



South Downs

National Park Authority

Agenda Item 17
Report NPA20/21-22

Report to	South Downs National Park Authority
Date	17 December 2020
By	Head of Governance & Support Services
Title of Report Decision	Co-optee role description and allowances

Recommendation: The Authority is recommended to:

- 1. Agree the role description for Co-opted Members set out at Appendix 1**
- 2. Note the report of the independent Single Issue review of the Scheme of Members' Allowances set out at Appendix 2;**
- 3. Approve the revised scheme of Members allowance at Appendix 3 to include the payment of a Co-optees' Allowance of £2,970 per annum to the "new model" Co-optees and an allowance of £1,980 per annum to the Independent (CIPFA) Co-optees.**
- 4. Note that subsequent increases will take place, without reference back to the NPA, each year until 2024 in line with the indexation provisions set out in the scheme.**
- 5. Agree that the change to members allowance scheme will take effect from 17th December 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).
- 1.2** Dr Declan Hall undertook a review in 2010, 2011, 2015, 2017 and 2020 for the Authority and was appointed to undertake a single issue review and formulate recommendations to the Authority with regard to the payment of an allowance to co-opted members. His review is attached at **Appendix 2**. 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.
- 1.3** At its meeting on 15th October 2020 the authority agreed to commission a single-issue review of the Members' Allowances Scheme to consider the payment of an allowance to Co-opted Members, with the outcome of this review reported back to the NPA for a final decision on the adoption of a Co-optees' allowance. A role description has been developed in consultation with the Chair of the Authority and Chair of the Policy and Resources committee to inform this review. This is presented at **appendix 1** for approval, and was considered as part of the single issue review.

2. Issues for consideration

- 2.1 The Authority is asked to agree the role description for co-opted members and the recommendation from the independent reviewer regarding allowances. The role description takes into account the varied nature of the co-optee role and the contribution they can make to decision making and scrutiny of decisions taken by the NPA as well as influencing policy and strategy.
- 2.2 The allowances 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 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 supplied and taken into account.
- 2.3 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, Policy and Resources Committee Chair and the Chief Executive.
- 2.4 Subject to agreement of the Role description and allowance a process will begin to identify suitable individuals for consideration as co-optees, (up to a maximum of three additional co-optees). The final decision on the appointment of co-optees is reserved to the NPA and it is anticipated that the decision on who, and how many (up to the maximum of 3) additional individuals to co-opt to the P&R committee will be taken by the NPA in March 2021.
- 2.5 Applications will be invited from people who are able to bring personal and professional expertise and experiences and be representatives for under-represented groups. Final appointments will be made by the NPA will be made after interviews and consideration.

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, and if three additional co-optees were to be appointed the total annual cost of the allowances scheme would increase by up to c£15,000 for the year 2021/22. Obviously this will be lower if fewer co-opted members are appointed. 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 budget for 2021/22. 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 allowances higher than those 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 robust 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 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
Head of Governance
South Downs National Park Authority

Contact Officer: Robin Parr
Tel: 01730819207
email: Robin.parr@southdowns.gov.uk
Appendices

1. Co-opted member role description
2. Report of the Independent Reviewer
3. Revised scheme of Members' allowances

SDNPA Consultees	Chief Executive; Director of Countryside Policy and Management; Director of Planning; Chief Finance Officer; Monitoring Officer.
External Consultees	None
Background Documents	None

Role Description for Co-opted Members of the SDNPA Policy and Resources Committee

The South Downs National Park Authority appoints co-opted members to its Policy and Resources (P&R) Committee, in order to strengthen the breadth of experience and skills available to the Committee and the wider work of the Authority. The role of co-opted members is wide ranging and whilst co-opted members will only be appointed to the P&R committee, it is expected that they will participate in the full range of meetings and activities attended by Members of the Authority.

Purpose of the Role

The co-optee role is to complement, inform and challenge, rather than replace, the role of appointed Members who remain accountable to the Authority and are ultimately responsible for decision making.

Whilst all co-optees are non-voting, the Authority recognises the valuable contribution that co-opted members make to the work of the Authority in supporting good governance and broadening the range of voices involved in the debate about key issues. thereby helping better, more inclusive decisions to be made

Co-optees may play specific roles, such as those appointed to contribute to effective arrangements for audit, financial control and risk management they may be appointed because they have particular expertise or experience that is not well represented on the NPA by other means. Co-optees would also play an important role in advocating and championing the National Park, helping us to reach new, wider and diverse audiences. Such an approach would run alongside existing consultative and engagement methods.

Co-opted members will have access to all of the services, support and information available to voting members.

Co-opted members will be appointed for a four-year term, at the end of which they may be considered for reappointment. It is expected that any independent (CIPFA) co-optee will not normally serve for more than 2 terms, in order to preserve the independence of the role. Any reappointment is subject to a decision of the NPA.

Co-opted members are not eligible to vote on matters at meetings of the Policy and Resources Committee or other meetings that they may be invited to attend but will be able to fully participate in any debate or discussions held at such meetings or events.

Key Expectations of co-opted members

It is expected that all co-opted members will:

- participate in meetings of the Policy and Resources Committee and other member events/meetings
- Give presentations or specific inputs as requested to meetings or workshops
- provide input and expertise to assist the Committee in its work.
- adhere to and promote the Members' Code of Conduct to encourage the highest standards of behaviour in public office.
- represent and act in the best interests of the Authority and in accordance with the Authority's Standing Orders and other protocols.
- Attend an annual meeting with the Chair of the Committee and relevant Director to discuss their experience and performance

Co-opted members **who have not been** appointed to comply with the CIPFA guidance will also be expected to:

- Make presentations to the P&R Committee on an area in which they have particular expertise, as agreed with the Chair of that Committee;
- Make similar presentations at an all staff meeting, where appropriate in association with the other non CIPFA co-optees;
- Connect and champion the Authority and National Park in the wider community inside and beyond the Parks Boundaries
- Provide occasional updates on their experiences in the newsletter that is sent to all staff and members;
- Support the communications team in the delivery of the social media objectives of the Communications Strategy.

For individuals **co-opted to comply with CIPFA** guidance, it is also expected that they will have:

- A knowledge of corporate governance and risk management
- Financial management experience
- An understanding of accountability and probity in public life
- A wish to serve the local community and uphold local democracy
- Effective questioning skills
- Some knowledge of public finance

Remuneration and time commitment

Co-opted members may claim travel and subsistence and receive the payment of an allowance as defined in the SDNPA members allowance Scheme.

A Supplementary Independent Review of

Co-optees' Allowances

For the

South Downs National Park Authority

By

Dr Declan Hall

November 2020

Introduction

1. This report arises out of a supplementary review of Co-optees' Allowances for the South Downs National Park Authority (South Downs NPA). While the South Downs NPA is not required to commission an independent review of allowances, it has done so to conform to the statutory requirements that apply to the nominating councils; namely they are required to seek advice from their statutory Independent Remuneration Panels (IRPs) before they amend or change their Members' Allowances Scheme. It also conforms to good practice followed by similar public bodies (including a number of NPAs) when considering and determining their Members' 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*¹ 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 2006 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.²
5. In other words, there is no statutory requirement to 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 2003 Regulations as they apply to the South Downs NPA.³ Furthermore, the

¹ See Statutory Instruments 2003 Nos. 1021, 1022 and 1692 for further details.

² Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations 2003*, 19. (2)

³ See Appendix One for the full list of the most recent IRP Reports from the nominating councils.

review has also paid regard to the Co-optees' allowances payable in the nominating councils and other English and Welsh 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.**

Terms of Reference and the Reviewer

8. In accordance with a decision made by the South Downs NPA on 15th October 2020 the Authority appointed Dr Declan Hall to undertake a single-issue review, namely to consider the appropriateness of paying a Co-optees' Allowance to the independent Co-optees appointed to the Authority's Policy and Resources Committee.. 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.

Scope

11. In arriving at recommendations the review will:
 - Refer to allowances schemes in the nominating councils;
 - Refer to allowances schemes in the other National Parks; and
 - Take into account any matters that are brought to the attention of Dr Hall by Members in their consultation with Members and briefings from Officers.

Approach and Methodology

12. On the 19th November 2020 the reviewer met (virtually) with relevant Members and Officers of the Authority to received Member view and Officer factual briefings. In addition, all the relevant information for consideration in arriving at recommendations was sent to the reviewer. All Members and Officers who met with Dr Hall are listed in appendix 2 and the full list of information considered for this review is listed in appendix 3.

13. 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 and a Co-optees' Allowance may be paid. 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.
14. The next level of evidence considered were the representations made by the Members of the Authority. 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 comparative summary data, considered for this review is listed in appendices 4 and 5.

The South Downs NPA Co-optees – The context

15. Currently, the South Downs NPA appoints two Co-optees to the Policy and Resources Committee. The Policy and Resources Committee is responsible for *inter alia* the following
 - a. Meeting the requirements of the Accounts and Audit Regulations 2011 in respect of conducting an annual review of the effectiveness of the system of internal control and internal audit, reviewing the outcome of the annual review of governance arrangements and approving the Annual Governance Statement, and considering and approving the Authority's annual Statement of Accounts.
 - b. Providing assurance as to the adequacy of arrangements for the prevention and detection of fraud and corruption.
 - c. Agreeing the Internal Audit Plan and the External Auditors Annual Audit Plan, and receive progress and other relevant reports.
 - d. Monitoring and reviewing the performance, including financial performance, of the Authority in the context of its business delivery the management and maintenance of the Authority's assets in accordance with the Authority's agreed budget, Corporate Plan and other approved plans.
 - e. To develop and consider policies and strategies for recommendation to the NPA and for when these are delegated to another Committee or Officer
 - f. To recommend annually to the Authority the Corporate and Business Plans including strategies and priorities, appropriate objectives and key performance measures; Treasury Management Policy and Capital Strategies
 - g. To review and recommend to the NPA the adoption or revision of the Partnership Management Plan and monitor and review its delivery
 - h. To approve appropriate resource plans (including workforce plans, information strategies, procurement and estates strategy), and policies, procedures and systems to support effective resource management

16. Currently there are two Co-optees on the Policy and Resources Committee who have been appointed, in line with good practice guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), on the basis that as well as having the typical skills/competencies such as objectivity, impartiality, high standards of integrity, good decision making and questioning skills they should be able to demonstrate the following particular knowledge and expertise;
 - a. Experience working in a medium/large organisation at a senior level or other experience which would give similar benefits.
 - b. Financial management experience (accountancy, audit or management of a large budget).
 - c. Some knowledge of public finance.
 - d. Knowledge of corporate governance arrangements in either public or private sectors
 - e. Knowledge of risk management
17. Currently, these two Co-optees will normally be expected to attend up to six scheduled meetings of the Committee in any year. In addition to this, they may have opportunities to serve on Task and Finish groups, undertaking in-depth investigation into specific topics agreed by the Committee. These CIPFA Co-optees are also invited to attend Member workshops but expected only to attend when the topic under discussion is of a particular interest.

Three additional Co-optees – the new model

18. Currently these Co-optees do not receive a Co-optees Allowance payable under the 2003 Regulations (9). However, the Authority intends to revamp its whole approach to recruiting and utilising Co-optees. As part of the Authority's Member Representation and Engagement strategy the Authority has decided to appoint three additional (new model) Co-opted Members to the Policy and Strategy Committee. These Co-optees will be appointed under a different rationale.
19. Specifically the Report to the South Downs NPA by the Head of Governance and Support Services "Member Representation and Engagement" (15th October 2020) states:

Co-optees would be sought from a range of groups or sectors of society which we feel are currently under-represented. We could, using the example of young people, approach individuals or existing groups (such as young people forums run by councils, or university /college groups) who could be asked to nominate individuals and appointment would be subject to NPA decision.
20. These three new Co-optees to the Policy and Resources Committee, which the Authority has agreed to appoint, will be reaching out to new demographics currently underrepresented on the Authority. For example, it is envisaged that the Authority could, using the example of young people, approach individuals or existing groups (such as young people forums run by councils, or university

/college groups) who could be asked to nominate individuals and appointment would be subject to South Downs NPA decision.

21. It is also envisaged that the working paradigm of the new model Co-optees will change. In particular, these Co-optees will also have the opportunity to be involved in the more informal, structures of the Authority. For example, they will be invited to attend member days (where policy is developed - as seen at climate change/ rewilding events). These Co-opted Members will also be invited to make presentations to such events and be invited to attend South Downs NPA meetings as observers and invited to speak in relation to topics where they have a particular interest or expertise.
22. It is further envisaged that the new model Co-optees will also play an important role in advocating and championing the National Park, helping the Authority to reach audiences that it currently finds it difficult to address. Such an approach could run alongside existing consultative and engagement methods. As such, the view of the Authority is that these Co-optees should be rewarded for their valued contributions to the work of the Authority. Consequently, there should be an element of attraction in the recommended Co-optees' Allowance for the new model Co-optees.

The two current CIPFA Co-optees

23. Finally, but just as importantly, it is further envisaged that the two current 'traditional' (Audit or CIPFA) Co-optees, while appointed for their particular skills/knowledge, will also be asked to 'up their game.' They perform more of a scrutiny role, focussing on governance and internal control etc., but unlike the new model Co-optees they will not be expected to contribute across the whole range of the committee business and undertake advocacy roles so as to maintain their independence.
24. While the two CIPFA Co-optees are invited to Member workshops and other Member days but the expectation on them to do so is less, as a balance needs to be struck between the CIPFA Co-optees being more widely involved across the wider work of the Authority and being independent and therefore able to undertake effective scrutiny.
25. Nevertheless, the CIPFA Co-optees also merit a Co-optees' Allowance but not at the same level as the new model Co-optees whose workloads will be greater.

The Evidence Considered and Recommendations

26. In arriving at the recommended Co-optees' Allowance the review has been cognisant of the advice to Council IRPs (which also applies to NPAs) as set out in the 2006 Statutory Guidance (paragraph 80) which states when arriving at a Co-optees' Allowance:

In doing so it may wish to consider the degree of time and effort put in by co-optees. Some element of the contribution made by co-optees should be voluntary. However, consideration should be given for the need to encourage non-councillors to give their services to local

government, and to ensuring that co-optees are not financially disadvantaged by their civic activity.

A day-based approach

27. One suggestion was to pay a Co-optees' Allowance based on a per day input. This approach has been adopted for Co-optees in Welsh local government but the legislation is different there. While there are examples amongst the nominating Councils of paying Co-optees on a per meeting basis such an approach would be difficult in South Downs NPA as it would not capture the full breadth of the work, both formal and informal, that they will be expected to carry out in the future.
28. Moreover, the 2003 Members' Allowances Regulations (9 (2)(a) states that in relation to the Co-optees' Allowances, the scheme shall

Specify the amount of entitlement by way of co-optees' allowance in respect of any year to which it relates.
29. This has been taken to mean that the day rate approach is not in line with the statutory requirements. Furthermore, this is reinforced by the 2006 Statutory Guidance which states (paragraph 21) that: "The co-optees' allowance will in general be an annual allowance."
30. As such the day rate approach has been rejected. Instead, in line with the Statutory Guidance (paragraph 80, this review will replicate the approach taken in arriving at the recommended Basic Allowance in previous review; namely by assessing a time input, applying a public service discount and then multiplying that figure by a rate of remuneration.
31. As such the approach adopted in arriving at a recommended Co-optees' Allowance (for both types) is in line with that utilised in arriving at the recommended Basic Allowance in the February 2020 review; namely arriving at a time input, then discounting that input by a voluntary element and multiplying the remunerated input by an appropriate rate of remuneration.

Assessing the time element for the new Co-optees

32. It is difficult to assess the workload of the new model Co-optees in the absence of actual experience of how the new enhanced concept of Co-optees will operate in practice. What is certain is that the bar has been raised. Nonetheless, the new model Co-optees will be expected to
 - Attend/prepare for six meeting per year of the Policy and Resources Committee
 - Attend Member workshops/days up to 20 or so per year (where policy is developed) and Co-optees may be invited to make presentations to such events
 - Attend pre-South Downs NPA workshops up to six times per year

- Attend South Downs NPA meetings as observers and invited to speak in relation to topics where they have a particular interest or expertise up to six times per year
 - Post-lockdown undertake relevant park visits to advocate and champion the South Downs NPA, helping the Authority reach audiences that the Authority currently finds difficult to address.
33. There was a view (expressed in both interview and in Authority minutes) that the new model of Co-optees would mean that they would have a workload not much less than that of full Members of the Authority. However, there is no way to know that will indeed be the case at this stage. It is also noted that unlike full Members of the Authority the new model Co-optees (similarly with the CIPFA Co-optees) will not be able to vote either on the Policy and Resources Committee or when presenting/attending as observers to the meetings of the full Authority.
34. Full Authority Members are also 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. 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. These requirements appear not to be so great for the new model Co-optees.
35. Nonetheless, the role will be substantial and as a guide to the future workloads of the new model of Co-optees the review has been guided by the Authority's own guidance, which states:
- Members are expected to commit a minimum of three to four days per month to the work of the Park Authority⁴
36. In the absence of experience the review has been guided by the lower end of the guidance for full Authority Members regarding the expected time commitment, which is three days per month or 36 days per year. This judgment regarding the expected workloads of the new model Co-optees will be revisited at the time of the next review by which time experience of these Co-optees new roles will be gained.

Assessing the time element for the CIPFA Co-optees

37. As noted above the CIPFA Co-optees will not have such a demand on their time compared to the new model Co-optees as they will not be required to get involved across the whole range of the Authority's business. Consequently, their assessed time input has been assessed at 24 days per year.

⁴ southdodwns.gov.uk/national-park-authority/our-people/members/

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

38. As noted above it is expected that some element of the contribution made by co-optees should be voluntary – as is the case for full Authority Members. This is often known as the “Public Service Discount” (PSD) and builds into the Co-optees Allowance (as it has been done in arriving in the recommended Basic Allowance in the February 2020 Review) the voluntary principle in that not all the time put in by Co-optees on their various roles should be remunerated.
39. In arriving at the size of the PSD a figure of 35 per cent has been adopted as it is the same size of the PSD that was utilized in arriving at the recommended Basic Allowance in the February 2020 Review.
40. Thus, for the new model Co-optees, out of the 36 days per year expected input 35 per cent (12.6 days) has been 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 recommending the new model Co-optees’ Allowance out of the 36 days input, 23.4 days will be the remunerated time, with 12.6 days being the voluntary element.
41. For the CIPFA Co-optees the same public service discount of 35 per cent has also been applied. Thus, for the purposes of recommending the CIPFA Co-optees’ Allowance out of the 24 days input, 15.6 days will be the remunerated time, with 8.4 days being the voluntary element.

Rate of Remuneration

42. The Statutory Guidance advises that in setting a Basic Allowance for full Authority Members an appropriate rate of remuneration should be adopted to apply to the number of remunerated days.⁵ It is proposed that the same should be done in arriving at the recommended Co-optees’ Allowance for both types.
43. 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 IRPs in the nominating councils as it links Members remuneration to that of their constituents.
44. As the South Downs NPA crosses the boundaries of 15 county, unitary and district councils in the South East – it is the most appropriate regional wage for which to arrive at the rate of remuneration. The rate of remuneration for arriving at a tentative Co-optees’ Allowance has also been based on the same regional

⁵ 2006 Statutory Guidance paragraph 69

salary rate. In 2020 the median daily pay (gross) for all full time employee jobs in the South East was £126.94.⁶

The new model Co-optees' Allowance

45. Consequently the values arrived at for the 3 variables vis-à-vis the new model Co-optees have been applied in the following formula:

• Time for Co-optees roles	36 days per year
• Public Service Discount	35 per cent (12.6 days)
• Remunerated days	23.4 per year
• Rate of Remuneration	£126.94
• 23.4 days X £126.94	= £2,970

The CIPFA Co-optees' Allowance

46. Similarly, the values arrived at for the 3 variables vis-à-vis the CIPFA Co-optees have been applied in the following formula:

• Time for Co-optees roles	24 days per year
• Public Service Discount	35 per cent (8.4 days)
• Remunerated days	15.6 per year
• Rate of Remuneration	£126.94
• 15.6 days X £126.94	= £1,980

Benchmarking the Co-optees' Allowance arrived at via the Statutory Guidance

47. Benchmarking the Co-optees' Allowance as arrived BY following the 2006 Statutory Guidance against the English and Welsh NPAs (Co-optees are not appointed to Scottish NPAs) has not proved to be a particularly fruitful exercise. Only three out of the other nine English NPAs pay a Co-optees' Allowance, ranging from £318 (Northumberland) to £603 (Peak District). The Welsh NPAs where the legislation is different pay a daily rate of £199 per day/£99 per half day and it applies primarily to statutory Standards Co-optees on Standards, which only meet as required which is typically infrequently.
48. It is a similar picture when benchmarking against Co-optees' Allowances paid in the nominating councils. Out of the 15 nominating councils, eight do not pay a Co-optees Allowance, three pay on a per meetings basis (ranging from £32 to £60 per meeting) and only four pay a flat rate Co-optees' Allowance with a mean of £835 and median of £877.
49. Clearly, benchmarking against the remuneration of Co-optees in the other NPAs and the nominating councils shows that the Co-optees' Allowance arrived at by following the Statutory Guidance is well above what these authorities pay their

⁶ Annual Survey of Hourly Earnings, Median Annual pay – Gross (£) – for all time employees in the South East 2020 Table 7.7a, = £33,004 per year, divided by 260 working days per year equates to £126.94, (Office of National Statistics)

Co-optees. However, the Co-optees on the other NPAs and nominating councils operate very much in the traditional mode. They do not, unlike the intended new model of Co-optees on the South Downs NPA, fulfil the same functions or are recruited on the same basis. The South Downs Co-optees will have a much wider remit both in terms of representation and engagement and workloads. Even the CIPFA Co-optees on the South Downs NPA are expected to attend a wider range of meetings, such as Member workshops (where relevant) than is the case in other NPAs and the nominating councils.

50. As such benchmarking does not negate the new model Co-optees' Allowance (£2,970) nor the CIPFA Co-optees' Allowance (£1,980) as arrived at by following the approach laid out in the 2006 Statutory Guidance.

The Recommended Co-optees' Allowance

51. A new model Co-optees' Allowance of £2,970 and a CIPFA Co-optees' Allowance of £1,980 has a robustness in that it is based on the methodology set out in the 2006 Statutory Guidance and the expected time inputs are taken from the South Downs NPAs own guidance to Members.
52. **It is recommended that the South Downs NPA pays a Co-optees' Allowance of £2,970 to the new model Co-optees and pays a Co-optees' Allowance of £1,980 to the CIPFA Co-optees.** These recommendations will be revisited in light of experience at the time of the next review.

Indexing the Co-optees' Allowance

53. 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 it needs to be refreshed – 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.
54. 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.
55. The South Downs NPA locally determines staff remuneration and any annual cost of living increases, which since 2011 has been 1% each year. Bearing in mind that the Basic and Special Responsibility Allowances are indexed on the same basis it is appropriate that the Co-optees' Allowance 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.
56. **It is recommended that the Co-optees' Allowance (both for the new model and CIPFA Co-optees) is 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.

Implementation

57. **It is further recommended that the proposals contained in this report are implemented no later than Authority's meeting on 17th December 2020.**

APPENDIX 1:

List of most recent IRP Reports from SD NPA nominating Councils

1. Adur and Worthing District Councils, Report of the Adur and Worthing Councils Joint Independent Panel, January 2015
2. Arun District Council, Independent Remuneration Panel, A Review of Members' Allowances for Arun District Council, 8th Report 2019
3. Brighton & Hove Council, Report by the Independent Remuneration Panel, Members' Allowances Scheme 2019-23 for Brighton & Hove Council, 30th October 2018
4. Chichester District Council, Report of the Independent Remuneration Panel on the review of the Members' Allowances Scheme, December 2019
5. East Hampshire District Council, Report of the Independent Remuneration Panel, February 2016
6. East Sussex County Council, Report of the Independent Remuneration Panel, 2017
7. Eastbourne District Council, The Report of the Independent Remuneration Panel appointed to review the allowances paid to Councillors of Eastbourne District Council, February 2020
8. Hampshire County Council, Members' Allowances Scheme for 2017/18 and Members' Allowances Scheme for 2018/19, 2019/20, 2020/21 and 2021/22 by the Independent Remuneration Panel, 10th December 2017
9. Horsham District Council, Report of the Independent Remuneration Panel, August 2015
10. Lewes District Council, The report of the Independent Remuneration Panel appointed to review the allowances paid to Councillors of Lewes District Council, May 2017
11. Mid Sussex District Council, Report of the Independent Remuneration Panel on the review of Members' Allowances 2019/20, 12th December 2018
12. Wealdon District Council, Report of the Independent Allowances and Remuneration Panel to Wealdon District Council for 2020/21
13. West Sussex County Council, Report of West Sussex Independent Remuneration Panel, November 2016
14. Winchester City Council, An Interim Review of Members Allowances for Winchester City Council, Report of the Independent Remuneration Panel, 14th and 15th October 2019

APPENDIX 2:

Members and Officers who met with Declan Hall

Members:

Cllr Doug Jones	Chair of Policy & Resources Committee (Hampshire Parishes appointment)
Ian Phillips	Chair of South Downs NPA National appointment)

Officers:

Trevor Beattie	Chief Executive
Robin Parr	Head of Governance & Support Services

APPENDIX 3: Further information Considered

1. Report of the Head of Governance & Support Services to South Downs NPA, Member Representation and Engagement, 15th October 2020, includes new scope and roles of Co-opted Members on the Policy and Resources Committee
2. Minutes of South Downs NPA, 15th October 2020, confirming appointment of Dr Hall as independent reviewer and setting out the terms of reference for the review in accordance with the requirements of the 2003 Members' Allowances Regulations (10 (1))
3. South Downs NPA, Members' Allowances scheme 2020/21
4. The Fifth Independent Review of Members' Allowances for South Downs NPA, The Fifth Report, February 2020
5. South Downs NPA, Standing Orders sections 1-12 and Appendix 4 – Committee Terms of Reference and membership, with particular reference to the Terms of Reference of the Policy and Resources Committee
6. <http://www.southdowns.gov.uk/national-park-authority/our-people/members/>, including expected time commitment
7. South Downs NPA, Role Description for Co-opted Members of the SDNPA Policy and Resources Committee
8. South Downs NPA, Information for Applicants, Independent Member of the Policy and Resources Committee, March 2018
9. CIPFA Position Statement: Audit Committees in Local Authorities and Police, 2018
10. 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, 2020
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityashetable7>
11. SI 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations 2003*, 7 April 2003.
12. DCLG and HMRC: *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, May 2006
13. The most recent IRP reports from the nominating councils, including current allowances schemes as published
14. Benchmarking data – Co-optees' Allowances paid to all other English and Welsh NPAs

APPENDIX 4: Co-optees' Allowances Paid in English/Welsh NPAs

Benchmarking - Co-optees' Allowances Paid in all English/Welsh National Park/Broads Authorities 2020/21			
Authority	Co-optees' Allowance	If Co-optee is a Chair	Other & Comments
Broads Authority	£349	£1,046	Co-opted Chair & V/Chair Navigation both get £1,046 - Broads Authority BA
Dartmoor	No Provision		
Exmoor	No Provision		
Lake District	No Provision		
New Forest	No Provision		
Northumberland	£318		
N. Yorkshire Moors	Not Applicable		
Peak District	£603	£1,173	
Yorkshire Dales	No Provision		
Brecon Beacons	£198 Daily fee/£99 1/2 Day Fee	£256 Daily Fee/£180 1/2 Day Fee	
Pembrokeshire Coastal	£198 Daily fee/£99 1/2 Day Fee	£256 Daily Fee/£180 1/2 Day Fee	
Snowdonia	£198 Daily fee/£99 1/2 Day Fee	£256 Daily Fee/£180 1/2 Day Fee	
UK Mean	£423		
UK Median	£349		
Lowest	£318		
Highest	£603		

APPENDIX 5:

Co-optees' Allowances Paid in the SD NPA Nominating Councils

Co-optees Allowances Paid in South Downs NPA Nominating Councils 2020/21			
Appointing Authority	Co-optees' Allowance	Co-optees' Allowance when Committee Chair	Comments/Other
Hampshire CC	£723		Appeals Co-optees £34.16 p/mtng < 4 hrs/£68.33 > 4 hrs
West Sussex CC	Not Paid		
East Sussex CC	Not Paid		
Brighton & Hove	£1,030	£1,230	£1,230 paid when Co-optee Chairs Standards Panel
Arun	£60 p/mtng		
Worthing	Not Paid		
Adur	Not Paid		
Winchester	£240		
East Hants	Not Paid		
Horsham	£1,345		
Lewes	£32 p/mtng		Up to a maximum of £145 p/yr
Mid Sussex	Not Paid		
Wealden	Not Paid		
Chichester	£50 p/mtng		
Eastbourne	Not Paid		
Mean	£835		
Median	£877		

SDNPA Scheme of Members' Allowances
Approved 26 March 2020 with effect from 1 January 2020,
amended 17 December 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:**

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

5. CO-OPTED MEMBER ALLOWANCE

- Is payable to Co-opted Members, the amount of which is dependent upon the basis of the individual appointment
- Where the Co-opted 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 co-opted member allowance is £1,980.00 per annum for Independent (CIPFA) Co-optees and £2,970 for other co-optees. These are annually increased in line with any staff cost of living pay award applied.**

6. 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 I).
- 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

7. 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 I).
- 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.

8. 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.

9. WITHHOLDING 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

