

Report to	<b>South Downs National Park Authority</b>
Date	<b>26 March 2020</b>
By	<b>Head of Governance and Support Services</b>
Title of Report <b>Decision</b>	<b>Independent Review of Member Allowance</b>

**Recommendation: The Authority is recommended to:**

- 1. Consider the outcomes of the independent review of the Scheme of Allowances set out at appendix 4; and**
- 2. Adopt the scheme of Members Allowances set out at Appendix 2 to be backdated to take effect from 1 January 2020.**

**1. Introduction**

- 1.1 The adoption of a scheme of Members' allowances by the Authority is governed by the Local Authorities (Members' Allowances) (England) Regulations 2003 (The Regulations). These regulations require that the scheme of allowances is made at the start of each year and where indexation is in place, this be reviewed at least every four years. This review has been undertaken to ensure the Authority is compliant with this requirement.

**2. Issues for consideration**

- 2.1 There is no requirement for the South Downs National Park Authority (SDNPA) to commission an independent external review of its allowances, however, it is widely held to be good practice to do so.
- 2.2 Dr Declan Hall undertook a review in 2010, 2011, 2015 and 2107 for the Authority and was appointed to undertake this review and formulate recommendations to the Authority. His review is attached at **Appendix 4**. Dr Hall gained his experience at the Institute of Local Government at Birmingham University and elsewhere, and has carried out many remuneration reviews on behalf of local authorities and National Park Authorities in England and Wales.
- 2.3 The review explains the rationale and methodology that was applied. Regard has been had to other National Park Authority schemes, and the report analyses these in detail. The SDNPA is also required to have regard to the recommendations to local authorities in the National Park area by their Independent Remuneration Panels ("IRP recommendations"). This information was also supplied and taken into account.
- 2.4 In order to ensure the review was as well informed about local circumstances as possible, the reviewer carried out a number of interviews and a survey of members. These included interviews with: the Authority Chair and Deputy Chair, Committee Chairs and Members of SMT. An invitation was extended to all Authority Members to submit written views and comments to the reviewer, and it is understood that several responses were received.

- 2.5 A summary of the independently recommended Member allowances can be found in **Appendix I** to the report.
- 3.6 The Regulations provide that a scheme can make provision for annual adjustment of allowances by reference to an index specified in the scheme. Where the only change made to a scheme in any year is that affected by such annual adjustment in accordance with such index, this is not classed as an amendment of the scheme for the purposes of the Regulations. The main implication of this is that the Authority would not be required to have regard to any IRP recommendations prior to applying the indexation adjustment. An index can be relied upon for a period of up to four years and it is proposed that indices be applied to the basic and SRA allowances and the subsistence and mileage allowances as set out at para 91-94 of appendix 4.
- 3.7 A proposed Scheme of Members' Allowances, is attached as **Appendix 2**.
- 3. Options & cost implications**
- 3.1 The Authority could choose not to adopt the recommendation of the independent review and is free to adopt any allowances rate it wishes, including maintaining the existing allowances scheme.
- 3.2 If the Authority were to accept the report recommendations in full, the total annual cost of Member's allowances would increase by up to c£20,000 for the year 2020/21. Subsequent increases would also take place, without reference back to the NPA, each year until 2024.
- 3.3 This increase has been factored into the Authority's draft budget setting process for 2020/21. Funding for further increases would need to be considered as part of the Authority's budget setting process in future years.
- 4. Next steps**
- 4.1 Once agreed officers will take the necessary steps to implement the new scheme, including updating the Authority website and amending payments made to members.
- 5. Other Implications**

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	The resource implication of the recommended scheme have been factored into the authority's budget setting process. If the authority adopts a scheme different to that recommended, funds will need to be found from within the budget to cover these costs.
How does the proposal represent Value for Money?	The level of allowances is independently recommended and takes into account the levels of allowances at other NPAs and appointing Authorities. By commissioning an independent and external review, based on objective data and benchmarking against other similar schemes, the Authority has taken steps to ensure a reasoned, well founded and transparent remuneration scheme is adopted.
Are there any Social Value implications arising from the proposal?	None

Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	By commissioning an independent and external review that considers other similar schemes, the review aims to ensure both that Members are fairly remunerated for their roles without unfairly burdening the taxpayer.  The allowances scheme helps to enable representation for all sectors of society on the NPA by addressing, in part, financial barriers to participation.
Are there any Human Rights implications arising from the proposal?	The review recognises the principle that Members are expected to give part of their time voluntarily, whilst also trying to ensure that they are not they are not financially disadvantaged
Are there any Crime & Disorder implications arising from the proposal?	None
Are there any Health & Safety implications arising from the proposal?	None
Are there any Data Protection implications?	None
Are there any Sustainability implications based on the 5 principles set out in the SDNPA Sustainability Strategy?	The proposal contributes to principle 4: Promoting good governance

## 6. Risks Associated with the Proposed Decision

- 6.1 By undertaking an independent review of allowances the Authority mitigates against the risk that scheme is not fit for purpose, or is not achieving the removal of barriers to participation in the work of the Authority.

### ROBIN PARR

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#### South Downs National Park Authority

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Appendices

1. List of Recommendations and Summary of Impact of Changes
2. Scheme of Allowances (based on recommendation of the independent reviewer)
3. Definition of Approved Duties
4. Independent Review of Member Allowances February 2020

SDNPA Consultees Monitoring Officer;

External Consultees None

Background Documents [Independent Review of Members' Allowances for the SDNPA, April 2015](#)

Allowance schemes of appointing authorities

[Independent Review Panel Recommendations to Local Authorities in the National Park](#)

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List of recommendations and summary of proposed changes to scheme of allowances:

1. It is recommended that the current Basic Allowance of £3,675, subject to an annual indexation increase - for a maximum of 4 years.
2. It is recommended that SRA for the Chair of the South Downs NPA be set at £6615 for 2020/21,
3. It is recommended that SRA for the Deputy Chair of the South Downs NPA be set at £4,961 for 2020/21
4. It is recommended that SRA for the Chair of the South Downs NPA Planning Committee be set at £3,969 for 2020/21
5. It is recommended that SRA for the Deputy Chair of the South Downs NPA Planning Committee be set at £992 for 2020/21
6. It is not recommended that ordinary members of the Planning Committee are paid an SRA
7. It is recommended that SRA for the Chair of the South Downs NPA Policy and Resources Committee be set at £2,205 for 2020/21
8. It is recommended that SRA for the Deputy Chair(s) of the South Downs NPA Policy and Resources Committee be set at £331 for 2020/21 and that this is payable to all holders of this position
9. It is recommended that the South Downs NPA continue a 1-SRA only rule, in that regardless of the number of remunerated posts a Member hold they are only able to draw down 1 SRA, being the highest.
10. It is recommended that current Travel and Subsistence Allowances rates and conditions be maintained, with the inclusion of payment to members using hybrid/electric vehicles at the same rates as petrol /diesel engines.
11. It is recommended that there is no change to the current definition of approved duties for which Members can claim travel and subsistence allowances
12. It is recommended that the following indices are maintained:
  - **Basic Allowance and SRAs Allowances:**
    - Indexed to the annual percentage increase in salary for the South Downs NPA staff, where such a cost of living increase is implemented in a particular year.
  - **Subsistence Allowances:**
    - Indexed to the same rates applicable to Officers of the South Downs NPA
  - **Mileage Allowances:**
    - Indexed to the HMRC approved mileage rates
13. It is further recommended that the proposals contained in this report are implemented no later than Authority's Annual General Meeting in July 2020, or any date before then as agreed by the Authority.

**Summary of impact of changes**

<b>Allowance</b>	<b>Current</b>	<b>Proposed*</b>
Basic Allowance	£3009.41	£3,675
Chair of the Authority	£6,019.88	£6,615
Deputy Chair of the Authority	£4,561.99	£4,961
Chair of Planning Committee	£3,611.93	£3,969
Deputy Chair of Planning Committee	£721.12	£992
Chair of Policy and Resources Committee	£1805.96	£2,205
Deputy Chair(s) of Policy and Resources Committee (payable to all holders of this post)	£361.18	£331

\*Subject to indexation, if agreed.

## SDNPA Scheme of Members' Allowances

Approved 26 March 2020 with effect from 1 January 2020

### 1. INTRODUCTION

- South Downs National Park Authority's scheme provides for payment of:
  - **Basic Allowance** which is a flat rate payable to each member, excluding co-opted members;
  - **Special Responsibility Allowance** for members undertaking additional roles as defined by the Authority;

### 2. GENERAL POINTS

- The term "member" means a member of the South Downs National Park Authority.
- Members have the option of not claiming all or part of any allowance. The Chief Executive must be notified in writing by the Member if they wish to choose this option.
- All enquiries relating to Members' Allowances should be made to the Head of Governance.

### 3. BASIC ALLOWANCE

- Is payable to all members, excluding Co-opted Members.
- Where the member's term of office begins or ends at any time other than the start of the financial year, they are entitled to the appropriate proportion of the annual allowance.
- **The basic allowance is £3,675 per annum and is annually increased in line with any staff cost of living pay award applied.**

### 4. SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

- Is payable in addition to the Basic Allowance.
- Is payable to members who have been given significant additional responsibilities e.g. Chairman, Deputy Chairman.
- Where a member does not have throughout the whole of a year any such special responsibilities as entitled him/her to a special responsibility allowance, he/she is entitled to the appropriate proportion of the annual allowance.
- Does not include any element for travel expenses, which are claimable in the normal way for any Special Responsibility Allowance duty.
- **Special responsibility allowance rates are set out below. These are annually increased in line with any staff cost of living pay award applied:**

<b>Chairman of the Authority</b>	<b>£6,615</b>
<b>Deputy Chairman of the Authority</b>	<b>£4,961</b>
<b>Chairman of Planning Committee</b>	<b>£3,969</b>
<b>Deputy Chairman of Planning Committee</b>	<b>£992</b>
<b>Chairman of Policy and Resources Committee</b>	<b>£2,205</b>
<b>Deputy Chairman of Policy and Resources Committee</b>	<b>£331</b>

**5. TRAVEL ALLOWANCE**

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in Appendix 1).
- Can be claimed by Co-opted Members and the Independent Person.
- Should be claimed promptly (within two months of expenditure being incurred) on the members' claim form.
- Expenditure on tolls, parking fees etc. may be claimed for re-imbursement on production of receipts.
- Members using electric/hybrid vehicles shall be entitled to claim travel expenses at the same rates as petrol/Diesel vehicles

**6. SUBSISTENCE ALLOWANCE**

- Is claimed in accordance with the SDNPA Travel and Subsistence policy.
- Can only be claimed for an approved duty (as set out in Appendix 1).
- Can be claimed by Co-opted Members and the Independent Person.
- Is claimable for the actual cost of the meal or overnight expenses up to the same maximum set out for staff which is updated annually.
- Should be claimed promptly (within two months of expenditure being incurred) on the members' claim form. Receipts must be attached to the claim whenever possible to support the claim.
- Is not claimable in respect of alcoholic drinks.

**7. PAYMENT OF ALLOWANCES**

- Basic Allowance and Special Responsibility Allowance are paid automatically monthly.
- Travel and subsistence Allowances should be claimed within two months on the members' claim form.
- Allowances must not be claimed where the member is entitled to receive payment from another public body in respect of the same duties.

**8. REPAYMENT OF ALLOWANCES**

Where payment of any allowance has already been made in respect of any period during which the Member concerned:

- a) ceases to be a Member or
- b) is in any other way not entitled to receive the allowance in respect of that period the Appointments, Management and Standards Committee may require that such part of the allowance that relates to any such period be repaid to the South Downs NPA.



**Definition of Approved Duties:**

- (a) The attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- (b) The attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of the authority, or a joint committee of the authority and one or more local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee provided that -
  - (i) Where the authority is divided into two or more political groups it is a meeting to which Members of at least two such groups have been invited, or
  - (ii) If the authority is not so divided, it is a meeting to which at least two Members of the authority have been invited;
- (c) The attendance at a meeting of any association of authorities of which the authority is a Member;
- (d) The attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements;
- (e) The performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are opened;
- (f) The performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises; and
- (g) The carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees

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# **The Fifth Independent Review of Members' Allowances**

**For the**

**South Downs  
National Park Authority**

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The Fifth Report

By

**Dr Declan Hall**

February 2020

## Introduction

1. This report arises out of the fifth independent review of Members' Allowances for the South Downs National Park Authority (South Downs NPA). This full review of allowances follows the requirements in principal authorities in that they are required to review their allowances at least every four years if they wish to continue indexing allowances (known as the 4-year rule). It is the mechanism by which Members Allowances schemes in principal councils are subject to period scrutiny. While the South Downs NPA is not required to commission an independent review of allowances, it has done so to conform to good practice followed by similar public bodies (including a number of NPAs) when considering and determining their allowances.

## The Regulatory Context and Paying Regard to Nominating Districts

2. The relevant legislation enabling the South Downs NPA to establish a Members' Allowances scheme is Schedule 7, paragraph 5 of the Environment Act 1995. This has the effect of deeming national park authorities to be one of the types of local authority that can be required by Regulations to prepare a Members' Allowances scheme.
3. In addition, the *Local Authorities (Members' Allowance) (England) Regulations 2003*<sup>1</sup> and subsequent amendments and the 2006 Statutory Guidance, set the legislative framework for all local authorities when determining and amending their Members' Allowances schemes. Most of the 2003 Regulations, notably Parts 1, 2, and 3, are applicable to all English NPAs.
4. The main aspects of the 2003 Regulations that apply to the South Downs NPA permit the Authority to determine its own scheme of allowances. Moreover, all national park authorities that make or amends an allowances scheme shall have regard to the recommendations made by any independent remuneration panels in relation to any authority of a description referred to in regulations 3(1)(a), (b) or (c) by which any of its members are nominated.<sup>2</sup>
5. In other words, there is no statutory requirement for the South Downs NPA to have its own independent remuneration panel or independent review before setting or amending its Members' Allowances scheme as it can be reviewed internally. Regardless, it is required to pay regard to the recommendations of the independent remuneration panels (IRPs) in the nominating authorities. These are Hampshire, East and West Sussex County Councils, Brighton and Hove City Council, and Adur, Arun, Chichester, East Hampshire, Eastbourne, Horsham, Lewes, Mid-Sussex, Wealden, Winchester (City), and Worthing District Councils.
6. As part of the review, the most recent IRP reports from all the nominating authorities have been taken into account to fulfil the statutory requirements of the

<sup>1</sup> See Statutory Instruments 2003 Nos. 1021, 1022 and 1692 for further details.

<sup>2</sup> Statutory Instrument 2003 No. 102, *The Local Authorities (Members' Allowances) (England) Regulations 2003*, 19. (2)

2003 Regulations as they apply to the South Downs NPA. Furthermore, the review has also paid regard to allowances payable in other English and other UK NPAs where applicable.

7. **The reviewer has fulfilled the regulatory requirement to pay regard to the recommendations of the IRPs in the nominating authorities of the South Downs NPA in arriving at the recommendations contained in this report.**

### **The Reviewer**

8. The South Downs NPA appointed Dr Declan Hall to undertake the review of its allowances scheme. Dr Hall is a former academic at the Institute of Local Government, the University of Birmingham, who specialises in Members' allowances and support.
9. The review was supported and serviced throughout by the following Officer:
  - Robin Parr, Head of Governance & Support Services
10. The reviewer would like to record his gratitude to the Members and Officers of South Downs National Park Authority for ensuring the work of the review was adequately supported and conducted in an efficient and effective fashion by facilitating its requests for information and ensuring that the whole process operated smoothly.

### **Terms of Reference**

11. The terms of reference are to undertake an independent review of the South Downs National Park Authority's Scheme for Members' Allowances. In particular the review in accordance with the 2003 Members' Allowances Regulations as they apply to National Park Authorities will make recommendations on:
  - i. The amount of basic allowance that should be payable to its members
  - ii. The responsibilities or duties which should lead to the payment of a special responsibility allowance and the amount of such an allowance.
  - iii. The duties for which travelling and subsistence allowances can be paid and the amount of these allowances.
  - iv. Whether annual adjustments of allowance levels should be made by reference to an index, and, if so, for how long such a measure should run

### **Scope**

12. In arriving at recommendations the review will:

- Refer to allowances schemes in the nominating councils;
- Refer to allowances schemes in the other National Parks;
- Review the current scheme to assess whether it is still fit for purpose;
- Identify, in the light of actual experience, any areas or anomalies which require changes to the scheme; and
- Any matters that are brought to the attention of Dr Hall by Members in their consultation with Members and briefings from Officers.

## **Aim**

13. Insofar as practically possible the review will aim to recommend a scheme that provides the necessary support for Members in carrying out their roles on the South Downs NPA and seek to need only limited revision over the next four years.

## **Approach and Methodology**

14. The reviewer visited the South Downs Centre, Midhurst, West Sussex, on 19<sup>th</sup> September 2019 to meet with Members and relevant Officers and to review all the relevant information for consideration in arriving at recommendations. All Members of the South Downs NPA were emailed informing them of the review, including a short questionnaire (also used as an interview aide memoir), and invited to submit any views they may have on the review to Dr Hall. A range of Members were invited to meet with Dr Hall and any Member requesting an interview was accommodated. The prime function of the meetings with Officers was to receive factual briefings and clarifications. All Members and Officers who met with Dr Hall, including any written submissions, are listed in appendix 1.
15. A tiered approach was adopted in considering the evidence. The review is required to operate within the broad statutory framework laid down by the statutory guidance and regulations. The 2003 Members' Allowances (England) Regulations establishes the boundaries for the review, i.e., attendance allowances cannot be paid, all Members must receive a Basic Allowance that is equal in value and express authority is granted to vary the terms and conditions for the payment of for instance Travel and Subsistence Allowances, indeed whether to pay Travel or Subsistence Allowances. Furthermore, while not all of the guidance applies specifically to NPAs the review has followed the guidance particularly in relation to methodology so that the review maintains similar standards of transparency and practice as should be expected from statutory IRPs in the nominating councils.
16. The next level of evidence considered were the representations made by the Members of the Authority. The interviews and written submissions obtained the views of the Members that raised a number of specific issues. The interviews were also utilised to challenge statements and to act as a 'sounding board' to suggestions and ideas from the reviewer. Finally, all the evidence and representations have been reviewed and evaluated within the comparative

context. All the information, including comparative summary data, considered for this review is listed in appendices 2-5.

## **Key Messages and Observations**

### **The South Downs NPA – An Established Authority**

17. At the time of the previous full review in 2015 the Authority had moved beyond the setting up stage and entered full delivery mode. Now it is clear that the Authority is now in a mature stage in that the work of the Authority has become bedded down and it is operating in full swing. In 2015 there was a view (not universal but a definite view nonetheless) that the workload in deliver mode increased commensurately.
18. This time round the view was even stronger and the workload required of Members has increased noticeably since and basis of the Basic Allowance, namely 26 remunerated days per year expected of all Members is on the low side. While this is discussed below in more detail it is noted here that the South Downs NPA is the 8th largest planning authority in England, contains the largest market towns of any UK National Park and a substantial urban fringe with a diverse economic profile, and has the largest NPA grant (over £10 million with the next largest in England being the Peak District NPA at just over £6.5 million), accounting for 22 per cent of the total grant to English NPAs.
19. The South Downs NPA is also the largest NPA in terms of population, one of the largest in terms of geographic size, the most parishes, and the highest number of businesses. As such, the demands on Members will always be of a high order. It is the nature of the South Downs NPA, not least in having to deal with a wide range of stakeholders requiring a lot of partnership working. The upshot is that this demands on Members that is not necessarily recognised by the current allowances.

### **Allowances scheme – no longer fit for purpose**

20. A strong theme that emerged from the interviews and written submissions in the previous reviews was that Members should not be and not be seen to be seeking financial gain by serving on the South Downs NPA. An element of their work on the Authority should be given as public service and the level of allowances paid should reflect this by not being deemed excessive. On the other hand, there was a strong message that the level of allowances should reflect the need to ensure Members were not being financially disadvantaged by serving on the Authority.
21. Therefore, the scope and levels of remuneration recommended should seek to reduce barriers to recruitment and retention of Members by recognising the demands required of them balanced against being seen as reasonable and being an enabler for public service. In the representations the view was that this balance, since the last review, has tipped the allowances towards not recognising the workloads and responsibilities of Members, meaning Members if not actually having to make financial sacrifices were incurring opportunity costs.

22. While there was an overwhelming view that the allowances are now losing touch with the reality of Member workloads and responsibilities there was also a view that any significant increases in allowance across the board would be more difficult to justify; particularly without some sort of counterbalancing performance measure.

### **Attendance and Remuneration**

23. Once again the issue of non-attendance was raised only this time the issue was raised more strongly than at the time of the previous review. In particular, it was felt that any substantial increase in allowances would be hard to accept if it was just given across the board; it would only exasperate a pervasive feeling that there is an inequity that the Basic Allowance is paid equally to all Members regardless of whether they attend a handful of meetings or 35-40 meetings.
24. For this review an attempt has been made to address with view somewhat by making part of the recommended increase in what is in effect the Basic Allowance dependent on attending a minimum number of meetings. This has led to recommending a 'Performance SRA.' While this is dealt with in detail below a new 'Performance SRA' should go some way to addressing a perceived inequity in that all Members receive the same Basic Allowance regardless of workloads.

### **The Radical Model of Remuneration**

25. While it is not being recommended it is pointed out that a radical model of remuneration was put forward by the Chief Executive In effect the argument was that the Basic Allowance and SRAs have become so much out of synch that they represent a token of recognition for the time Members give to the public good rather than provide a realistic recompense. While all potential members are told that being a full and active Member of the Authority will required an monthly input of between 3-4 days per month the upper end of that explicit expectation is the more realistic. As such this view proposed that a more realistic recompense would be a Basic Allowance in the region of £5,000, with proportional increases in SRAs and balanced by introducing a Performance SRA.
26. This is a credible view and indeed any workplace job evaluation of the work carried out by Members would support such an approach – even if the Basic Allowance was £5,000 and the minimum workload was the equivalent of one day per week it would still only represent £25,000 full time equivalent salary, less than the UK median salary of £29,574 (2018).<sup>3</sup> Moreover, such a model is in place for Scottish NPAs – where remuneration is based on a day rate of approximately £215 per day.
27. However, at this juncture it is a step too far and hard to justify in the current economic climate. Interestingly during the course of this review the Glover Review published a final report which *inter alia* recommended governance

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<sup>3</sup> See Annual Survey of Hours and Earnings (ASHE), UK Median Gross F/T Pay Table 8.7a, ONS, 2018



changes for English NPAs, mostly notably reducing the numbers of Members, making them all national appointments (apart from co-optees on planning committees), chosen for particular skills and experience and being advised by a partnership group of stakeholders. Apart from the fact that the South Downs NPA already exhibits some of these straits to a greater or lesser extent this vision of the future of English NPAs, if it was to ever be acted upon would make the radical model of remuneration that was proposed during this review more apt. As such it is not being recommended at this juncture.

### **The South NPA Members' Allowances Scheme – bringing up to date**

28. Regardless, it is clear that the current allowances scheme requires more than marginal revision if Members remuneration is to bear a closer relationship to reality. The status quo has no support and the evidence bears that out. While the radical model has been parked at this stage just under half of the increase in the recommended Basic Allowance is across the board while the larger increase is dependent on Members reaching a meetings threshold.

## **The Evidence Considered and Recommendations**

### **The Basic Allowance – Historical Basis**

29. In the first review of 2010 the recommended Basic Allowance was arrived at by following the approach taken by IRPs in principal councils, as directed in the 2006 Statutory Guidance (also applicable to NPAs - paragraphs 67-69). This approach uses three variables in arriving at the Basic Allowance, namely:
  - **Input**: the time required to undertake the various roles associated with the Basic Allowance, which was assessed at and has remained at a minimum of 26 days per year, which in turn was derived from the guidance set out by DEFRA which stated that NPA Members could expect to put in between 24 – 36 days per year. The figure of 26 days was chosen in 2010 as being at the lower end of the recommended spectrum on the basis that the South Downs NPA was an unknown quantity while acknowledging that 24 day per year was clearly on the low side even in the early days.
  - **Recognising the voluntary principle**: often expressed as the public service discount (PSD), that element of input or workload that is given as public service and therefore not remunerated. For the purposes of the South Downs NPA the public service discount has historically been deemed to be that time put in on Basic Allowance-associated roles over 26 days per year.
  - **A rate for remuneration**: the worth of remunerated time required for the roles associated with the Basic Allowance, which historically is based on the median gross daily salary for all full time employees resident in the South East, which for 2009 (the latest date available during the first review) was £110 per day.

30. Consequently, the original Basic Allowance was arrived at by multiplying 26 days remunerated input by £110 per day, which equated to £2,860. The Basic Allowance has subsequently been indexed one per cent every year since indexation was introduced five years ago, thus ) arriving at the 2019/20 Basic Allowance of £3,009.

## **Recalibrating the Basic Allowance**

### **Increasing the Time Input – From 26 to 48 days**

31. In the representation received it was clear that the historical time expectation of 26 remunerated days per year is too low. It meant that Members were giving a great deal of their time voluntarily. This view is backed up by a more objective analysis. Since the last full review in 2016 Members are required to attend more meetings. As a general rule, Members are either on the Planning Committee, which meets 12 times per year plus 12 associated site visits, or the Policy and Resources Committee, which meets at least six times per year. The full Authority meets at least six times per year which all Members are expected to attend
32. There are now a wider set of other meetings in place. These include
- Pre-NPA Workshops and Presentations – 5 scheduled for 2019/20 and always held before full Authority meetings, on topics of interest to all Members such as addressing the 2020/21 budget
  - Separately organised Member Workshops – 3 scheduled for 2019/20, 1 is for all Members (on the A27/M3 development), with 1 for Planning Members and 1 for Policy and Resources Members
  - Member Days – 7 scheduled for 2019/20, for all Members and they typically address wider issues of concern to the Authority, e.g., Biodiversity and Rewilding in January 2020
  - Other ad hoc events – 2 scheduled for 2019/20, e.g., a Joint Staff and Member Event in May 2020
33. . Furthermore, the Authority has produced a "Member Role Description and Person Specification" that backs up the view that the demands on Members time has grown since the last full review. It points out that Members will be appointed to relevant outside bodies (typically those that are located in a council appointees' council area.) as part of their wider duty to engage with relevant stakeholders. The Authority regularly receives requests for Members to give talks to partners and organisations on the South Downs National Park in general to provide updates on what the Authority is doing.
34. The Authority has produced a "Member Role Description and Person Specification" that backs up the view that the demands on Members time much more than the historically remunerated 26 days. Members are appointed to relevant outside bodies (typically those that are located in a council appointees'

council area.) as part of their wider duty to engage with relevant stakeholders. The Authority regularly receives requests for Members to give talks to partners and organisations on the South Downs National Park in general to provide updates on what the Authority is doing.

35. Outside the formal meetings and partner engagement and stakeholder meetings Members are also expected to read their relevant briefing papers provided for meetings in order to be properly prepared for any debate on issues across the full range of the Authority's responsibilities, and where required, to take personal responsibility for seeking appropriate clarification from Lead Officers. This requirement is expected to enable all Members to represent and be an advocate for the Authority at national and local events and enable them to fulfil the Authority's general duty to foster the economic and social well-being of communities in the Park in the pursuit of its statutory purposes.
36. This brief synopsis of the formal and informal duties expected from all Authority Members can readily be seen to be beyond 26 days per year upon which the current Basic Allowance is based upon. Indeed the Authority itself recognises the same through its own guidance to potential Members in the following statement:

Members are expected to commit a minimum of three to four days per month to the work of the Park Authority<sup>4</sup>

37. As such, for the purposes of recalibrating the Basic Allowance the upper end (or four days per month) of the Authority's own guidance on the time commitment required from backbench Members has been accepted as the appropriate assessment of time required to fulfil all duties associated with the backbench role. This equates to 48 days per year.

### **The Public Service Principle (PSD) – A Public Service Discount of 35 per cent**

38. The 2006 Statutory Guidance advises

It is important that some element of the work of members continues to be voluntary – that some hours are not remunerated.<sup>5</sup>

39. This is often known as the “Public Service Discount” and builds into the Basic Allowance the voluntary principle in that not all the time put in by Members on their backbench role should be remunerated.
40. Historically, this principle has been recognised in the South Downs NPA Basic Allowance by assuming that any time put in over 26 days per year is the voluntary element of the work of Members. It is clear that this approach to recognising the voluntary principle puts too great an emphasis on the volunteer element of a Members' work and not enough on the remunerated element.

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<sup>4</sup> [southdowns.gov.uk/national-park-authority/our-people/members/](https://southdowns.gov.uk/national-park-authority/our-people/members/)

<sup>5</sup> 2006 Statutory Guidance paragraph 68

41. Consequently, for the purposes of recalibrating the Basic Allowance the approach generally adopted in nominating councils has been adopted by applying a “Public Service Discount” to the assessment of 48 days per year i.e., so that “some hours are not remunerated”. In other words, rather than leave the Public Service Discount an open ended figure i.e., voluntary any input over the 26 remunerated days per year.
42. In arriving at the size of the PSD a figure of 35 per cent has been adopted. Thus out of the 48 days per year expected input 35 per cent (16.8 days rounded up to 17 days) is discounted for public service This is in line with what is expected in principal councils as the proportion of time to be given as public service. Thus, for the purposes of recalibrating the Basic Allowance out of the 48 days input, 31 days is now the remunerated time, with 17 days being the voluntary element.

### **Rate of Remuneration**

43. Following on the Statutory Guidance advises that in setting a Basic Allowance an appropriate rate of remuneration should be adopted to apply to the number of remunerated days.<sup>6</sup> Historically the rate of remuneration utilised in setting the recommended Basic Allowance has been based on the gross median daily salary for all full time employees in the South East as published by the Office for National Statistics in its Annual Survey of Hours and Earnings (ASHE). Again basing the rate of remuneration that is linked to “local or regional wage rates” is one rate of remuneration advised in the Statutory Guidance (paragraph 69) and such a locally based rate is commonly utilised by statutory remuneration panels in the nominating councils as it links Members remuneration to that of their constituents.
44. As the South Downs NPA crosses the boundaries of 12 unitary and district councils in the South East – it is the most appropriate regional wage for which to arrive at the rate of remuneration. In 2018 the median daily pay (gross) for all full time employee jobs in the South East was £118.56.<sup>7</sup>
45. Consequently the values arrived at for the 3 variables have been applied in the following formula:
  - Time for Basic Allowance roles 48 days per year
  - Public Service Discount 35 per cent (17 days)
  - Remunerated days 31 per year
  - Rate of Remuneration £118,56
  - 31 days X £118.56 = £3,675

### **Benchmarking the Recalibrated Basic Allowance – UK NPAs**

<sup>6</sup> 2006 Statutory Guidance paragraph 69

<sup>7</sup> Annual Survey of Hourly Earnings, Median Annual pay – Gross (£) – for all time employees in the South East 2018 Table 7.7a, = £30,826 per year, divided by 260 working days per year equates to £118.56, (Office of National Statistics)

46. Benchmarking against the UK NPAs shows the recalibrated Basic Allowance would be at the upper end of the comparative spectrum although by no means the highest which is the Cairngorms NPA at £7,847<sup>8</sup>. In fact it would not be as high as any of the Scottish or Welsh NPAs. It would be the highest of the English NPAs, currently the highest is Yorkshire Dales at £3,118 with the English NPA mean Basic Allowance at £2,308 and UK NPA Mean Basic Allowance at £3,153.
47. A higher than average English NPA Basic Allowance for the South Downs NPA is not a cause for concern in itself. The South Downs NPA Basic Allowance has always been above the mean partly, as mentioned above, as a function of the nature or the Authority, thus a higher than average Basic Allowance is appropriate. The recalibrated Basic Allowance places the South Downs NPA broadly on a par with the Welsh NPAs Basic Allowance which is £3,735 (and is set by a national IRP).
48. Moreover, the English NPA that pays the lowest Basic Allowance (the Broads at £1,046) also pays more SRAs. In particular, it also remunerates its Planning and 'Lead' Members an SRA of £523. This makes the Broads low Basic Allowance somewhat misleading for comparative purposes as the majority of the Broads Members are paid an SRA.

## **The Recommended Basic Allowance – presenting the options**

### **Option One – Introducing a Performance Element**

49. While there is a robust case to recommend the recalibrated Basic Allowance the review has been cognisant that of the widespread feeling that there is an inequity in paying a flat rate Basic Allowance when not all Members are not attending all their scheduled meetings and that Planning Members are scheduled to attend more meetings (including site visits) than Members of the Policy and Resources Committee.
50. Consequently rather than recommend the full recalibrated Basic Allowance that is based on 31 remunerated days, three days have been deducted and reconfigured as a Performance SRA (see below). Thus, the recommended Basic Allowance is based on 28 days at the rate of remuneration of £118.56 per day, which equates to £3,320.
51. **Option One - It is recommended that the Basic Allowance is reset at £3,320 for 2020/21 only on the basis that the Performance SRA is also adopted by the Authority – see below.**

### **Option One Part II - The Performance SRA**

52. As outlined above there is a strong appetite to introduce a link between remuneration and attendance at meetings. While it is recognised that attendance

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<sup>8</sup> CNPA Members are paid a day rate of £27.96 for 36 days per year – the high number of days is due to fact that all Members serve on CNPA Planning Committee

at meetings is but one aspect of a Member's work it is an important one. Indeed the Authority has an explicit expectation that Members should attend at least 75 per cent of their scheduled meetings.

53. The most direct way to establish between attendance and remuneration would be to follow the Scottish approach and pay a daily fee based on attendance. However, the 2003 Members' Allowance Regulations prohibit the payment of a Attendance Allowance. Although the 2006 statutory Guidance advises that SRA may be paid for Members "who have significant additional responsibilities, over above the generally accepted duties....." (paragraph 70) the legal definition of what an SRA may be paid for is a broad one.
54. In this instance the Performance SRA is being paid through the 2003 Members' Allowances Regulations 5. (1) (e) which states that an SRA may be paid for
  - (e) acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods
55. This provision is included specifically to allow an SRA to be paid to Members who attend sit on particularly 'busy' committees or when their workload on a committee, such as licensing, cannot be known in advance. For instance, the Eastbourne Borough Council allowances scheme provides an SRA for Members who sit on its Planning Committee (£1,404) and also for 'Reserve' Members on its on Planning Committee (£702). Lewes District Council makes widespread use of paying an SRA on a per meetings basis by paying its Members of Licensing Sub-Committees and Scrutiny Pane as follows:
  - 0-12 meetings      zero
  - 13-26 meetings    £523 per annum
  - 27-40 meetings    £783 per annum
  - 41+ meetings      £1,044
56. Lewes District Council also pays and SRA to Chairs of Licensing and Sub-Committees on a per meetings basis (£59 per meeting) and its Chair of Scrutiny Panels, at £49 per meeting.
57. This use of an SRA is this instance is similar, namely to provide additional remuneration for Members who attend more meetings than others. It is under Regulation 5. (1) (e) that a "Performance SRA" is being recommended, to be paid to Members who attend at least 36 meetings per year, including site visits (for both Planning Members and the odd occasion that Policy and Resources Members undertake site visits). In setting the level of the Performance SRA three remunerated days have been deducted from the recalibrated Basic Allowance to arrive at the recommended Basic Allowance. In other words, the Performance SRA has been set at three remunerated day multiplied by the rate of remuneration (£118.56 per day), which equates to £356, leaving a recommended SRA
58. This provision is not in place in any other English or Welsh NPAs or nominating councils. Although a number of nominating councils do pay their Planning

Members an SRA it is not linked to attending a qualifying number of meetings. The main reasons why a Performance SRA is not paid in the nominating councils is because

- a. Attendance is not an issue that animates Members sufficiently
  - b. It is an approach the reviewer has pioneered in the past two years.
59. There are a handful of councils where a version of the “Performance SRA” is in operation such as Ashfield, Stratford-on-Avon and Tamworth Councils. For instance, in Stratford-on-Avon District Council the Basic Allowance is deducted by one twelfth and at least eight meetings per year plus annually agreed training events.<sup>9</sup>
60. The Performance SRA should not be thought of as a ‘standard’ SRA but as a supplement to the Basic Allowance for those who attend at least 36 meetings per year, which also meet the requirements of the 2003 Members’ Allowances Regulations.
61. By paying a Performance SRA it should not only pay those who are attending the most meetings it should also ensure that most Planning Members receive it thus addressing the issues raised in relation to Planning Members attending more meetings without singling them out for special treatment
62. If is a Performance SRA of £355 is introduced paid to those Members who attend at least 36 meetings per year, paid at the end of the municipal year. Meetings that count towards the total of 36 meetings include
- I. Meetings of the full Authority, which must also include pre-authority workshops
  - II. Meetings of the Planning Committee
  - III. Meeting of the Policy and Resources Committee
  - IV. Site visits for Members of the two standing committees
  - V. Additional Members Days/Workshops
  - VI. Other scheduled meetings such as Joint Staff/Member Days and the Authority’s Presentation Day
63. It is further specified that only committees to which a Member is appointed to should be included as an “attendance” to count towards the 36 meetings for the Performance SRA to be paid.
64. It is recognised that the Performance SRA does not significantly differentiate the remuneration between those who reach the qualifying criteria of 36 meetings per year and a Member who may attend substantially less. However, at this stage it is being kept relatively simple. The main aim to establish the principle and at the time of the next review its effectiveness can be reviewed and if the Performance SRA has gained acceptance it can be refined further.

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<sup>9</sup> See Stratford-on-Avon DC allowances scheme paragraph 7 (b)  
[stratford.gov.uk/Part6MembersAllowancesScheme.pdf](https://stratford.gov.uk/Part6MembersAllowancesScheme.pdf)

65. **It is recommended that a Performance SRA is paid at £355 for those Members who attend at least 36 meetings per year.**

## **The Recommended Basic Allowance**

### **Option Two – The full Basic Allowance**

66. Alternatively, the Authority may feel that 'performance' is not such a pressing issue so as to require introducing a performance SRA. There are administrative costs, imposed on both Members and Officers, to ensure the effective operation of a Performance SRA.
67. If the Authority is minded to adopt a more straightforward approach then option two is being presented for consideration. Option two simply aggregates the recommendations under option one, namely the
- Recommended Basic Allowance (£3,320) plus the
  - Recommended Performance SRA (£355)  
= £3,675
68. A Basic Allowance of £3,675 (based on 31 remunerated days) assumes that all Members will be expected
- To acknowledge that they have read the SD NPA guidance on the stated workload for ordinary SD NPA Members
  - To state they understand that this expectation is 36-48 days per year
  - To state they understand that the Basic Allowance of £3,875 assumes a minimum paid input of 31 days per year
69. Thus as an alternative to Option One (a Basic Allowance of £3,320 + a Performance SRA of £355 paid only on attending 36 meetings per year) that the Authority also consider the full Basic Allowance under Option Two.
70. **Option Two – it is recommended that the Basic Allowance is reset at £3,675 for 2020/21.**

### **Special Responsibility Allowances – set in relation to a recommended Basic Allowance of £3,675**

71. As per the 2006 Statutory Guidance the SRA for the Authority Chair has always been in set by reference to the South Downs NPA Basic Allowance. For the purposes of reconsidering the SRA for the Chair the recommended Basic Allowance under option one (£3,320) has been taken as the appropriate reference point. By extension this will also impact on the recommendations for other SRAs as they subsequently set as a percentage of the Chair's SRA.
72. The lower Basic Allowance has been adopted largely on the grounds that the evidence showed that the SRAs only required marginal revision. It also helps



ensure that the review has been cognisant of broader financial context and this has impacted on post holders rather than the broader Authority membership.

## The SRA for South Downs NPA Chair

73. South Downs NPA Chair's SRA has historically set at a ratio of two times the Basic Allowance. This is known as the 'factor' approach and is one methodologies suggested in the 2006 Statutory Guidance (Paragraph 76) to arrive at a Leaders' or Chair's SRA. It is an approach followed in at least seven other English NPAs although in Dartmoor and Northumberland the Chair's SRA is three times the Basic Allowance. It is also the most common approach to arrive at Leaders SRAs in the nominating Councils.
74. If the current methodology was maintained it gives a Chair's SRA of £6,640, based on the recommended Basic Allowance under Option one. Benchmarking shows that such a Chair's SRA while higher than the mean SRA paid to Chairs of the English and Welsh NPAs (£6,067) would not come close to the total remuneration of Scottish NPAs<sup>10</sup>. Regardless, such an SRA is not significantly higher than the other English NPAs so has to be unjustified, particularly considering the size of the Authority in terms of area, budget and population, etc.
75. The Chairs' role remains substantial one, particularly regarding the ambassadorial role on behalf of the Authority through taking a lead in partnership working, liaison and leadership required to engage partners and stakeholders. Moreover, the Chair is ex officio a Member of the two standing committees (as is the Deputy Chair). This has developed the Chair's and to a lesser extent Deputy Chair's role as the coordinator of the different governance structures. This is addition to chairing other relevant Authority informal bodies as required, such as the Local Plan Member Development Working Group.
76. Nonetheless, while there was universal agreement that the work undertaken by the Chair does not require a full time commitment there was a view that the current SRA was at a level that it no longer reflected the time and responsibility of the role.
77. **Consequently, it is recommended that the current methodology utilised in arriving at the Chair's SRA, i.e. two times the Option One recommended Basic Allowance (£3,320), is maintained and that the SRA for the Chair of the South Downs NPA is £6,640 for 2020/21.**

## The Deputy Chair's SRA

78. As per the 2006 Statutory Guidance (paragraph 76), the SRA for the Deputy Chair, (and other recommended SRAs) has been arrived at by pro rating it against the SRA for the Chair. Historically it has been sent by sizing the Deputy

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<sup>10</sup> Due to the way the figures are published in Scotland it is impossible to ascertain with certainty the remuneration of Chairs of the Scottish NPAs which will vary from year to year in any case as they are paid a daily rate

Chair's roles and responsibilities at 75% of the Chairs' SRA, thus arriving at a current SRA of £4,562 (75% X £6,020 2019/20).

79. Benchmarking shows that the Deputy Chair's SRA is the highest IN England and Wales. From the published figures it cannot be ascertained with certainty the remuneration of the Deputy Chairs of the Scottish NPAs but what is certain is that they do receive a higher SRA. For instance, the second highest total remuneration paid in Cairngorms NPA was £10,786 and the joint second highest remuneration in Loch Lomond and the Trossachs was £14,354 (both figure relates to 2018/19).
80. Nevertheless, it has always been the case that the SRA for the Deputy Chair of the South Downs has been relatively high as the Deputy Chair as well as being ex officio on the two standing committees works closely with the Chair such as attending the monthly meetings of the Senior Management Team. The Deputy Chair also takes on discrete tasks when required, such as chairing a task and finish working group and working with the Chair to develop the National Park Management Plan. The Deputy Chair also has to stand in for the Chair when required, not just only in the Chair's absence when the Chair has to attend external meetings but in place of the Chair at some of those external meetings when Chair is unable attend. Finally, no representation was received to suggest that the ratio of 75 per cent vis-à-vis the Chairs SRA was inappropriate and required revising. This equates to £4,980, which is 75 per cent of the recommended SRA (£6,640) for the Chair of the Authority.
81. **It is recommended that the Deputy Chair of the South Downs NPA is paid an SRA of £4,980 for 2020/21.**

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

82. The Authority is the responsible planning body for the area covered by the Park (one where planning pressures are very intense). Normally it operates in partnership with the nominating council and the majority of decisions on local planning applications are delegated to 5 of the relevant local councils. Yet South Downs NPA through the Planning Committee retains ultimate responsibility for all planning decisions. The Authority has responsibility for determining major planning applications as well as setting planning policy - a policy that the nominating councils have to operate within when deciding on local planning applications.
83. The Chair will also attend a large number of external meetings to consult, inform and engage with local partners and stakeholders regarding planning issues in the park as it is a high profile topic that attracts a great deal of public and media attention. This is particularly the case with a number of large scale developments in the Park area, such as in Lewes.
84. The SRA (currently £3,612) for the Chair of the Planning Committee has been set at 60 per cent of the Authority Chair's SRA. Although not the highest paid Chair of Planning in England (which is £4,109 in Exmoor) and below that paid to Planning Chairs in Scotland the current SRA is at the higher end of the

comparative spectrum but again It has been set at this level to reflect the size of the Authority and the complexity of planning issues in a disparate Authority such as the South Downs and the need to work in partnership with 15 nominating councils. The representation received also supported the current situation whereby the Planning Chair is paid more than the Chair of the Policy and Resources Committee due to complexity and number of meetings. As such the current ratio of 60 per of the Authority Chair's recommended SRA (£6,640) has been maintained, which equates to £3,984.

85. **It is recommended that the SRA for the Chair of the Planning Committee is set at £3,984 for 2020/21.**

### **The Deputy Chair of the Planning Committee**

86. The SRA (£721) has been set as is typical with reference to the Planning Chairs' SRA, in this case 20 per of the Planning Chair's SRA. The only relevant benchmarking is in the English context which shows that the mean SRA of £1,050 for Deputy Chairs of Planning, which are paid in six out of the ten English NPAs. The SRA for the Deputy Chair of Planning is paid to recognise the risk associated with the role in that the risk in getting it wrong on a planning decision will be much higher than on other committees. The statutory framework for planning means it has to meet monthly to ensure planning decisions are decided in defined limits. This means that if the Chair is unable to chair a Planning Committee meeting, which does occur mostly when the Chair has to declare an interest, the meeting cannot be postponed and the Deputy Chair has to step in. In turn this requires the Planning Deputy Chair to keep up to speed with the agenda of each meeting that includes attending pre-meeting briefings along with the Chair and Lead Officer as well attend the Local Plan Member Working Group.
87. Since this SRA was set the Deputy Chair of Planning now attends the joint Committee Chairs/Senior Management Team meetings scheduled 10 times per year. The purpose of these meetings to co-ordinate the work of the Authority and enable senior Members and Officers to raise upcoming issues in a confidential setting. As such the current ratio (20 per cent of the Planning Chair's SRA) is now on the low side. Thus the ratio utilised in arriving at the SRA for the Vice Chair of Planning has been increased from 20 per cent to 25 per cent of the recommended SRA (£3,984) for the Chair of Planning's SRA, which equals £996.
88. **It is recommended SRA for the Vice Chair of the Planning Committee is set at £996 for 2020/21.**

### **The Ordinary Members of Planning Committee**

89. Once again there was a sizeable representation that argued the case to pay a small SRA to the Planning Committee members on the grounds that they have to attend more meetings than members appointed to Policy and Resources Committee, as well as undertake relevant site visits. However an SRA is not being recommended for Members of Planning Committee on a number of grounds:

- Comparative practice: While not unknown it is not standard practice to remunerate Planning Committee members either in principal or joint authorities. Out of the 10 English NPAs only the Broads pay their planning members an SRA (£523) and out of the 15 nominating councils only four pay their planning committee members an SRA, these are Arun, East Hampshire, Eastbourne and Lewes.
  - Undue emphasis: from the representation not supporting an SRA for the members of the Planning Committee it was argued that to do so may put an undue emphasis on planning to the detriment of the Authority in a context where it is required to deliver on its wider brief.
  - Attracting Members to planning: There are no reported problems in getting Members to sit on the Planning Committee - although it is recognised that the remuneration across the board can hardly be seen as an incentive to recruitment generally.
  - Introduction of a Performance SRA: The Performance SRA should address differential workloads in that where a Planning Member does attend the majority of their scheduled meetings then that will be recognised by the Performance SRA.
90. **It is not recommended that the ordinary Members of the Planning Committee are paid a SRA.**

### **The Chair of Policy & Resources Committee**

91. The Policy and Resources Committee was established in 2017 by the amalgamation of the Policy and Programme and Governance Committees. The current SRA (£1,806) was set at 30 per cent of the Authority Chair's SRA. It is difficult to benchmark this SRA as only 2 other English NPAs have a similar committee (New Forest - £1,960 and the Peak District - £2,346). The role of the Policy and Resources Committee has now matured and it is the committee that discusses the Authority's budget, business plan, approves appropriate resource plans, agrees the submissions of bids for grant funding, and the arrangements for application of grant funds received, monitoring and review of the delivery of the Management Plan, ensuring good governance of the Authority by overseeing and reviewing its arrangements for audit, financial control and risk management and promoting high standards of conduct. In effect it is the committee where most of the other business of the Authority is conducted.
92. The issue was raised with interviewees whether there a case to pay the Chair of Policy and Resources on a par with the Chair of Planning but the general view was it was appropriate to have a differential. Nonetheless, the ratio utilised in arriving at the SRA for the Chair of the Policy and Resources Committee has been raised from 30 per cent to one third as it now has six scheduled meetings per year. One third of the recommended SRA (£6,640) for the Authority Chair is £2,213.

93. **It is recommended that the SRA for the Chair of the Policy & Resources Committee is set at £2,213 for 2020/21.**

### **The Deputy Chairs of the Policy and Resources Committee (x2)**

94. There is provision to pay an SRA for a single Deputy Chair of the Policy and Resources Committee, currently £361 and set at 20 per cent of the Policy and Resources Chair's current SRA. However it is currently not paid as there are two Deputy Chairs of the Policy and Resources Committee. The Policy and Resources Committee was set up two Deputy Chairs as a transitional arrangement. However, due to the breadth of the work undertaken by the Policy and Resources Committee the two Deputy Chairmen have been retained both of whom now the monthly meetings of Authority Chairs/Deputy Chairs and the Senior Management Team.
95. Due to the maintenance of the two Deputy Chairs of Policy and Resources and the fact that they attend Chairs/SMT meetings it was felt that they did merit an SRA. In setting the appropriate level each Deputy Chair's SRA has been set at 12.5 per cent of the recommended SRA (£2,213) of the Chair of the Policy and Resources, which equates to £332 apiece. It has been set at half the ratio applied to the Deputy Chair of the Planning Committee, thus the cost of two Policy and Resources Deputy Chairs is no more than what it would be if there was a single Deputy Chair.
96. **It is recommended that the two Deputy Chairs of the Policy and Resources Committee are each paid an SRA of £332 for 2020/21.**

### **The Exception to the 1-SRA only rule – the Performance SRA**

97. The South Downs NPA has adopted a 1-SRA only rule in that the unlikely event a Member holds more than one remunerated post then they can only be paid one SRA. This is a common practice in other NPAs and nominating councils. This is regarded as good practice; it makes the allowances scheme more transparent and does not lead to a situation where a Member is remunerated more than the Chair or Leader. Indeed some principal councils prohibit Members receiving SRAs at the nominating council and any other joint body/other authority they may appoint to.<sup>11</sup>
98. The 2003 Members Allowances Regulations do not prohibit a Member receiving more than 1 SRA. For the Performance SRAs to be operational at the South Downs NPA they need to be the exception to the 1-SRA only rule. They are not standard SRAs as the Performance SRA is in effect a supplement to the Basic Allowance for those Members who reach an attendance threshold of 36 meetings per year.

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<sup>11</sup> Members of NPAs in Wales who also receive an Executive SRA at their nominating Council are unable to receive any SRA they may be entitled to at their NPA.

99. **It is recommended that the South Downs NPA maintain the 1-SRA only rule with the exception of the Performance SRA, which may be paid to those post holders in receipt of a Standard SRA assuming they reach the qualifying threshold of 36 meetings per year.**

## Travel and Subsistence Allowances

100. Currently Members of the South Downs NPA are able to claim Subsistence Allowances at the same rates and under the same conditions that apply to Officers. No evidence was received to indicate that these rates and conditions are inappropriate.
101. Members are able to claim mileage allowances for attending approved duties at HMRC rates, also known as Approved Mileage Allowance Payments (AMAP), which normally do not attract a tax or national insurance liability. In the representation received it was pointed out that for Members of NPAs these rates are subject to tax and national insurance. This is not an issue the review can address, it is an oversight in the legislation that means these rates are taxable and where relevant subject to national insurance. Although it is pointed out that this does not preclude individual Members from claiming deductions where they make personal tax returns.
102. Nonetheless, in accordance with the terms of reference and to future proof the allowances scheme a recommendation is being made for mileage allowances when a Member uses an electric/hybrid vehicle to attend an approved duty. The advice from the Office of Low Emission Vehicles is that “electric and hybrid vans are the treated the same way as petrol and diesel cars for the purposes of AMAP.s.”<sup>12</sup> While this does not solve the tax/national insurance issue the logic of this recommendation is that where a Member claims mileage for attending an approved duty when traveling in a hybrid/electric vehicle then the applicable mileage rates should be the same that apply to petrol/diesel vehicles, namely 45p per mile for the first 10,000 miles and 25p per mile thereafter and 5p per mile for each passenger carried.
103. Other travel is claimable under the same terms and conditions that apply to Officers. No evidence was received to indicate that these rates and conditions are inappropriate.
104. **It is recommended that provision is included in the allowances scheme to enable Members using hybrid/electric vehicles when attending approved duties are able to claim at the same rates for petrol/diesel vehicles. It is further recommended that the current Travel and Subsistence Allowances rates and conditions be maintained.**

## Definition of Approved Duties

<sup>12</sup> Office for Low Emission Vehicles, Tax Benefits for Ultra Low Emission Vehicles, 14 May 2018, paragraph 12.2

105. **It is recommended that there is no change to the current definition of approved duties for which Members can claim travel and subsistence allowances.**

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

106. The issue was raised whether a Member with Dependant[s] should be able to claim an allowance to assist with the care of such a dependant[s] when on approved duties for the Authority, similar to the Dependants' Carers' Allowance that can be claimed in the nominating councils. The 2003 Members' Allowances Regulations provide no express powers for a joint authority to pay a carers' allowance. Only the nominating councils have the right to make available a Dependants' Carers Allowance. It is pointed out that if Members wish to claim for the cost of care of any dependants they may be able to do so from their nominating authority – but only at the nominating authority's discretion.

### **Indexing Allowances**

107. The 2003 Members' Allowances Regulations permit authorities, including NPAs, to apply an index to their allowances for up to a period of four years before authorisation is required again – in the case of the South Downs NPA, this authorisation could come from the Authority itself as it is not required to seek independent advice, but only after paying regard to the recommendations of the statutory IRPs from the nominating councils.
108. The most common index applied to Members' Allowances in the nominating authorities is the same one that is applied to Officers, namely, annual percentage salary increase as agreed by the National Joint Council (NJC) for Local Government Services (linked to spinal column point 49) as implemented on 1 April of each year.
109. The South Downs NPA determines locally staff remuneration and any annual cost of living increases, which since 2011 has been 1% each year. Bearing in mind the terms of reference regarding the future proofing of the allowances scheme it is appropriate that the allowances in South Downs NPA are indexed on the same basis that Officers salary is indexed. It also ensures that Members and Officers are treated equally in this respect.
110. **It is recommended that the following indices are applied to the following allowances:**
- **Basic Allowance and SRAs:**
    - Indexed to the annual percentage increase in salary for the South Downs NPA staff, where such a cost of living increase is implemented in a particular year.
  - **Subsistence Allowances:**
    - Indexed to the same rates applicable to Officers of the South Downs NPA

- **Mileage Allowances:**
  - Indexed to the HMRC approved mileage rates

### **Implementation**

111. **It is further recommended that the proposals contained in this report are implemented no later than Authority's Annual General Meeting on 30<sup>th</sup> June 2020, or any date before then as agreed by the Authority.**



## **APPENDIX 1: Members and Officers who met with Declan Hall**

### **Members:**

Ken Bodfish OBE <sup>13</sup>	Chair of Policy & Resources Committee (National appointment)
Sir Sebastian Anstruther	Deputy Chair of Policy & Resources Committee (National appointment)
Cllr Doug Jones	Deputy Chair of Policy & Resources Committee & Chair Sustainable Communities Fund Panel (Hampshire Parishes Appointment)
Ian Phillips	Deputy Chair of South Downs NPA & Chair of Governance Committee (National appointment)
Alan Alesbury	Chair of Planning Committee (West Sussex Parishes appointment)
Cllr William Meyer	Member of Planning Committee (Council appointment)
Margaret Paren OBE:	Chair of South Downs NPA (National appointment)

### **Members Written Submissions:**

Cllr Doug Jones	Deputy Chair of Policy & Resources Committee & Chair Sustainable Communities Fund Panel (Hampshire Parishes Appointment)
Cllr William Meyer	Member of Planning Committee (Council appointment)
Ian Phillips	Deputy Chair of South Downs NPA & Chair of Governance Committee (National appointment)
Cllr Andrew Shaxson:	Member of Policy & Resources Committee (West Sussex Parishes appointment)

Two members (a national plus a parishes appointee) submitted written views anonymously (

### **Officers:**

Trevor Beattie	Chief Executive
Tim Slaney	Director of Planning
Robin Parr	Head of Governance & Support Services

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<sup>13</sup> Ken Bodfish, William Meyer and Margaret Paren were all interviewed via telephone

## **APPENDIX 2: Further information Considered**

1. Terms of Reference for review in accordance with the requirements of the 2003 Members' Allowances Regulations (10 (1))
2. South Downs NPA, Members' Allowances scheme 2019/20, including all reimbursements paid to Members
3. South Downs NPA, Travel and Subsistence Policy Version 1.01, 13<sup>th</sup> April 2012
4. The Third Independent Review of Members' Allowances for South Downs NPA, The Third Report, March 2015
5. Report to the South Downs NPA, Independent Review of Members' Allowances, including Authority Decision, 26<sup>th</sup> March 2015
6. The Fourth Independent Review of Members' Allowances for South Downs NPA, The Fourth Report, November 2017
7. Report to the South Downs NPA, Independent Review of Members' Allowances, including Authority Decision, 19<sup>th</sup> December 2017
8. South Downs NPA, Standing Orders sections 1-12 and Appendix 4 – Committee Terms of Reference and membership
9. <http://www.southdowns.gov.uk/national-park-authority/our-people/members/>, including expected time commitment
10. South Downs NPA, Member Role Description and Person Specification
11. South Downs NPA, full authority, committee and other meetings/events schedule of meetings 2019/20
12. South Downs NPA, Economic Profile of the South Downs, National Park, March 2018
13. Hard copies of written submissions by Members
14. South Downs National Park, Corporate Plan, 2018/19
15. Office for Low Emission Vehicles Tax Benefits for Ultra Low Emission Vehicles, 14<sup>th</sup> 2018
16. Annual Survey of Hours and Earnings (ASHE), Table 7.7a, South East – Annual Pay – Gross – for all full employee jobs in the South East, Office of National Statistics, 2018  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityashtable7>

17. SI 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations 2003*, 7 April 2003.
18. DCLG and HMRC: *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, May 2006
19. The most recent IRP reports from the nominating councils, including current allowances schemes as published
20. Benchmarking data – all other English NPAs
21. DEFRA, *Landscapes Review, Final Report*, September 2019

Allowances Review for South Downs NPA

5<sup>th</sup> Report February 2020**Appendix 3: Benchmarking - Allowances Paid in all English National Park/Broads Authorities 2019/20**

Authority	Basic Allowance	Chair's SRA	Chair's Total (Basic Allowance +SRA)	Deputy Chair	Chair Planning	Deputy Chair Planning	Chair Policy & Resources	Dep Chair Policy & Resources	Chair Audit & Risk or Gov'nc	Index	Other & Comments
<b>Broads</b>	£1,046	£3,925	£4,971	£1,963	£1,963	£533			£523	No	Chair & V/Chair Navigation £1,963 & £523, Planning & Lead Member £523
<b>Dartmoor</b>	£1,710	£5,100	£6,810	£1,710	£1,710	£855			£1,710	NJC	Chairs Working Panels & V/Chair Audit £855
<b>Exmoor NPA</b>	£2,739	£5,478	£8,217	£4,109	£4,109					Staff	Chair Consultative Forum £1,370
<b>Lake District NPA</b>	£3,000	£6,000	£9,000	£4,500						NA	PC Allowance £237 p/yr
<b>New Forest</b>	£1,960	£3,920	£5,880	£1,960	£1,960	£980	£1,960	£980	£902	Staff	
<b>Northumberland</b>	£1,804	£5,412	£7,216	£1,804	£902				£902	Staff	
<b>North Yorkshire Moors</b>	£2,347	£4,693	£7,040	£1,760	£2,347				£774	Staff	
<b>Peak District</b>	£2,346	£5,865	£8,211	£2,933	£2,933	£1,936	£2,346	£1,173		NJC	
<b>Yorkshire Dales</b>	£3,118	£6,363	£9,481	£1,591	£2,386	£1,273				NJC	
<b>South Downs</b>	£3,009	£6,020	£9,029	£4,562	£3,612	£721	£1,806	£361		Staff	
<b>Mean</b>	<b>£2,308</b>	<b>£5,278</b>	<b>£7,586</b>	<b>£2,689</b>	<b>£2,436</b>	<b>£1,050</b>	<b>£2,037</b>	<b>£838</b>	<b>£962</b>		
<b>Median</b>	<b>£2,347</b>	<b>£5,445</b>	<b>£7,714</b>	<b>£1,962</b>	<b>£2,347</b>	<b>£918</b>	<b>£1,960</b>	<b>£980</b>	<b>£902</b>		
<b>Lowest</b>	£1,046	£3,920	£4,971	£1,591	£902	£533	£1,806	£361	£523		
<b>Highest</b>	£3,118	£6,363	£9,481	£4,562	£4,109	£1,936	£2,346	£1,173	£1,710		

<b>Appendix 4 Benchmarking - Allowances Paid in all UK National Park/Broads Authorities 2019/20</b>						
<b>Authority</b>	<b>Basic Allowance</b>	<b>Chair's SRA</b>	<b>Chair's Total (Basic Allowance +SRA)</b>	<b>Deputy Chair</b>	<b>Chair Planning</b>	<b>Other &amp; Comments</b>
<b>Broads Authority</b>	£1,046	£3,925	£4,971	£1,963	£1,963	Chair & V/Chair Navigation £1,963 & £523. Planning & Lead Member £523
<b>Dartmoor</b>	£1,710	£5,100	£6,810	£1,710	£1,710	Chairs Panels & V/Chair Audit £855
<b>Exmoor</b>	£2,739	£5,478	£8,217	£4,109	£4,109	Chair Consultative Forum £1,370
<b>Lake District</b>	£3,000	£6,000	£9,000	£4,500		PC Allowance £237 p/yr
<b>New Forest</b>	£1,960	£3,920	£5,880	£1,960	£1,960	
<b>Northumberland</b>	£1,804	£5,412	£7,216	£1,804	£902	
<b>N. Yorkshire Moors</b>	£2,347	£4,693	£7,040	£1,760	£2,347	
<b>Peak District</b>	£2,346	£5,865	£8,211	£2,933	£2,933	
<b>Yorkshire Dales</b>	£3,118	£6,363	£9,481	£1,591	£2,386	
<b>South Downs</b>	£3,009	£6,020	£9,029	£4,562	£3,612	
<b>*Cairngorms</b>	£7,847		£21,572			Other Chairs paid but unknown based on published figures. Scottish Govt set day rate
<b>*Loch Lomond &amp; Trossachs</b>	£5,167		£19,138			
<b>Brecon Beacons</b>	£3,735	£8,700	£12,435	£2,400	£2,400	Chair of Audit & Scrutiny £3,610
<b>Pembrokeshire Coastal</b>	£3,735	£8,700	£12,435	£2,400	£2,400	Set by IRP for Wales
<b>Snowdonia</b>	£3,735	£8,700	£12,435	£3,640	£2,340	
<b>UK Mean</b>	<b>£3,153</b>	<b>£6,067</b>	<b>£10,258</b>	<b>£2,718</b>	<b>£2,422</b>	
<b>UK Median</b>	<b>£3,000</b>	<b>£5,865</b>	<b>£9,000</b>	<b>£2,400</b>	<b>£2,347</b>	
<b>Lowest</b>	£1,046	£3,920	£4,971	£1,591	£902	
<b>Highest</b>	£7,847	£8,700	£21,572	£4,562	£4,109	

\*CNPA Members are paid 217,96 p/day & LL&TT NPA Members £215.30 p/day. Basic Allowance based on 36 days per year for CNPA as all are on Planning and on 24 days per year for LL&TT although 2/3s of members are on Planning (19/20). Total remuneration or Authority Chairs are extrapolated from Annual Accounts Reports 2017/18. Deputy and Committee chairs not included as can't identify from figures published

### Appendix 5: Main Allowances Paid in South Downs NPA Nominating Councils 2019/20

Appointing Authority	Basic Allowance	Leader	Dep Leader	Planning Chair	Planning Dep Chair	Planning Members	Indexation	Date of last review	Comments
Hampshire CC	£12,489	£30,138	£18,002	£12,056	£3,020		Yes	Apr-17	
West Sussex CC	£11,875	£32,943	£23,719	£9,296	-		Yes	Approved Dec 2016	
East Sussex CC	£12,797	£35,832	£18,289	£6,531			Yes	01-Apr-19	
B&H	£13,002	£32,505	£19,503	£11,377	£975		no	2019	
Arun	£5,481	£14,196	£10,400	£6,000	£1,980	£750	yes	2019	> 1 SRA payable
Worthing	£4,929	£14,789	£7,395	£4,929	£1,232		yes	2015, updated 19	
Adur	£4,511	£13,533	£6,766	£4,511	£1,127		yes	Dec 16 updated 2019	
Winchester	£5,694	£17,070	£9,312	£7,758	£2,328		Yes	2018	
East Hants	£5,200	£18,000	£10,000	£6,000	£3,000	£250	No	2016	
Horsham	£5,070	£13,790	£8,685	£3,890	£1,305		Yes	2018	2 DCC Committees
Lewes	£3,196	£14,281		£4,446	£741	£533	No	2017	
Mid Sussex	£5,000	£20,596	£11,000	£5,000	£2,500		No	2018	2 DCC Committees
Wealden	£4,611	£13,488		£4,251	£1,404		No	2019	
Chichester	£4,735	£14,500	£7,700	£6,000			no	2015	
Eastbourne	£2,808	£4,212	£2,808	£2,106		£1,404	No	2019	Reserve DCC Mbrs £702 + nearly all get SRA

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5<sup>th</sup> Report February 2020

<b>Mean Districts Only</b>	<b>£4,658</b>	<b>£14,405</b>	<b>£8,230</b>	<b>£4,990</b>	<b>£1,735</b>	<b>£734</b>			
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