

# **Northampton Town Council**

## **Report of the Independent Remuneration Panel**

### **1. Purpose of Report**

- 1.1. This report has been prepared by the Independent Panel set up to provide guidance and make recommendations to the Town Council in respect of any scheme for paying allowances.
- 1.2. The Panel comprises 3 people who have previously undertaken the review of Northampton Borough Council - John Cade (Chairman), Ron Dean and Cara Manchester.
- 1.3. This report sets out our recommendations for the Town Council's consideration.

### **2. Background**

- 2.1. Northampton Town Council was created by the Northampton Borough Council (Reorganisation Community Governance) No. 1 (Northampton Parish Council) Order 2020. The Town Council held its first meeting on 5<sup>th</sup> December 2020. The first elections for 25 Councillors serving 21 wards will be held on 6<sup>th</sup> May 2021.
- 2.2. Serving a population of over 130,000, the new Council will be by far the largest town or parish council in England and Wales (the next two largest are Sutton Coldfield (105,000) and Weston-Super-Mare (82,000)). The range of property and services to be transferred to the Council is still under negotiation but agreement in principle has been reached with the Borough Council to transfer the historic part of the iconic Guildhall (which will be its headquarters on a lease from West Northants unitary council), markets, town centre management, events and entertainments, street furniture, bus shelters, allotments, tourism, civic events and community grants.
- 2.3. It is also hoped to agree for a funded transfer of further services including the neighbourhood warden service, local open spaces and play areas, community centres, war memorial and possibly other community services. These will be managed through a system of 4 Standing Committees meeting every 6 weeks. Each Town Councillor will serve on the full Council and at least 2 Committees. Several Sub-Committees are also likely to be appointed.

### **3. Context**

3.1. The Local Government (Members Allowances) 2003 Regulations put in place a consolidated and simplified framework for allowances that covers Principal Councils and Parish and Town Councils.

3.2. Regulation 29 provides for:

- a) the amount of parish basic allowance payable to members of such town and parish councils;
- b) the amount of travelling and subsistence allowance payable to members of such town and parish councils;
- c) whether parish basic allowance should be payable only to the Mayor or Chairman of any such town and parish council or to all its members;
- d) whether, if parish basic allowance should be payable to both the Mayor or Chairman and the other members of any such town and parish council, the allowance payable to the Mayor or Chairman should be set at a level higher than that payable to the other members, and, if so, the higher amount so payable (Chairman's Allowance); and
- e) the responsibilities or duties in respect of which members should receive parish travelling and subsistence allowance.

3.3. Apart from paying "parish travelling and subsistence allowances" under the 2003 Regulations and a Chairman's (Mayor's) allowance under Section 15 (5) LGA 1972, Parish Councils can only pay "parish basic allowances."

3.4. The rate of allowances paid to Councillors other than the Chairman/Mayor must be the same. Any Member can waive some or all or the allowance to which they may be entitled.

3.5. There is no provision for the payment of "special responsibility allowances" to for example a Leader or Committee Chair as there is with Principal Councils.

3.6. And also, of concern, there is no provision to pay a "dependants' carer's allowance".

### **4. Ways of Working**

4.1. It is particularly important to us that every councillor has the opportunity to submit evidence to us. All councillors were invited to do so.

4.2. At our evidence giving day (a virtual meeting held via Zoom) on 8<sup>th</sup> February 2021 we received verbal evidence from Councillors Ashraf, Birch, Hallam, Marriott and Meredith. We also considered 6 written responses from Councillors.

- 4.3. We also took verbal evidence from Richard Walden (Interim Town Clerk) and Danny Moody (Chief Executive, National Association of Local Councils).
- 4.4. In addition, Marion Goodman (Town Clerk) also provided us with written comments.
- 4.5. We are really appreciative of all the evidence we received as it provided us with a strong foundation for our recommendations.
- 4.6. At our virtual meeting we also received excellent support from Tracy Tiff (Democratic and Member Services Manager), Laurie Gould (Deputy Monitoring Officer) and Maisie McInnes (Democratic Services Officer).
- 4.7. It was also important to us to get a feel for the allowances approved by other large Town Councils. The table below was provided for us:

| <b>Town Council</b>     | <b>Parish Basic Allowance p.a.</b> |
|-------------------------|------------------------------------|
| Aylesbury               | £1,000                             |
| Chippenham              | £1,342                             |
| Lewes (10% of District) | £331                               |
| Lowestoft               | none                               |
| Salisbury City          | £750                               |
| Sutton Coldfield        | £900                               |
| Weston-Super-Mare       | none                               |
| Weymouth                | £1,000                             |

## 5. Findings

- 5.1. The remuneration of Councillors has always been a contentious issue. One view is that Members enter politics to serve the community, not for financial gain, so the role should not attract levels of remuneration that could encourage people to stand for the wrong reasons.
- 5.2. In contrast, the alternative view is that the current level of allowances does not represent anything near to a living wage. Without some means of defraying costs incurred a person who does not have independent means will be discouraged from coming forward to serve as a Councillor.
- 5.3. We are aware that the question of Councillors' allowances is a matter for strong debate within the shadow Town Council.

- 5.4. However, almost without exception, all the evidence we received was that it was important to provide an allowance in order to attract the widest range of candidates for election.
- 5.5. It was also pointed out that an allowance could help defray childcare costs and other expenses such as postage and broadband which are not reimbursable in any other form.
- 5.6. It is a feature of our previous reviews for Principal councils that we have always recommended some form of index-linking to enable the allowances to move with inflation. We were advised that we could not do this for a Town Council. This was a consideration, therefore, in our recommendation for the level of allowances.
- 5.7. Our recommendation is that a basic allowance of £1,200 p.a. should be paid to Northampton Town Councillors elected from May 2021.
- 5.8. We were advised that separate budgeting provision is being made for the Chairman's (Mayor's) allowance and so we make no recommendation here.

## **6. Travelling Allowance**

- 6.1. The Panel wanted to clarify that under Regulation 26, Town and Parish Councils may pay travelling and subsistence allowances, including an allowance in respect of travel by bicycle or by any other non-motorised form of transport, undertaken or incurred in connection with the performance of any duty within one or more of the categories set out in that Regulation.
- 6.2. Councillors can receive up to a tax-free approved amount when using their own vehicles in carrying out their duties. These payments are known as Approved Mileage Allowance Payments (AMAP) and as from 6<sup>th</sup> April 2011 the following rules apply:
- Car or Van – 45p per mile for the first 10,000 miles and 25p per mile thereafter
  - Motorcycle – 24p per mile (all miles)
  - Cycle – 20p per mile (all miles) and
  - A 5p per mile per passenger supplement for up to 4 passengers.
- 6.3. The Panel recommends that travelling allowances be paid in line with the HM Revenue & Customs 'Approved Mileage Allowances Payments' (AMAP).

## 7. Subsistence Allowance

7.1. The Panel recommends that subsistence allowances be paid at the same level as currently paid to Northampton Borough Councillors.

These are:

|                         |     |
|-------------------------|-----|
| Breakfast               | £5  |
| One meal (5 hour) rate  | £5  |
| Two meal (10 hour) rate | £10 |
| Evening Meal            | £15 |

7.2. Overnight stay and train costs to be secured by an appropriate Officer using advance fares and comparison websites to obtain best value.

## 8. Recommendations

8.1. That a basic allowance of £1,200 p.a. be paid to Northampton Town Councillors elected from May 2021.

8.2. That travelling allowances as detailed in paragraph 6.2 of this report be paid for agreed approved duties.

8.3. That subsistence allowances as detailed in paragraph 7 of this report be paid for agreed approved duties.

NB. Members may also wish to consider whether they wish to adopt a form of yearly index linking to the allowances recommended in this report . It is lawful for the Town Council to make such a decision and officers at this meeting will be able to offer examples of how this is achieved in other Town Councils.

John Cade

Chairman, Independent Remuneration Panel

February 2021

