs taking into account the most cost-effective means of transport available and the convenience of use; and
  
  - (iv) Subsistence (out of authority only) – Indexed to the same rates that apply to Officers of Darlington Borough Council, for reimbursement of actual costs up the maximum rate applicable.
  
- (f) The Panel further recommends that, as per the regulations, the indices recommended by the Panel are to run for four years from 21 May 2024, or until the Council requires a further review.

### **Members' Allowances Scheme**

21. Should any, or all of the Independent Remuneration Panel's recommendations be approved it will be necessary to amend Darlington Borough Council's Members' Allowances Scheme.

22. An amended scheme is attached at Appendix 2 which takes into account the recommendation suggested by the Independent Remuneration Panel.

**Panel's Recommendations**

23. Council can accept the Panel's recommendation in full or part or reject them entirely.