

AM 622/22

## NEW FOREST NATIONAL PARK AUTHORITY

### AUTHORITY MEETING – 24 MARCH 2022

#### SCHEME OF MEMBERS ALLOWANCES

**Report by:** Standards Committee, Resources, Audit and Performance Committee and Nigel Stone, Chief Finance Officer

#### 1 Members Allowances Scheme from 1 April 2022

- 1.1 The current Scheme of Members' Allowances expires on 31 March 2022. As Members may recall, the adoption of a scheme of allowances is governed by the Local Authorities (Members' Allowances) (England) Regulations 2003. The NPA is required to adopt a Scheme annually, but may set allowances for up to four years if linked to a suitable index. Under the Regulations the NPA may, but need not, appoint an Independent Remuneration Panel (IRP) to assist it with arriving at a Scheme of Allowances, but in any event the NPA must have regard to the findings of any IRP convened by any of the local authorities that appoint Members to the NPA.
- 1.2 On 31 January 2022 the Standards Committee of the Authority met and considered the paper attached to this report as **Appendix 1** (consisting of a cover paper plus three annexes, within which are details of the recommendations of the IRPs of the NPA's appointing bodies). The members of that Committee agreed the following resolution:

#### **Resolved, that**

The Standards Committee recommend to the full Authority meeting in March 2022 that the draft Scheme of Allowances annexed to the report should be adopted for a further four years with the basic allowance to be increased to £2,500 per annum, index linked to any staff pay awards for senior staff for four years with effect from 1 April 2022, and that a Dependent Carers' Allowance of £10.50 be added to the Scheme of Members' Allowances together with a co-optees' allowance as per the report.

- 1.2 The minutes of the Standards Committee further note, with regard to the proposed increase in basic allowance to £2,500, that "Officers would raise the question of available resources with the Chief Finance Officer and if necessary this could be discussed by the Resources, Audit and Performance Committee to consider whether resources were available for the proposed increase". Both the Chief Finance Officer and Resources, Audit and Performance Committee have now considered the proposals from the Standards Committee and will be available at the Authority Meeting to provide further detail to members as required.

## 2 Consideration of the proposals by the Chief Finance Officer

- 2.1 The basic member allowance for 2021/22 was £2,014 and has now risen in line with the inflationary increase for staff (+1.75%) to £2,049. There are no significant budgetary implications of adding the Dependant Carers' Allowance or Co-optees' Allowance as recommended, so I will merely concentrate on the one-off increase for the basic allowance on top of the current annual increases matched to the staff pay awards.
- 2.2 Members of the Standards Committee have proposed increasing this from 1 April 2022 to £2,500 and then for it to rise further over the next four years in line again with any inflationary increase for Authority staff. Within the draft 2022/23 budget we are envisaging a 3% staff pay award which would increase the members allowance to £2,575 - this would equate to a 26% increase from the 2021/22 basic allowance.
- 2.3 Member's allowances, including the additional payments for Chairs and Deputy Chairs of the Authority and Committees, for 2021/22 are estimated to cost the Authority a total of £53,500. Should the full proposal from the Standards Committee be implemented in full, this then would rise to around £67,500 for 2022/23 – an increase of around £14,000 (£1,500 of which would be attributable to the 'standard' annual inflationary increase matched to staff).
- 2.4 Given the high likelihood of a flat-cash Defra grant settlement, the fourth in a row, the additional £12,500 cost attributable to the one-off adjustment to the member allowance is a significant amount for the Authority to find in its 2022/23 budgeting. It equates to approximately 0.4% of the total national park grant award of £3.25m.
- 2.5 Clearly it is not for me to question members' reasoning for their decision, however the minutes of the Standards Committee indicate the key consideration seemed to be that our allowance was low compared to the other National Park Authorities (as per the table at 2.5 in the cover report to Annex 1). It is indeed correct that the average allowance across the other nine English NPA's is £2,475. However this figure is heavily skewed by some of the much larger NPA's; if we compare ourselves to those NPA's with a similar level of national park grant, size or complexity (namely Broads, Dartmoor, Exmoor, Northumberland, Peak District and North York Moors) – this average comes down to £2,050 which is broadly in line with our current allowance.
- 2.6 Whilst I can set out these facts and figures, members must consider themselves how such an increase would be seen both externally, e.g. in the context of the Landscapes Review, and within our own organisation e.g. by our staff.
- 2.7 Should members be minded to agree the £2,500 or a similar figure/increase, I would further make the suggestion that you instead consider rolling over the existing scheme (inflationary increase only) for a further single year and that members/officers could be tasked to do further investigation into this issue, including the potential to establish an Independent Remuneration Panel. This work could include a review of the number of hours input required from members within their Authority roles, how the allowance attracts / retains an inclusive and diverse

membership and a more in depth comparison of the allowance with other organisations.

### **3 Recommendations:**

Below are three possible recommendations (Members can of course put forward other recommendations too), the first (A) being that as recommended for adoption by the Standards Committee, the second (B) being a rollover of the existing scheme with rises only linked to staff pay awards for four years, and the final (C) being a single year rollover of the existing scheme linked to the staff pay award and a call for a full review of all Members Allowances to be undertaken within that year.

#### **(A) As per Standards Committee:**

**That the draft Scheme of Allowances annexed to the report be adopted for a further four years with the basic allowance to be increased to £2,500 per annum, index linked to any staff pay awards for senior staff for four years with effect from 1 April 2022, and that a Dependent Carers Allowance of £10.50 be added to the Scheme of Members Allowances together with a Co-optees' Allowance as per the report.**

#### **(B) Full rollover of current scheme with carers and co-optees added:**

**That the draft Scheme of Allowances annexed to the report be adopted for a further four years with the basic allowance index linked to any staff pay awards for senior staff for four years with effect from 1 April 2022, and that a Dependent Carers Allowance of £10.50 be added to the Scheme of Members Allowances together with a Co-optees' Allowance as per the report.**

#### **(C) Single year rollover of current scheme with carers and co-optees added, to allow a more comprehensive review to take place:**

**That the draft Scheme of Allowances annexed to the report be adopted for one year with the basic allowance index linked to any staff pay awards for senior staff for that year with effect from 1 April 2022, and that a Dependent Carers Allowance of £10.50 be added to the Scheme of Members Allowances together with a Co-optees' Allowance as per the report.**

**Within 2022/23, a full review of Members Allowances is to be undertaken by Officers and Members of the Standards Committee and/or with an Independent Remuneration Panel.**

**Papers:**

**NFNPA AM 622/22**

Cover Paper

**NFNPA AM 622/22**

Appendix 1 – Original covering report to Standards Committee  
(Jan 2022) and its three Annexes

**Equality and Diversity Implications:**

There are no detailed equality or diversity implications arising out of this report, however, as stated in the report, the level of any payment or allowance can affect and influence those who may apply to perform that role.

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