

**A Review**

**Of**

**Members' Allowances**

**For**

**Nuneaton & Bedworth  
Borough Council**

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**A Report**

**By the**

**Independent  
Remuneration Panel**

**Dr Declan Hall (Chair)**  
**Jeff Hunt**  
**Alison Thompson**

**October 2024**

## Nuneaton & Bedworth Borough Council IRP recommendations: Executive Summary

### The IRP recommends the following

Nuneaton & Bedworth Borough Council IRP Executive Summary	<b>BA &amp; SRAs 2025/26 (recommended)</b>					
REMUNERATED POSTS	Basic Allowance	Methodology	Nos. Paid	SRA per Post	Total per Member	Total per Category
All Members	£5,870	650 hours - 40% PSD) = 390 hours X £15.05 p/hour	38	-		£223,060
Leader of Council	£5,870	2.5 X BA	1	£14,675	£20,545	£14,675
Deputy Leader Council	£5,870	60% X Leader's SRA	1	£8,805	£14,675	£8,805
Executive Cabinet Members	£5,870	50% X Leader's SRA	4	£7,338	£13,208	£29,350
Chair Planning	£5,870	35% X Leader's SRA	1	£5,136	£11,006	£5,136
Chairs Overview & Scrutiny	£5,870	25% X Leader's SRA	4	£3,669	£9,539	£14,675
Chair Licensing	£5,870	10% X Leader's SRA	1	£1,468	£7,338	£1,468
Chair Audit & Standards	£5,870	30% X Leader's SRA	1	£4,403	£10,273	£4,403
Main Opposition Group Leader	£5,870	25% X Leader's SRA	1	£3,669	£9,539	£3,669
Leader Minor Opposition Group (if reach 4 Members)	£5,870	£200 per Group Member	NA	NA	NA	NA
<b>SUB TOTALS</b>						
<b>BA SUB TOTAL</b>	£5,870		<b>38</b>			<b>£223,060</b>
<b>SRAs SUB TOTAL</b>			<b>14</b>			<b>£82,180</b>
<b>TOTAL PAYABLE (BA + SRAs)</b>						<b>£305,240</b>

### The IRP also recommends that

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

Where there are two Main Opposition Groups of equal size that the recommended SRA (£3,668) for the Leader of the Main Opposition Group divided by two and paid equally to each Main Opposition Group Leader. In this situation this would equate to an SRA of £1,834.

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

The Nuneaton & Bedworth BC Members' Allowances scheme maintains the one-SRA only rule and this provision is inserted in the Allowances Scheme so that it clarifies this position.

### **Subsistence Allowances for within Borough duties – No Change**

There is no change regarding Members being unable to claim Subsistence Allowances for attending in-borough duties.

### **Subsistence Allowances for attending approved duties without the Borough**

The current terms and conditions and rates at which Members can claim out of Borough Subsistence Allowances are maintained.

### **Travel Allowances for within Borough duties – No Change**

The Members right to claim Travel Allowances for attending in-borough duties is maintained.

### **Travel Allowances for outwith Borough duties and travel rates generally**

The current rates for the claiming of out of Borough Travel Allowances is maintained but to future 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 rates are also applicable.

### **The Dependants' Carers' Allowance**

The DCA is maintained with the two different categories of care at the maximum specified rates but also that the Allowances Scheme is amended so that any DCA claims will only be reimbursed upon the production of receipts. This latter provision should also be inserted into the Allowances Scheme.

### **Co-optees' Allowances**

The Co-optees' Allowance is reset at £350 for 2025/26, subject to any indexation that may be applicable for that year.

### **Resetting the Telephone Allowance**

The Telephone Allowance is maintained but reset at £20 per month or £240 per year from start of the 2025/26 municipal year, subject to any applicable indexation in that year.

### **Confirming Indexation**

The Nuneaton and Bedworth Borough Council Members Allowances are indexed as follows:

- **Basic Allowance, SRAs, Co-optees' Allowances and the Telephone Allowance:**
  - 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

- **Subsistence Allowances:**
  - Indexed to the same rates that apply to staff
  
- **Travel Allowance – Mileage Rates:**
  - Indexed to HMRC approved mileage rates for motor, hybrid and electric vehicles, motor cycles and bicycles
  
- **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 by Warwickshire County Council Social Services Department Adult Social Care for home help

The IRP also recommends that the indices apply for the maximum length permitted by the 2003 Regulations namely four years and to run from start of 2025/26 municipal year until the end of the 2028/29 municipal year.

**Implementation of Recommendations**

The recommendations contained in this report should be implemented from the date of the Council’s Annual Meeting on 14<sup>th</sup> May 2025.

**A Review of Members' Allowances**  
**For**  
**Nuneaton & Bedworth Borough Council**  
**By the**  
**Independent Remuneration Panel**  
**October 2024**

**The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel (the Panel or IRP) appointed to provide advice on the Members' Allowances scheme for the Nuneaton & Bedworth Borough Council.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, arising out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (IRP) to review and provide advice to their respective councils on Members' allowances.
3. English councils retain the power to determine their allowances. However, they are required to convene their respective IRPs and seek its advice before they make any changes or amendments to their Members' Allowances scheme. Councils must 'pay regard' to their IRPs recommendations before setting a new or amended Members' Allowances scheme.
4. In particular, the IRP has been reconvened under the 2003 Regulations [10. (5)], which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.

5. This mechanism (known as the four year rule) means that all Councils are required to reconvene their IRP at least once every four years thus ensuring a degree of public accountability *vis-à-vis* their Members' Allowances schemes. It is under this requirement that the IRP has undertaken this review of Members' Allowances for Nuneaton & Bedworth Borough Council.

### **Terms of Reference**

6. The Terms of Reference are set out in the Council's Constitution as follows:
  - i. Comply with the 2003 Members' Allowances Regulations (or any subsequent re-enactment of those Regulations)
  - ii. Review the Council's Scheme of Allowances every four years to ensure the Scheme remains fit for purpose
  - iii. Consider any specific proposals suggested by Members or Officers at such reviews, or as may be necessary from time to time
7. As such, the IRP has adopted a more extended Terms of Reference as set out in the 2006 Statutory Guidance<sup>1</sup>, namely 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. The amount of any Co-optees' Allowances payable
  - V. 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
  - VI. 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

### **The IRP**

8. Nuneaton and Bedworth Borough Council reconvened its Independent

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<sup>1</sup> See 2006 Statutory Guidance, paragraph 61.

Remuneration Panel and the following IRP Members were appointed to carry out its independent review; namely:

<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>Jeff Hunt</u> <sup>2</sup>	A trustee at the Citizen's Advice Bureau and a former Borough Councillor, and a Nuneaton & Bedworth Borough Council resident
<u>Alison Thompson</u> <sup>3</sup>	Area Manager for Warwickshire Community and Voluntary Action for the North and has worked in this and similar roles offering community group and voluntary support and VCSE advocacy for 21 years and a Nuneaton & Bedworth Borough Council resident

9. The IRP was supported by Kelly Baxter Angela Taylor, Democratic Services Team Leader at Nuneaton & Bedworth Borough Council and whose role was to take the organisational lead in facilitating the work of the IRP.

## Process and Methodology

10. The IRP met at Nuneaton Town Hall on 2<sup>nd</sup> – 3<sup>rd</sup> October 2024. The IRP meetings were in closed session to enable the IRP to meet with Members and receive factual briefings from Officers and conduct its deliberations in confidence.
11. A representative range of Members were invited to meet with the IRP and all other Members were given the opportunity to meet with the IRP if they so wished. In addition, all Members were sent a questionnaire that addressed the IRP's terms of reference, thus ensuring all Members had the opportunity to have an input into the review. The short questionnaire was also used as an aide memoire for the Member interviews thus ensuring all Members were asked the same set of questions. The IRP interviewed four elected Members and received three written submissions.
12. The IRP also met with a number of Officers for factual briefings on political structures and constitutional changes since the last review and to obtain an overview on the challenges facing the Council. The IRP also took cognizance of the range and levels of allowances paid in comparable local authorities, namely all five District Councils in Warwickshire, plus the two geographically adjacent District Councils of Hinckley and Bosworth and Tamworth, and Nuneaton & Bedworth Borough Council's eight Nearest Neighbours as defined

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<sup>2</sup> Jeff made a declaration of interest – see appendix 1

<sup>3</sup> Alison also made a declaration of interest – see appendix 1

by the Chartered Institute of Public Finance and Accountancy (CIPFA).<sup>4</sup>

13. The full range of written information received and considered by the IRP is listed in the appendices as follows:
- **Appendix 1:** Declarations of Interest
  - **Appendix 2:** List of information and evidence that was included in the Information Pack for IRP Members
  - **Appendix 3:** Members who met with the IRP and Officers who provided a factual briefing to the IRP
  - **Appendix 4:** Summary of benchmarking against all the five Warwickshire District Councils plus two geographically adjacent District Councils and eight CIPFA Near Neighbour Councils

### **Key Observations – Allowances do require revision**

14. It became clear during the course of the review that the current allowances were no longer fit for purpose. They have remained static since 2021 and in the case of most of the SRAs they have actually been cut and are less now than there were in 2020/21. This observation is also supported by the benchmarking. Also, arising out of the representation received was the view that Nuneaton and Bedworth Borough Council members' allowances scheme should be more in line with the average paid across similar District/Borough Councils, a view which the IRP has taken cognisance.

### **Allowances as an enabler**

15. 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 general agreement in the representation received that this principle should underline the allowances paid in Nuneaton & Bedworth Borough 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. Even in the representation received that suggested the allowances were indeed generally an enabler they usually qualified it by adding they were speaking from a personal perspective and could see how it did not enable younger working people to be an elected Member without incurring a cost, usually in having to take unpaid time off work.
16. The IRP notes that the elected Members are not representative of the residents of Nuneaton and Bedworth Borough Council, in particular regarding younger working people and women. A similar point was raised in the representation received. However, Nuneaton and Bedworth Borough 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

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<sup>4</sup> This provided a benchmarking group of 14 rather than 15 councils as 1 adjacent Council, Tamworth, was also included in the 8 CIPFA Nearest Neighbours benchmarking sub group.



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.

17. Nonetheless, 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 SRAs undervalued the work of Members and that the current allowances scheme was unsustainable. If the current situation was maintained it risks returning to the era when being a Councillor was restricted to those who could afford it or were willing to live in straitened circumstances for the sake of public service

### **Recognising the economic context – ensuring value for money**

18. Even though the general view in the representation received that the allowances needed revisiting there was also the concomitant (but lesser) view that the IRP had to have an eye to the economic context when arriving at recommendations. It was pointed out that it continues to be an economically tough climate for both the Council and its residents. Yet, the IRP while acknowledging that the Borough residents are facing cost of living pressures, it also noted that elected Members are not immune from those same pressures.
19. It is recognised that it is never a good time to increase allowances but it is clear from the representation received and the evidence reviewed that increases in allowances at this juncture are unavoidable if the Nuneaton and Bedworth Borough Council allowances scheme is to be updated to recognise the increased demands placed on Members in the past 4 years or so.
20. 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. As such, the IRP has sought to make recommendations that are evidence based, robust, stand up to benchmarking and can be seen as representing value for money. Regarding this latter point the IRP also points out that its recommendations concerning the SRAs are all (except in one case) below the mean figures from the benchmarking group (see below). In addition, the IRP is also recommending a counterbalancing reduction in allowances in one particular area (again see below).

### **Recommendations - the Basic Allowance**

#### **Noting the level of the Basic Allowance if it had been indexed since 2021/22**

21. As a starting point the IRP noted in its previous review (July 2021) that it recommended that the Basic Allowance (and SRAs) should be indexed to the same percentage uplift applied to Staff salaries each year as agreed by the National Joint Council for local government staff. The Council accepted this recommendation but decided since then in practice not to apply an index to the Basic Allowance (or SRAs).
22. Consequently, the IRP decided to work out what the Basic Allowance would be if indexation had been applied to the Basic Allowance as originally recommended and accepted by the Council. The table below shows what the applicable index would have been and what the current Basic Allowance would be if indexation had been applied

<b>N&amp;B BA if NJC indexed applied since 2021/22</b>			
<b>Year</b>	<b>Basic Allowance at start year</b>	<b>NJC Index (at SCP 43)</b>	<b>BA Index applied for applicable year</b>
2021/22	5,134	1.0175	5,224
2022/23	5,224	1.0404	5,435
2023/24	5,435	1.0388	5,646
2024/25	5,646	1.025	5,787

23. The IRP notes that if indexation had consistently been applied to the Basic Allowance since 2021/22 it would now be at least £5,787. While the IRP is not seeking to reverse a decision of the Council regarding the application of indexation it does highlight the fact that the Basic Allowance has lost relative value since the last review.
24. The IRP arrived at the recommended Basic Allowance by a consideration of three reference points. This is the process by which three reference points are 'triangulated' to give an indication of where the Basic Allowance should be. The three reference points were
- The recalibrated Basic Allowance – arrived at by following the methodology as set out in the 2006 Statutory Guidance
  - Benchmarking the Basic Allowance against the comparator group of councils
  - The representation received

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

25. For the first point in the triangulation process 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.

26. The Statutory Guidance (paragraphs 68-69) expands on the above statement by breaking it down to three variables – time required to undertake the role of the backbencher, public service or building in the voluntary principle and the worth of remunerated time.

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

27. 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 for 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, working groups 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 where applicable meetings with Officers.
28. In data supplied to the Chair of the IRP from the Local Government Association Councillors Census 2022, it shows that Councillors in district councils who held "no positions" of responsibility put in on average 15.2 hours per week "on council business"<sup>5</sup>. However, the IRP has not been guided by this figure; the average will include those respondents who put in more than is required to be an effective backbench Member as some will have more time to supply than is necessarily required. It did establish however, a top end for the time estimate to be a back bench Member; it should be no more than 15.2 hours per week.
29. In the representation received by Members the estimated time required to be an effective backbencher ranged from 8 to over 20 hours per week. Due to the reported averages reported by the LGA Councillors Census (2022) the IRP has already discounted anything over 15.2 hours per week while also recognising that even that figure may be inflated by those who have the capacity to put in more than is required. On the other hand, the IRP has not been guided by the lower reported figure (around 8 hours per week). In particular it was mentioned that the ubiquitous nature of social media meant that Members were contactable 24/7 by constituents and other members of the public which has made enhanced demands upon their time in recent years. Moreover, it was also mentioned that in recent years Members have been subject to more personal abuse and threats (partly as a result of the prevalence of social media and partly as a result of the general trend towards

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<sup>5</sup> Information based on National Census of Local Authority Councillors 2022 (LGA), breakdown of weekly hours by councillors by number of positions held and type of council, in email from S. Richards, LGA 17 May 2023.

all elected politicians), which for personal safety reasons often meant Members having to double up in regards to carrying out many constituency related activities.

30. Thus for the purposes of recalibrating the Basic Allowance in line with the 2006 Statutory Guidance, the IRP adopted a figure of 12.5 hours per week, or 650 hours per year, as the expected time input from Members for their Basic Allowance.
31. The IRP recognises that some Members who hold no positions may well put in more than the average of 12.5 hours per week. However, the IRP has opted for 12.5 hours as it is approximately the midpoint between the lowest report expectation of 8 hours per week and the Councillor Census figure of 15.2 hours per week and that to adopt a higher figure would be recognising those Members who have the capacity to put in more time than 12.5 hours per week rather than what is strictly required.

### **The Public Service Discount (PSD) or recognising the voluntary element**

32. 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.
33. The normal range for this public service discount is between 30%-40% in counties, unitary and metropolitan councils whereas for district councils the normal range for this public service discount is between 35%-45%. 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.
34. For the purposes of recalibrating the Basic Allowance the IRP has chosen a public service discount of 40% on the basis that Members put a high value on their work representing their local constituents and wards and their involvement with local communities. This is the same level of PSD that the IRP has adopted in the past. Thus, of the expected time input of 650 hours per year, 40% of that time, or 260 hours per year are deemed public service and not paid, leaving 390 remunerated hours per year.

### **The rate for remuneration**

35. The Local Government Association (LGA) used to issue a daily session advisory rate to IRPs to use as a rate of remuneration in arriving at a recommended Basic Allowance. It was based on the national male non-manual earnings, which by 2012 when the LGA discontinued issuing this advice had reached over £165 per day. The LGA stopped issuing this advice mainly for two reasons:

- It had reached a level that many IRPs found was not helpful
- The Office of National Statistics started to publish average earnings on a local authority basis

36. ASHE (Annual Survey of Hours and Earnings) 2023 Table 7.5 a shows that the median daily earnings (including overtime) for all full time employees in the area of Nuneaton & Bedworth Borough Council was £15.05 per hour.<sup>6</sup> For the purposes of recalibrating the Basic Allowance the IRP has adopted this hourly rate of £15.05 as it relates to the median earnings of those that Members represent, i.e., their constituents. A locally based figure is the most commonly utilised rate of remuneration by IRPs as it is robust and defensible vis-à-vis the public and cannot be criticised for being excessive.

### Arriving at the recalibrated Basic Allowance

37. If the IRP applied 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: 650 hours per year
- Public Service Discount: 40% (260 hours per year)
- Rate for Remuneration: £15.05 per hour

38. By following the methodology as set out in the 2006 Statutory Guidance with the variables utilised it produces the following recalibrated Basic Allowance:

- 650 annual hours input minus 40% PSD (260 hours) = 390 remunerated hours multiplied by £15.05 per hour  
= £5,870

### Benchmarking the Basic Allowance

39. As a further checking mechanism the IRP considered how the Nuneaton and Bedworth Borough Council Basic Allowance benchmarked against the Basic Allowance paid in the comparator group of Councils. Benchmarking shows that the current Basic Allowance paid in Nuneaton & Bedworth Borough is noticeably below that paid in the comparator group:

- Mean Basic Allowance in benchmarking group: £5,790
- Nuneaton & Bedworth BC current Basic Allowance: £5,134
- The recalibrated Basic Allowance: £5,870

40. The IRP notes that the recalibrated Basic Allowance is just above the mean Basic Allowance paid in the benchmarking group but the difference is so marginal so not to be significant. Moreover, it is further noted that the mean

<sup>6</sup> The ONS advises that the median rather than mean figure is a better measure of average earnings as the mean is skewed by the relatively few high earners.

Basic Allowance of £5,790 relates to 2023/24. The vast majority of the Councils in the benchmarking group will be applying an indexation to their Basic Allowance for 2024/25, which would (assuming at least a minimum indexation of 2.5 per cent – and some will apply a higher indexation figure) then at the start of the 2025/26 municipal year (the same year which any recommended Basic Allowance by this IRP relates to Nuneaton and Bedworth BC) will be at least £6,000. In this context the recalibrated Basic Allowance of £5,870 cannot be seen as being comparatively excessive.

### The representation received

41. As the third and final reference point the IRP considered the representation received both written and oral. The overwhelming view was that it is currently too low. The view was expressed that it was at such a level that in effect penalised those Members or prospective Members who were in employment and was a financial disincentive to being an elected Member. Moreover, a major change since there was a fundamental review was the impact of social media, which now means Members are accessible 24/7.
42. In the representation the range given on what the Basic Allowance should be was simply “increased” up to £12,500, although the latter figure was qualified by the respondent accepting a figure of £6,500 would be more politically acceptable.

### The recommended Basic Allowance

43. Clearly the three reference points utilised by the IRP all point the fact that the Nuneaton and Bedworth Borough Council Basic Allowance is too low and requires revision.
44. Consequently, the IRP is recommending that the recalibrated Basic Allowance (£5,870) should be adopted for the following reasons:
  - It reflects the weight of the representation received
  - It is based on the recalibrated Basic Allowance (£5,870) arrived at by following the methodology laid out in the 2006 Statutory Guidance
  - It is in line the mean Basic Allowance paid in the benchmarking group of Councils, and once indexation for 2024/25 has been applied in the benchmarking group of Councils the recalibrated Basic Allowance will be marginally below the benchmarked mean Basic Allowance
  - As part of a *quid pro quo* for the recommended increase in the Basic Allowance the IRP is also recommending a decrease in the Telephone Allowance (see below)
45. As such, the IRP considers that a recommended Basic Allowance of £5,870 is both robust, justifiable and takes into account the current financial context.
46. **The IRP recommends that the Basic Allowance to be reset at £5,870 for 2025/26, subject to any indexation that may be applicable for that year.**

## Special Responsibility Allowances – Leader of the Council

47. In consideration of the Leader's SRA (currently £11,300) the IRP explored the extent to which the Leader's role has changed since the last review. It was noted that not only has the Leader's SRA remained static since 2021/22 it is actually lower than it was in 2020/21 when it was £12,835.
48. The IRP was informed that economic regeneration is a major issue in the Borough at the present and will continue to be so going forward. This creates additional demands on the Leader (and to a lesser extent other Executive Members). Devolution has also had some impacts on the Leader's role, mainly regarding attending meetings with other Warwickshire District Council Leaders and the Leader of Warwickshire County Council for the upcoming Devolution Level 2 deal. While this will mostly impact on the County, the Leader attends these meetings to ensure the interests of the Borough are put forward and given consideration. Also there have been additional meetings in delivering the levelling up agenda.
49. Duties of this nature were absent since the Leader's SRA was last fundamentally reviewed in addition to the normal round of duties such as one to one meetings with the Chief Executive, pre-Cabinet meetings and meetings with other Officers and Cabinet Members as required. Finally, it is noted that the Leader now has the portfolio responsibility for Housing – one of the larger executive portfolio remits.
50. While it is not a necessary requirement for the Leader of Nuneaton & Bedworth Borough 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. As such, the current SRA for the Leader represents a financial barrier to anyone who has to take enough time off from their full time employment to fulfil the post.
51. Finally, the IRP noted that while not all those Members consulted felt fit to express a view 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

52. These days 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.

53. The Leader's current SRA of £11,300 is 2.2 times the current Basic Allowance. Before it was reduced in 2021/22 the Leader's SRA (£12,835) had been arrived at through this factor approach, with an applicable multiple of 2.5 times the Basic Allowance. The normal range of a multiple of the Basic Allowance to arrive at a Leader's SRA is 2.8-3.2. Benchmarking shows that the Leaders' mean SRA (£18,687) is 3.2 times the mean Basic Allowance (£5,790). The IRP has not been guided by the benchmarked mean factor of 3.2 times the mean Basic Allowance as the mean Leader's SRA is skewed by the comparatively high SRA (£49,377) paid to the elected Mayor of Mansfield. Typically elected Mayors have a much higher remuneration than Leaders. As such, the median Leader's SRA (£15,635) is more appropriate in this context and when compared to the median Basic Allowance (£5,785) it works out to be 2.7 times the median Basic Allowance.
54. As such, for recalibration purposes the IRP received no evidence that the original factor of 2.5 times the recommended Basic Allowance (£5,870) would still not be appropriate. Thus, by multiplying the recommended Basic Allowance (£5,870) by 2.5 it equates to a recalibrated Leader's SRA of £14,675.

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

55. As a further checking mechanism the IRP considered how the SRA (current and recalibrated) for the Leader of Nuneaton and Bedworth Borough 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 Nuneaton and Bedworth Borough is in both cases below with that paid in the comparator group:

• Mean Leaders SRA in benchmarking group:	£18,687
• Nuneaton & Bedworth BC Leader's current SRA:	£11,300
• IRP recalibrated Leader's SRA:	£14,675

56. Benchmarking against the current Leader's SRA (£11,300) shows that it is not only significantly below that paid to peers. In fact it is the lowest in the benchmarking group and consequently also the lowest amongst the Warwickshire District Councils.
57. The IRP concluded that the current SRA for the Leader of Nuneaton & Bedworth Borough Council significantly undervalues the role. As such, the IRP decided that the recalibrated SRA (£14,675) arrived at by following the factor approach is more appropriate considering it is a restoration of the original factor (2.5 times the Basic Allowance), goes some way to recognising the time commitment required and the changing nature of the role since the last fundamental review.
58. **The IRP recommends that the Leader's SRA is reset at £14,675 for 2025/26, subject to any indexation that may be applicable for that year.**



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

59. In arriving at the other recommended SRAs 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.

60. This is known as the ‘pro rata’ approach. By definition the Leader when compared to other post holders has 100 per cent of the workload and responsibility. Thus other SRAs are arrived by assessing their roles as a pro rata of 100 per cent (of the Leader’s role). 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, which is the other most common approach in setting other SRAs. Moreover, it is the most common methodology adopted by English IRPs. It is also the approach that has been adopted by previous Nuneaton and Bedworth Borough Council IRPs in recommending other SRAs. Although it is noted that due to the reduction of certain SRAs in the past the original ratios utilised are now somewhat altered.
61. The IRP has decided to maintain the pro rata approach in setting the recommended other SRAs.

## The Deputy Leader’s SRA

62. Currently the Deputy Leader’s SRA is £7,000 and currently represents 62 per cent of the Leader’s current SRA, although originally it as arrived at by setting it at 65 per cent of the Leader’s SRA. The Deputy Leader is an active role that requires generally supporting the Leader and standing in when necessary. The Deputy Leader will also attend relevant meetings alongside the Leader such as senior Officer Leadership team on a regular basis. The Deputy Leader also has an executive portfolio – Environment and Public Services. They will also when required attend meetings on the Leader’s behalf.
63. Benchmarking shows the following:
- Mean Deputy Leader’s SRA benchmarking group £10,775
  - Nuneaton & Bedworth BC Deputy Leader current SRA £7,000
64. Benchmarking also shows that the mean Deputy Leaders SRA is paid at 58 per cent of the mean Leaders SRA (£18,678). Thus the current ratio (62% of the Leader’s current SRA) is marginally above peers methodologically.

65. The IRP concluded that the current differential between the role of the Leader and Deputy Leader was broadly appropriate but that the Deputy Leader's SRA should be reset and be brought more in line with peers in terms of the ratio utilised. As such, in line with the pro rata approach the IRP has decided that the Deputy Leader's SRA is reset at 60 per cent of the recommended SRA (£14,675) for the Leader, which equates to £8,805. The IRP considered whether there as a case to reset the SRA for the Deputy Lead at the original ratio of 65 per cent but from the evidence received it concluded that the role of Deputy Leader had not changed to the extent that the Leader's role had changed since the last fundamental review.
66. **It is recommended that the Deputy Leader's SRA is reset at 60 per cent of the Leader's recommended SRA (£14,675), which equates to £8,805 for 2025/26, subject to any indexation that may be applicable for that year.**

#### **The Other Cabinet Members SRA (x 4)**

67. Currently the other five other Executive Cabinet Members each receive an SRA of £6,000 which currently represents 53 per cent of the Leader's current SRA, although originally it as arrived at by setting it at 55 per cent of the Leader's SRA. But it is noted that ratio (55 per cent) was utilised when there were only three other Cabinet Members. There was very some minor representation received that questioned the rationale of having four other Cabinet Members, with the recent addition of an extra post. It is not the role of the IRP to comment on how the Council determines its governance arrangements. It is noted however that the legislation permits up to 10 Executive Members (including Leader and Deputy Leader) and Nuneaton and Bedworth Borough Council only has six Executive Members in total, which would be less than typical in the benchmarking group.
68. Insofar that there was representation received regarding the SRA for the other Executive Members the general view was that the current SRA was too low. It did not recognise their workload and in particular the responsibility they held. Benchmarking shows the following:
- Mean Cabinet SRA in benchmarking group: £8,681
  - Nuneaton & Bedworth BC Cabinet Members current SRA: £6,000
69. In fact, benchmarking shows that the Cabinet Members at Nuneaton & Bedworth Borough Council receive the lowest SRA across Warwickshire and the second lowest SRA across the whole benchmarking group. The benchmarking also shows that the mean SRA for other Cabinet Executive Members is 46 per cent of the mean SRA paid to Leaders in the peer councils.
70. The IRP has not been guided by benchmarking group ratio (46 per cent) largely on the grounds that although there is an extra Cabinet Member since the last review in Nuneaton and Bedworth there tends to be slightly more of these posts in the Councils included in the benchmarking group. On the other hand, because of the additional Cabinet Member since the last review the IRP

has reset the SRA for other Cabinet Members at 50 per cent of the Leader's recommended SRA (£14,675) for the Leader, which equates to £7,338.

71. **It is recommended that the four other Cabinet Executive Members' SRA is reset at 50 per cent of the Leader's recommended SRA (£14,675), which equates to £7,338 for 2025/26, subject to any indexation that may be applicable for that year.**

### **The SRA for the Chair of the Planning Committee**

72. Currently the Chair of the Planning Committee is paid an SRA of £4,771 which currently represents 42 per cent of the Leader's current SRA, although it was originally set at 35 per cent of the Leader's SRA. The reason for this discrepancy, i.e., methodologically a much higher ratio than originally utilised, is that the Chair of the Planning Committee was one of the few SRAs that was not decreased since 2020/21.
73. The Chair of the Planning Committee is the highest paid Committee Chair across the Council. This differentiation had support in the representation received as the Planning Committee meets more often than any other committee with 12 scheduled meetings per year, plus associated site visits. On a simply workload basis chairing the Planning Committee is clearly a larger role. Moreover, it is a statutory committee that exercises regulatory functions and the Chair has to be able to chair what are often highly visible meetings dealing with contentious issues regarding planning applications and is subject to lobbying more than any other Chairman.
74. Benchmarking shows the following:
- Mean Planning Chair SRA benchmarking group: £5,874
  - Nuneaton & Bedworth BC Planning Chair current SRA: £4,771
75. Benchmarking also shows that the mean SRA paid to these Chairs is 31 per cent of the mean SRA paid to Leaders in the benchmarking group. Thus methodologically the current SRA for the Chair of Planning is high.
76. Consequently, the IRP concluded that the ratio utilised in setting the SRA for the Planning Chair was in need of resetting. In determining the appropriate ratio the IRP has been guided by the original ratio of 35 per cent of the Leader's recommended SRA (£14,675) as the appropriate ratio, which equates to £5,136.
77. **The IRP recommends that the SRA for the Chair of the Planning Committee is reset at 35 per cent of the recommended SRA (£14,764) for the Leader, which is £5,136 for 2025/26, subject to any indexation that may be applicable for that year.**

### **Chairs of the Overview and Scrutiny Panels (x 4)**

78. Currently, the four Chairs of the Overview and Scrutiny Panels are paid an SRA of £2,650 that represents 23 per cent of the Leader's current SRA, although this SRA would have originally been set at 30 per cent of the Leader's SRA. Benchmarking shows the following:
- Mean Overview and Scrutiny Chairs SRA benchmarking group: £4,700
  - Nuneaton & Bedworth Overview & Scrutiny Chairs current SRA: £2,650
79. It is noted that the SRA paid to the Chairs of the Overview and Scrutiny Panels is the lowest across the benchmarking group. This comparatively low SRA for the Chairs of the Overview and Scrutiny Panels is not repeated on a methodological basis. The benchmarking group shows that the mean SRA paid to equivalent Chairs is 25 per cent of the mean SRA paid to Leaders.
80. The IRP originally set the SRA for the Chairs of the Overview and Scrutiny Panels at 30 per of the Leader's SRA when there were three such Panels and there are now four in place. While the Overview and Scrutiny Panels can set up Scrutiny Working Groups they are limited in practice and the Chairs of the Overview and Scrutiny Panels are not necessarily expected to chair such Working Groups. On the other hand, they are statutory committees undertaking a statutory function, including the statutory function of Call-in of Executive functions and review and scrutiny of any actions taken in connection with the discharge of any of the functions of the Council. Furthermore it has the additional function of policy development review.
81. Consequently, the IRP concluded that this SRA should be reset in line with the mean ratio in the benchmarking group which is 25 per cent of the Leader's recommended SRA (£14,675), which equates to £3,669. The IRP was originally minded to reset this SRA somewhat higher but for the establishment of the additional Overview and Scrutiny Panel since last reviewed.
82. **The IRP recommends that the SRA for the Chairs of the Overview and Scrutiny Panels is reset at 25 per cent of the recommended SRA (£14,675) for the Leader, which is £3,669 for 2025/26, subject to any indexation that may be applicable for that year.**

### **Chair of the Audit and Standards Committee**

83. Currently, the Chair of the Audit and Standards Committee receives an SRA of £2,692 that was originally set at 20 per cent of the Leader's SRA but is now 24 per cent of the Leader's SRA as this SRA was not reduced since the last review. The Audit and Standards Committee while not a statutory committee fulfils two statutory functions and it is regarded as good practice to have a separate Committee fulfil the Audit function, 12 out of 14 of the comparator group of councils have an equivalent committee.
84. Benchmarking shows the following:
- Mean Audit Chair SRA benchmarking group: £3,625
  - Nuneaton & Bedworth BC Audit & Standards Chair current SRA: £2,692

85. Methodologically, benchmarking also shows that the mean SRA paid to equivalent posts is 19 per cent of the mean SRA paid to Leaders.
86. However, what the benchmarking does not capture is the fact that in five of the other benchmarked councils they have a separate Standards Committee where they pay their Chair an SRA, with a mean figure of £3,510. The Standards remit part of the Committee is not particularly large these days (post 2011 Localism Act). Nonetheless, the Standards and Audit Committee has five scheduled meetings per year; the second most of all the Council's Committees and Panels, partly to account for the Standards remit, which typically takes up no more than one meeting per year, mostly to revise if necessary and agree the Members Code of Conduct.
87. Moreover, there is the further remit regarding hearing complaints against Members, which if they are deemed to have merit, will be dealt with by a Sub-Committee of Audit and Standards where the Chair can (but not always) chair any hearings, although in practice there are no more than one Standards hearings per year.
88. Also, it is noted that the Audit and Standards Committee has a third remit – governance. It is responsible for ratifying changes to the Constitution for Council approval. A lot of this work is actually carried out a Constitution Review Working Group that feeds into the Audit and Standards. While the Chair of Audit and Standards is not necessarily required to chair the Constitution Review Working Group it is current practice. As a result, the IRP has not been so concerned about keeping this SRA noticeably below the mean SRA paid to Audit Chairs in the benchmarking group.
89. Finally, the IRP received representation that the work the Audit remit of this Committee has increased since the Chair's SRA was last reviewed. In particular, as financial pressures have increased the importance of ensuring the Audit remit has increased, with larger concomitant risk. It means that the Chair has to work regularly with relevant internal audit Officers as well as the external auditors.
90. Consequently, the IRP concluded that the current ratio of 24 per cent of the Leader's SRA was no longer appropriate and the IRP has reset the recommended SRA for the Chair of the Audit and Standards Committee at 30 per cent of the recommended SRA (£14,675) for the Leader, which equates to £4,403.
91. **The IRP recommends that the SRA for the Chair of the Audit and Standards Committee is reset at 30 per cent of the recommended SRA (£14,675) for the Leader, which is £4,403 for 2025/26, subject to any indexation that may be applicable for that year.**

#### **Chair of the Licensing Committee**

92. Currently, the Chair of the Licensing Committee is paid an SRA of £1,000, which equates to 9 per cent of the Leader's SRA. This SRA has been reduced the most since 2020/21 when it was 20 per cent of the Leader's SRA. Benchmarking shows the following:
- Mean Licensing Chair SRA benchmarking group: £3,565
  - Nuneaton & Bedworth BC Licensing Chair current SRA: £1,000
93. Methodologically, benchmarking shows that the mean SRA paid to Licensing Chairs is 20 per cent of the mean SRA paid to Leaders.
94. Again, benchmarking shows that the SRA for the Chair of Licensing in Nuneaton & Bedworth Borough Council is methodologically and in monetary terms low. Moreover, it is the lowest amongst all peer councils.
95. The full Licensing Committee is scheduled to meet four times per year but typically two of these meetings are cancelled each year due to lack of business. However, one of the main functions of the Licensing Committee is to hold Licensing Sub-Committees, which deal with Licensing Appeals, mostly under the Licensing Act 2003 and Gambling Act 2005 plus taxi licensing appeals. Typically there are about two Licensing Sub-Committees per year. Although the Licensing Committee Chair can chair these Licensing Sub-Committees there is no expectation that they shall do so. What the benchmarking does not capture is that in many of the benchmarking group of councils there are often more Licensing Sub-Committees and their Licensing Committee Chair is expected to chair them.
96. While not a lot of representation was received regarding the SRA for the Chair of Licensing, the IRP concluded that there was not a strong case to drastically revise it. The IRP noted that in its previous review it recommended that this SRA should be paid at 10 per cent of the Leader's SRA. It received no evidence that that ratio was not still appropriate. The IRP decided that the appropriate ratio should be reset at 10 per cent of the recommended SRA (£14,675) for the Leader, which equates to £1,468.
97. **The IRP recommends that the SRA for the Chair of the Licensing Committee is reset at 10 per cent of the recommended SRA (£14,675) for the Leader, which is £1,468 for 2025/26, subject to any indexation that may be applicable for that year.**

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

98. Currently the Leader of the Main (Conservative) Opposition Group receives an SRA of £2,692, which currently equates to 24 per cent of the Leader's SRA. Originally, this ratio was 20 per cent of the Leader's SRA but the ratio is now higher as it is one of the few SRAs not reduced since 2020/21. It also has historically been paid on a par with the SRA paid to the Chair of the Audit and Standards Committee.

99. Regarding the SRAs paid to the Leaders of the Main Opposition Groups benchmarking shows the following
- Mean Opposition Group Leader SRA benchmarking group: £4,650
  - Nuneaton & Bedworth Main Opposition Group Leader current SRA: £2,692
100. Benchmarking also shows that the mean SRA paid to Leaders of the Main Opposition Groups in the comparator group of councils is 25 per cent of the mean SRA paid to Leaders.
101. It is noted that the Leader of the Main Opposition has primary responsibility to provide a constructive challenge to the ruling administration and as such must develop and maintain an overview of what is going on across the whole Council. The importance of ensuring that the Opposition is properly supported is underlined by the fact that the 2003 Regulations require that where SRAs are paid that at least one must be paid to a Member of the Opposition, which almost universally means the Leader of the Main Opposition Group.
102. As such, the IRP concluded that the current ratio of 24 per cent of the Leader's SRA should be marginally readjusted and reset on a par with the mean ratio (25 per cent) in the benchmarking group. Thus, 25 per cent of the recommended SRA (£14,675) for the Leader equates to £3,669.
103. **The IRP recommends that the SRA for the Leader of the Main Opposition Group is reset at 25 per cent of the recommended SRA (£14,675) for the Leader, which is £3,669 for 2025/26, subject to any indexation that may be applicable for that year.**

#### **Leaders of Minor Opposition Groups – if reach qualifying threshold of having four Members (x 0)**

104. Previously, the IRP recommended that where a Minor Opposition Group had at least four Members then that Minor Opposition Group Leader should be paid an SRA of £200 per group Member. It is noted that provision is not currently contained in the current Members' Allowance Scheme despite the Council accepting this recommendation. This SRA is not currently payable as the only Minor Opposition Group on Council, the Greens with two Members, does not reach the qualifying threshold of having four Members
105. However, under the provisions of the Local Government Act 1989 it only takes two Members to form a political group on the Council. As such, the IRP considered whether it was appropriate for a Leader of an Opposition Group of two Members merited a SRA. It is noted that IRPs often take the view that for Leaders of Other Minor Opposition Groups to receive an SRA that a group of two Members does not reach a critical mass and will impose a qualifying criterion that an Other Opposition Group needs to reach before the Leader is paid an SRA, often set at 10 per cent of Council membership. For instance, in Warwick District Council a Leader of a Minor Opposition Group only receives a once that Group has four Members.

106. The IRP received no evidence or representation to alter the current position and has decided to maintain the qualifying criteria of reaching four Group Members before an SRA is paid to a Leader of a Minor Opposition Group.
107. Benchmarking is of limited value in this context as Leaders of Minor Opposition Groups are not always paid an SRA and where they are the level of SRA payable is largely dependent on the size of respective Minor Opposition Groups. Nonetheless, the IRP received no evidence or representation that the current level of £200 per Group Member is no longer appropriate.
108. **The IRP recommends that a Leader of the Minor Opposition Group where they reach the qualifying threshold of having four Group Members are paid an SRA of £200 per Group Member for 2025/26, subject to any indexation that may be applicable for that year.**
109. **The IRP further recommends that the provision for the SRA to be paid to a Leader of a Minor Opposition where the qualifying threshold of having at least four Group Members is inserted in the Members' Allowances Scheme.**

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

110. While the issue was not raised with the IRP considered the unlikely situation where there were two Main Opposition Groups of equal size. It is noted that the current Members' Allowances Scheme already accounts for this scenario. In particular, the allowances scheme states that where there are two Main Opposition Groups of equal size then the stated SRA for the Leader of the Main Opposition Group should be divided equally between the two Group Leaders of Main Opposition Groups of equal size
111. The IRP received no evidence or representation to change this situation. Consequently, the **IRP also recommends that where there are two Main Opposition Groups of equal size that the recommended SRA (£3,668) for the Leader of the Main Opposition Group divided by two and paid equally to each Main Opposition Group Leader. In this situation this would equate to an SRA of £1,834.**

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

112. Although it is not explicitly set out in the current Members' Allowances scheme the practice in Nuneaton & Bedworth Borough Council is to pay a Member one SRA only regardless of the number of remunerated posts they may hold. The 2003 Members' Allowances Regulations do not limit the number of SRAs a Member may receive.
113. Nevertheless, it is common for authorities to have a 'One SRA only' rule set out in their allowances scheme. 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.

114. In general, in the representation received there was support to continue the one-SRA only rule. As such the IRP concluded that it should be maintained and set out in the Members' Allowances scheme. **The IRP recommends the Nuneaton & Bedworth BC Members' Allowances scheme maintains the one-SRA only rule and this provision is inserted in the Allowances Scheme so that it clarifies this position.**

### **Subsistence Allowances for within Borough duties – No Change**

115. Currently Members are only able to claim Subsistence Allowances for when they attend approved duties outwith the Borough. This practice is common nowadays. Where Members are still able to claim Subsistence Allowances for in-borough duties is a throwback to when they were a statutorily claimable allowance in the context whereby the Basic Allowance and SRAs were relatively low. This is no longer the case. There was no representation received to restore the right of Members to claim Subsistence Allowances for attending within Borough duties.
116. **The IRP recommends that Members being unable to claim Subsistence Allowances for attending in-borough duties is maintained.**

### **Subsistence Allowances for attending approved duties without the Borough**

117. Members continue to be able to claim Subsistence Allowances for attending an approved duty outside the Borough. The terms and conditions and rates at which Members can claim out of Borough Subsistence Allowances are the same that apply to Officers. It is universal that Members are able to claim out of Borough Subsistence Allowances for attending approved duties as the costs are beyond marginal. The IRP received no evidence or representation that the current terms and conditions and rates at which Members can claim out of Borough Subsistence allowances required revision.
118. **The IRP recommends that the current terms and conditions and rates at which Members can claim out of Borough Subsistence Allowances are maintained.**

### **Travel Allowances for within Borough duties – No Change**

119. The current Allowances Scheme does permit Members to claim Travel Allowances for attending in-Borough duties. In the more geographical compact councils it is normal practice these days now that the Basic Allowance and

SRAs are not insignificant sums that within-authority Travel Allowances are deemed to be covered by the Basic Allowance and SRAs.

120. The IRP discussed whether there was a case to discontinue the within-Borough Travel Allowances. However, there was some representation received arguing that there are occasions when a Member has to undertake not insubstantial travel to attend to their duties and there could be occasions when a Member would have to fork out for bus fares. While within-Borough Travel Allowances are rarely claimed the IRP concluded that it was best to maintain the current situation lest a potential barrier was imposed for being an elected Member.
121. **The IRP recommends that Members right to claim Travel Allowances for attending in-borough duties is maintained.**

### **Travel Allowances for outwith Borough duties and travel rates generally**

122. Currently, for when a Member attends an approved duty outwith the Borough they can claim Travel Allowances for public transport not exceeding “the amount of the ordinary fare or available cheap fare.” For out of Borough travel by motor vehicle then HMRC mileage rates apply.
123. This situation is normal for most local authorities and the IRP received no evidence or representation to change it. However, there is no clarity regarding where a Member claims mileage allowances for when they travel via hybrid or electric vehicle. The IRP notes that the Office of Low Emission Vehicles clarifies that when claiming business mileage by travel in a hybrid/electric vehicle that the normal HMRC rates apply with no tax or national insurance implications.
124. **The IRP recommends that the current rates for the claiming of out of Borough Travel Allowances is maintained but to future 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 rates are also applicable.**

### **The Dependants’ Carers’ Allowance**

125. The DCA is an allowance given statutory recognition in the 2003 Regulations and as such is now almost universally adopted by English councils. It is an allowance that a Member with caring responsibilities can claim to assist with the care of their dependents while on statutorily defined approved duties.
126. The Council does provide for a DCA. While the Dependants’ Carers’ Allowance (DCA) is rarely claimed at Nuneaton and Bedworth Borough Council 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.

127. Currently, while the allowances scheme provides for a DCA for different types of care and at maximum specified rates it does not insist that any claims need to be supported by receipts. It is simply good practice for any claims to be receipted and the IRP concluded that the Allowances Scheme should be clarified to state this requirement.
128. **The IRP recommends that the DCA is maintained with the two different categories of care at the maximum specified rates but also that the Allowances Scheme is amended so that any DCA claims will only be reimbursed upon the production of receipts. This latter provision should also be inserted into the Allowances Scheme.**

### Co-optees' Allowances

129. Currently the scheme contains provision for the payment of a Co-optees' Allowance to the co-opted Member appointed to each of the four Overview and Scrutiny Panels, as set out in the Constitution. This is an allowance payable to co-opted (non-elected) Members of Committees under the Local Government Act 2000. They have no voting rights. It is currently paid at £237 per year.
130. The IRP was informed that currently the Council has only been able to appoint a Co-optee to one of the Overview and Scrutiny Panels, leaving three vacancies. While it is not known the extent to which the current level of Co-optees Allowance (£237) is a barrier to recruitment the IRP noted that the level has remained static for at least the past six years and it does appear to be on the low side. While Co-optees' Allowances are difficult to benchmark as many District Councils do not have a Constitutional requirement to appoint them it did note that in district councils the Co-optees' Allowance typically ranges from £300-£500. This is backed up by a few specific examples from the benchmarking group:
- Ashfield Co-optees' Allowance £351
  - Erewash Co-optees' Allowance £500
  - Gedling Co-optees' Allowance £551
  - Rugby Co-optees' Allowance £547
  - Stratford-on-Avon Co-optees' Allowance £416
  - Warwick Co-optees' Allowance £338
131. Consequently, in light of Nuneaton and Bedworth Borough Council Co-optees' Allowance being static for at least the last six years, on-going issues of recruiting the full slate of Co-optees and the comparative practice the IRP concluded that an increase was merited. The IRP has simply decided to increase the Co-optees' Allowance to £350 – which puts it at the low end of the comparative spectrum

132. **The IRP recommends that the Co-optees' Allowance is reset at £350 for 2025/26, subject to any indexation that may be applicable for that year.**

### Resetting the Telephone Allowance

133. Currently Members are automatically paid an annual Telephone Allowance of £384, which is the equivalent of £32 per month. In effect, this is a legacy allowance. In the past, when not everyone had a landline telephone, when a Member was elected the Council paid for a BT landline to be connected to a Member's home, the line rental and all Council related calls. This provision became out-dated, not to mention expensive, as home landline telephones became almost universal. With the advent of Mobile phones, the IRP discontinued the direct provision and subsidisation of Members landline telephones and replaced it with the Telephone Allowance.
134. The IRP considered whether the current Telephone Allowance was justified. There was some representation that argued the Telephone Allowance should be rebadged as an Internet Allowance as Members now need to have internet access for social media and accessing Council files and reports. However, the IRP discounted this argument. While an allowance to enable Members to access the internet was common across Councils in the past it is less so these days as the vast majority of the population now have internet access. The Office of National Statistics states that in January 2020 96 per cent of UK households had internet access, with that figure being 80 per cent in households with one adult over 65 years of age.<sup>7</sup> To rebadge this allowance as an Internet Allowance would now be largely archaic; with the very high percentage of UK households now having broadband any broadband use arising from being an elected Member is at the most marginal.
135. However, the IRP did note that largely for personal safety reasons that Members may be reluctant to give out their personal mobile phone numbers. Consequently, the Telephone Allowance can be used to buy a second SIM card and/or a second mobile phone to ensure that constituents could still contact them via phone. Indeed, there is nothing to stop a Member using part of their Telephone Allowance to subsidise their own personal home internet package. As such the IRP supported the continuation of the Telephone Allowance but not just at a rate of £32 per month. Times have moved on and a decent mobile phone and data package can be purchased for £20 per month.
136. **The IRP recommends that the Telephone Allowance is maintained but reset at £20 per month or £240 per year from start of the 2025/26 municipal year, subject to any applicable indexation in that year.**

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<https://www.ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/bulletins/internetaccesshouseholdsandindividuals/2020#:~:text=1.-.Main%20points,2006%20when%20comparable%20records%20began.>

## Confirming Indexation

137. The 2003 Regulations permit allowances to be automatically updated each year by an appropriate index, for a maximum of four years before the Council is required to seek further advice from its IRP. In Nuneaton & Bedworth Borough Council the main allowances have historically been indexed to 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% in any particular year then the Basic Allowance and SRAs would also be increased by the same amount
138. Under the 4-year rule the authority to index allowances lapsed in at the end of the 2023/24 municipal year. For indexation to resume the Council requires a further view from the IRP if it wishes to readopt the indexation of allowances. This four year rule is also the mechanism by which most councils ensure that their allowances scheme is subject to periodic scrutiny and the basis of this particular review.
139. 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.
140. 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, which has been the case for Nuneaton and Bedworth Council for the past four years. Councils retain the right choose whether or not to apply an index to their allowances even though the provision has been adopted.
141. 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 due to fluctuations it would create an inequity between the annual cost of living increase between staff and Members. The NJC index is by far and away the most common index utilised by councils to annually uprate their Basic Allowance and SRAs. The IRP supports the principle of indexation on the current basis.
142. However, for 2022/23 and 2023/24 the NJC agreed a flat rate increase across the board resulting in differential percentage increase in staff salaries depending on what Spinal Column Point (SCP) staff were on, resulting in increases of about 10 per cent for staff at the lowest SCP (2) and increases of about 4 per cent for the highest SCP (43). It appears that the same approach is going to be adopted for 2024/25. Thus by just basing indexation on the percentage increase in staff salaries there is now confusion over what percentage to apply due to variable range applied to staff salaries. To overcome this issue and provide clarity where a flat rate increase across all

salary grades the IRP previously linked the main index to SCP 49, which would always be the lowest percentage increase in this context. As such, it cannot always be seen as reasonable and not excessive.

143. However, SCP 49 has been discontinued; the highest SCP is now SCP 43. The IRP has decided to link the main indices where a flat rate increase across the board for staff salaries occurs in any particular year to SCP 43, which will always be the lowest percentage salary increase for local government staff.
144. **The IRP recommends that the Nuneaton and Bedworth Borough Council Members Allowances are indexed as follows:**
- **Basic Allowance, SRAs, Co-optees' Allowances and the Telephone Allowance:**
    - 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
  - **Subsistence Allowances:**
    - Indexed to the same rates that apply to staff
  - **Travel Allowance – Mileage Rates:**
    - Indexed to HMRC approved mileage rates for motor, hybrid and electric vehicles, motor cycles and bicycles
  - **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 by Warwickshire County Council Social Services Department Adult Social Care for home help
145. **The IRP also recommends that the indices apply for the maximum length permitted by the 2003 Regulations namely four years and to run from start of 2025/26 municipal year until the end of the 2028/29 municipal year.**

### **Implementation of Recommendations**

146. **The IRP recommends that all the recommendations contained in this report should be implemented from the date of the Council's Annual Meeting on 14<sup>th</sup> May 2025.**

## **Appendix One: Declarations of Interest**

1. Jeff Hunt declared an interest – as a Citizen’s Advice Bureau (CAB) Trustee: CAB receives funding from Nuneaton and Bedworth Borough Council
2. Alison Thompson declared an interest – Warwickshire Community and Voluntary Action receives funding from Nuneaton and Bedworth Borough Council

**Appendix Two:  
Information considered for Nuneaton & Bedworth Borough Council – Member’s  
Allowances Review October 2024**

1. IRP Terms of Reference as agreed by the Council
2. Nuneaton & Bedworth Borough Council Members’ Members Allowances Scheme 2024/25
3. Nuneaton & Bedworth Borough Council Statutory Publication of Members’ Allowances & Expenses received 2023/24
4. Independent Remuneration Panel, Review of Allowances for Nuneaton & Bedworth Borough Council, Report July 2021
5. Council Minutes relating to the IRP July 2021 Report, 14<sup>th</sup> July 2021
6. Nuneaton & Bedworth average hourly earnings – including overtime – ASHE Table 7.5a work geography, 2023, Office of National Statistics
7. Nuneaton & Bedworth Borough Council, Terms of Reference for Committees, Panels, etc., including membership of Executive, Committees and who chairs them
8. Political makeup of Council and Council Structure Diagram
9. Schedule of Council Meetings 2024/25
  - Including number of Licensing Sub-Committee meetings over the past 4 years and who chaired them
  - Plus number of Standards Hearings over the past 4 years and who chaired them
10. Copy of Questionnaire sent to all Councillors for IRP Review 2024, to use as basis for Member interviews
11. Copies of written submissions received
12. Report to Annual Council 15<sup>th</sup> May 2024, from Assistant Director – Democracy & Governance and Solicitor to the Council (Monitoring Officer), “Changes to the arrangements to Executive Arrangements; Overview & Scrutiny Panels and Committees”
13. New Council Constitution: Guidance on Regulation for Local Authority Allowances, Department of Communities and Local Government, May 2006 (extract)
14. Local Government Association, summary of hours worked (Mean Per Week/Type of Council by position held) by Councillors, Census of Councillors 2022



15. NJC for Local Government Services, showing pay offer of £1,290 increase for 2024/25, equal to 2.5% at SCP 43
16. Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations* 1st May 2003
17. Benchmarking data (BM1-3) summary of Allowance Schemes from five comparator District Councils in Warwickshire plus two adjacent District Councils of Tamworth and Hinckley & Bosworth and eight CIPFA Nearest Neighbours
18. Copy of presentation by Declan Hall (Chair of Panel): Reviewing Allowances: The Nuneaton & Bedworth Borough Council remuneration model, regulatory requirements, issues and approaches
19. Office for Low Emissions Vehicles, Ultra Low Emission Vehicles Tax Benefits , 14<sup>th</sup> May 2018

## **Appendix Three: Members and Officers who met with the IRP**

### **Members**

Cllr S. Hey	Cabinet Member for Resources & Customer Services (Labour)
Cllr M. Kondakor	Leader Green Group
Cllr C. Watkins	Leader of the Council, Cabinet Member for Housing and Leader of the Labour Group
Cllr K. Wilson	Leader of Main (Conservative) Opposition Group

### **Officers who provided a factual briefing to the IRP**

Tom Shardlow	Chief Executive
Matthew Wallbank	Assistant Director – Democracy & Governance
Kelly Baxter	Democratic Services Team Leader

In addition, the IRP received three written submissions from elected Members

### Appendix Four: Benchmarking

BM1 Nun & Bed BM Group – 5 Warwicks + 2 Adjacent + 8 CIPFA NNs District Councils: BA + Exec + Scrutiny SRAs (2023/24 - unless indicated)									
Comparator Council	BA	Leader/Mayor	Leader Total	Deputy Leader/Mayor	Other Cabinet	Chairs Main O&S	V/Chairs Main O&S	Chairs Scrutiny	V/Chairs Scrutiny
Ashfield	£7,884	£23,301	£31,185	£17,476	£13,981	£9,321	£3,495	£6,990	£1,981
Mansfield	£6,386	£49,377	£55,763	£16,692	£13,828			£6,921	
Cannock Chase	£5,706	£19,403	£25,109	£9,903	£8,578	£3,792			
Erewash (22/23)	£4,321	£14,320	£18,641	£8,592	£6,334	£3,727	£1,262		
Gloucester	£6,716	£23,506	£30,222	£15,111	£11,753	£5,373			
Newcastle-under-Lyme (22/23)	£3,365	£13,590	£16,955	£9,510	£5,660			£2,830	
Gedling	£4,861	£16,594	£21,455	£13,275	£8,297	£4,149			
Tamworth	£5,864	£14,676	£20,540	£11,005	£9,539			£6,604	
Hinckley & Bosworth (20/21)	£5,280	£16,830	£22,110	£8,250	£7,260	£4,620		£3,300	
North Warwickshire	£5,414	£11,951	£17,365	committee system					
Rugby	£7,420	£14,053	£21,473	£6,184	£6,184			£3,710	
Stratford-on-Avon	£6,367	£14,325	£20,692	£7,879	£7,163	£5,730			
Warwick	£6,341	£18,389	£24,730	£9,195	£8,275			£4,597	
<b>Nuneaton &amp; Bedworth</b>	<b>£5,134</b>	<b>£11,300</b>	<b>£16,434</b>	<b>£7,000</b>	<b>£6,000</b>			<b>£2,650</b>	
<b>Mean</b>	£5,790	£18,687	£24,477	£10,775	£8,681	£5,245		£4,700	
<b>Median</b>	£5,785	£15,635	£21,464	£9,510	£8,275	£4,620		£4,154	
<b>Highest</b>	£7,884	£49,377	£55,763	£17,476	£13,981	£9,321		£6,990	
<b>Lowest</b>	£3,365	£11,300	£16,434	£6,184	£5,660	£3,727		£2,650	
<b>N&amp;B RATIOS</b>		2.2 x BA		62%	53%			23%	
<b>SRAs Mean Ratios of Leader</b>		3.2 X BA		58%	46%	28%		25%	

### Appendix Four: Benchmarking (continued)

BM2 Nun & Bed BM Group – 5 Warwicks, 2 Adjacent & 8 NNs DCs: Regulatory SRAs (2023/24 - unless indicated)								
Comparator Council	Chairs Planning	Planning V/Chair	Chair Licensing	Licensing V/Chair	Licensing Panel Chair	Chair Standards Inc. Personnel	Chair Audit (& Governance)	V/Chair Audit
Ashfield	£9,321	£3,495	£4,660			£4,660	£4,660	
Mansfield	£9,588		£7,505			£4,937		
Cannock Chase	£4,619		£1,982				£1,982	
Erewash (22/23)	£3,792	£1,262	£3,792	£1,262		£3,792	£3,792	£1,262
Gloucester	£5,373	£1,343	£3,358				£3,358	
Newcastle-under-Lyme (22/23)	£4,230		£3,430				£2,830	
Gedling	£5,808		£5,808			£1,659	£4,149	
Tamworth	£6,604		£1,467				£3,667	
Hinckley & Bosworth (20/21)	£5,500		£2,500			£2,500	£4,620	
North Warwickshire	£5,421	£1,899	£1,899					
Rugby	£4,330		£4,330				£3,574	£1,524
Stratford-on-Avon	£6,447	£1,289	£3,582		£1,791		£3,582	
Warwick	£6,437		£4,597				£4,597	
<b><i>Nuneaton &amp; Bedworth</i></b>	<b>£4,771</b>		<b>£1,000</b>				<b>£2,692</b>	
Mean	<b>£5,874</b>	<b>£1,858</b>	<b>£3,565</b>			<b>£3,510</b>	<b>£3,625</b>	
Median	<b>£5,461</b>	<b>£1,343</b>	<b>£3,506</b>			<b>£3,792</b>	<b>£3,625</b>	
Highest	£9,588	£3,495	£7,505			£4,937	£4,660	
Lowest	£3,792	£1,262	£1,000			£1,659	£1,982	
N&B Ratios	42%		9%				24%	
<b>Mean Ratio Leader/SRA</b>	31%	<b>32%</b>	19%			19%	19%	

### Appendix Four: Benchmarking (continued)

BM3 Nun & Bed BM Group: 5 Warwicks, 2 Adjacent & 8 NNs DCs - Group & Misc SRAs (2023/24 - unless indicated)					
Comparator Councils	Main Opposition Group Leader	Deputy Leaders Main Opposition	Shadow Executive Members	Minor Opposition Group Leader	Other SRAs & Comments
Ashfield	£5,825			£365 p/Mbr	Chair + V/Chair Local Plan Development Committee £6,990/£1,981
Mansfield	£2,588		£1,282	£1,280	Flat rate banded internal travel allowance £165/£230/£448
Cannock Chase	£7,260				Communications Allowance £400 p/year
Erewash (22/23)	£5,780	£824	£549		Chairs Driving Licensing Panel + GP Committee £3,792, V/Chairs Driving Licensing Panel + GP + Standards Committees £1,262, Chair + V/Chair of Council £3,992/£1,329
Gloucester	£6,716	£1,679		£6,716	Mayor £4,030, Dep Mayor £1,343, Dep Leader Minor Opposition Group £1,679
Newcastle-under-Lyme	£1,130			£1,130	Mayor + Deputy Mayor £13,921/£3,480
Gedling	£5,705			£692	Deputy Exec Member £2,074, Opposition Group Whip £1,557, Majority Group Whip £4,497
Tamworth	£6,604	£3,667		£1,467	If Main Opposition Group < 7 Members Deputy Leader SRA £2,201
Hinckley & Bosworth (20/21)	£4,620			£4,620	Appeals Panel Chair £2,500, Mayor + Dep Mayor £8,000/£3,00, 50% of 2nd SRA paid bar Leader & Dep Leader
North Warwickshire	£4,055	£1,899		£1,899	Chairs + V/Chairs Community + Resources Boards £5,421/£1,899, Chairs Safer Communities + Special Subs £1,899
Rugby	£3,093			£1,109	Chair of Shareholders Committee £3,575, Mayor £4,133
Stratford-on-Avon	£4,597			£2,149	Chair Council £3,582, Planning Committee Members £645
Warwick	£4,429			£1,839	Chairs Warwick Town Forum £920, Employment Committee £1,839 + Programme Advisory Board £368, Planning Mbrs £644
<i>Nuneaton &amp; Bedworth</i>	<b>£2,692</b>			<b>£200 p/Mbr</b>	<b>Tel Allowance £383, Minor Opposition Group Leader SRA only if Group has at least 4 Members</b>
<b>Mean</b>	<b>£4,650</b>	<b>£2,017</b>		<b>£2,290</b>	
<b>Median</b>	<b>£4,609</b>	<b>£1,789</b>		<b>£1,653</b>	
<b>Highest</b>	<b>£7,260</b>	<b>£3,667</b>		<b>£6,716</b>	
<b>Lowest</b>	<b>£1,130</b>	<b>£824</b>		<b>£692</b>	
N&B Ratios	24%				
Mean Ratio Leader/SRA	25%	<b>43%</b>		12%	