

**Stevenage Borough Council**

Members' Allowances Scheme

**The report of the Independent Remuneration Panel**

**December 2024**

## **1. Introduction**

There is a statutory \* requirement for regular independent review of the Allowances Scheme for Members of Stevenage Borough Council (the Council). The scheme was last reviewed in 2023. The Council commissioned another review earlier in 2024. For this purpose, an Independent Remuneration Panel was convened by the Council's Chief Executive.

*(\*Local Authorities (Members' Allowances) (England) Regulations 2003, as amended.)*

## **2. Panel members**

- **Marian Hurlle BEd, DMS, Former CEO Stevenage Citizens' Advice Bureau (Panel Chair)**
- **Nicholas Moss OBE, JP, Independent Person, North Hertfordshire District Council.**
- **Bill Welch ACIS, Former Corporate Director, Stevenage Borough Council.**

## **3. Terms of Reference**

The Panel was asked to produce a report for the Council with recommendations for a Members' Allowances Scheme from 2025-2026 onwards.

## **4. Conduct of the review**

The Panel met five times between October and December 2024.

We interviewed the Leader of the Council, the Leader of the Opposition party and a newly-elected Councillor. We received, also, written representations from three other newly-elected members.

In addition, we were briefed by the Chief Executive and by one of the Council's Strategic Directors.

We were supported very ably by Lisa Jerome (Senior Democratic Services Officer). Our thanks to her also for the research she carried out on our behalf and for the material that she provided so efficiently. We are most grateful not only to her, but also to other colleagues for their help.

In addition to interviews with Members and Officers we reviewed our 2023 report and current information about allowances payable to members of other authorities in Hertfordshire and elsewhere. This research helped to inform our review.

Our recommendations comply with the Local Authorities (Members' Allowances) (England) Regulations 2003.

## 5. Context

At its meeting in December 2023, where it considered and approved the Panel’s recommendations for 2024-25 [the current year], the Council resolved, “...*That an Independent Remuneration Panel be convened in the Autumn of 2024 to consider the Members’ Allowances Scheme for 2025/2026 onwards.*” In addition, the Leader asked at the meeting, “...*that the next IRP Review should include benchmarking information with comparator authorities which, like SBC, still possess their own Housing stock...*”

This report is the Panel’s response to that commission.

Given the proximity of the present review to the review leading to the 2023 report, we felt it would be helpful to set out the Members’ Allowances scheme that operates now and until the end of the civic year 2024-25.

|   |   |
|---|---|
| <b>Basic Allowance</b><br>Payable to all Members  | £8,819  |
| <b>Special Responsibility Allowances</b>  |   |
| Leader of the Council   | £24,756   |
| Executive Members   | £12,124   |
| Chair of Planning and Development Committee   | £12,124   |
| Chair of Overview & Scrutiny Committee  | £10,888   |
| Chair of Licensing Committee  | £4,952  |
| Chairs of Select Committees   | £6,189  |
| Chair of Audit Committee  | £4,952  |
| Leader of the Majority Opposition Party   | £443.06 per majority opposition group member.                             |
| Leader of Minority Opposition Party   | £443.06 per minority opposition group member.                             |
| Travelling and Subsistence Allowance  | The existing arrangements for Members’ travel and subsistence allowances. |
| Dependants' Carers' Allowances  |   |
| Child Care  | Up to a maximum of £12.36 per hour  |
| Adult care  | Up to a maximum of £28.26 per hour  |
| Both of the dependants’ carers’ allowances to be set at a maximum of 360 hours over the year, subject to Leader’s limited discretion. |   |

We have looked at the allowances afresh in the light of the Council’s resolution and of the Leader’s question about housing stock.

[IRP](#) Report 2024/25

## 6. The Panel's considerations

We have approached our commission in two stages:

### 1. *Basic allowance; 2. Housing stock.*

In respect of stage 1, as for earlier Panel reviews, we have considered the basic allowance in the context of amounts payable to members of other boroughs and districts in Hertfordshire. That inquiry has enabled us to determine any significant mismatch among sums payable across the county; and whether any mismatch identified might be to the detriment of Stevenage Members.

In respect of stage 2, we have considered whether there were grounds to recommend an increase in the basic allowance unrelated to any findings at stage 1 but taking account, instead, any allowance implications for Members of the Council's responsibilities for its own housing stock.

### 1. *Basic allowance*

Given the closeness of this report to our report last year we did not feel that a Council-wide survey of Members' views was necessary. In our opinion, of equal value and relevance on this occasion is the table below showing basic allowances payable currently to members of the 10 boroughs and districts in Hertfordshire.

| <b>Local authority</b> | <b>Basic allowance</b> |
|------------------------|------------------------|
| Stevenage              | £8,819                 |
| Broxbourne             | £5,885                 |
| Dacorum                | £6,120                 |
| East Herts             | £5,679                 |
| Hertsmere              | £7,234                 |
| North Herts            | £5,763                 |
| St. Albans             | £6,478                 |
| Three Rivers           | £5,733                 |
| Watford                | £8,441                 |
| Welwyn/Hatfield        | £6,357                 |

As can be seen, the basic allowance payable to Members of Stevenage Council is more than that payable to members of other Hertfordshire councils. In most instances, it is substantially more.

As noted at 4. above, we spoke to and heard from a number of Members. One observed that, "...*If allowances were adjusted I could consider dropping a day of full time work in order to focus on Council activities...*" The Leader said that personally he thought that the basic allowance should be more.

Nevertheless, all the other comments that we received this time supported there being no increase for 2025-6. One commented that it was *more than enough*. Another commented that it was *generous*.

### 2. *Housing stock*

We have approached with an open mind the question of whether the existence of directly-controlled housing stock meant that Members' work had increased significantly compared to members of non-housing-stock councils; and, if so, whether such an increase would warrant

an uplift in the basic allowance. We felt that we needed evidence to support, or to discount, the notion.

As a starting point we recognised that responding to housing enquiries from constituents is the principal housing-related responsibility which engages all Members to some degree. However, for all its significance to Members, we recognised that it should be seen, also, as a duty that is reflected in the value of the basic allowance.<sup>1</sup>

Nevertheless, to establish a context for this strand of our review, we looked first at the number of properties for which each stockholding Hertfordshire authority has direct responsibility; and at their associated allowances. As part of our benchmarking we looked also at Harlow and Crawley because they, like Stevenage, are designated as new towns and also manage their own housing stock.

| <b>Local Authority</b> | <b>Housing stock (rounded figures)</b> | <b>Basic Allowance</b> | <b>Cabinet Member Allowance</b> |
|------------------------|--|------------------------|---------------------------------|
| Stevenage              | 8,000                                  | £8,819                 | £12,124                         |
| Dacorum                | 10,000                                 | £6,120                 | £12,240                         |
| St Albans              | 5,000                                  | £6,478                 | £ 7,741                         |
| Welwyn /Hatfield       | 9,000                                  | £6,357                 | £11,443                         |
| Crawley                | 8,300                                  | £7,434                 | £ 8,923                         |
| Harlow                 | 9,000                                  | £7,000                 | £11,200                         |

It became apparent that there was no correlation between the size of a council's housing stock and allowances paid to members. It is evident from the table above that the basic allowance payable to Stevenage Members is still the highest even though the Council's housing stock is not. The Cabinet member allowance - a special responsibility allowance - is the second highest.

Next, we looked for evidence that Members of comparator housing-stock councils might deal with more contacts from constituents than members without housing stock. We felt that such evidence might justify an increase in the basic allowance.

However, as the Council does not collect data on housing enquiries from constituents to Members, we were not able to undertake any comparisons with other authorities. In any event, from our conversations with Members there is nothing to suggest that the Council's management of its properties has a significant bearing on the scale of work of Members.

## **7. The Panel's conclusions and recommendations**

### ***Mandatory allowance 2025-26***

#### Basic allowance

We have noted in our report that the basic allowance for Stevenage Councillors continues to

<sup>1</sup> We note here a principle underpinning the allowances scheme: the expectation that there is a voluntary element to the role of councillor.

be significantly greater than amounts payable to members of other councils in Hertfordshire.

We have taken into account the Council's activities including regeneration and actions to mitigate climate change. We have noted also the Leader's comments about the Council's responses to homelessness and overcrowding. We have concluded that none of these initiatives would have a substantive impact on workload for Members and, therefore, on the value of the basic allowance.

Similarly, our inquiries into Members' involvement with housing stock revealed nothing to suggest that the Council's management of its properties had any significant bearing on the scale of the work of Members.

For these reasons we have found no grounds for recommending an increase.

Therefore, we recommend that the basic allowance remains unchanged for the year from 1st April 2025.

### ***Discretionary allowances 2025-26***

#### Special responsibility allowance.

As indicated above, the basic allowance is mandatory. The other allowances in the regulations – typically the special responsibility allowances [SRA] – are discretionary. We acknowledge, of course, that significant demands are placed on Portfolio Holders, which are reflected in the SRAs.

In considering the allowance made to the Housing Portfolio Holder, we have considered the allowances made to all the Portfolio Holders. The SRAs made by Stevenage compare favourably with those made by the comparator authorities. In addition, we have heard nothing to suggest that the duties and responsibilities of the Housing Portfolio Holder here are any greater than the duties and responsibilities of other Portfolio Holders.

Accordingly, we have come to the view that there are no grounds for believing that the current SRA for the Housing Portfolio holder at Stevenage is insufficient and, similarly, we are satisfied that all the SRAs for Portfolio Holders remain appropriate for 2025-2026.

#### Dependant carers' allowance

Similarly, we are satisfied that the dependant carers' allowance remains appropriate. In reaching that view, we take into account the Leader's discretion to increase sums payable where demonstrably necessary. The impact of market forces on carers' rates might satisfy that criterion.

#### Travelling and subsistence allowance

As to the travelling and subsistence allowance, we remain content that sums payable might increase in line with those that officers of the Council are entitled to claim.

#### Co-optees' allowance

We offer the same view in respect of any allowance payable to co-optees to the Council as we have set out for the basic and special responsibility allowances for elected members.

### ***Allowances post 2025-26.***

As noted at the start of this report, we have been asked to make recommendations not only for 2025-26 but also 'onwards.'

Thus, we recognise the possibility of economic volatility, typically inflation and other factors than can increase costs. Of course, they are unpredictable, but it remains a possibility that such contingencies might have an impact on the value of the mandatory and a discretionary allowance.

For that reason, we recommend that for 2026-7 and 2027-8 the basic, the special responsibility and the co-optees' allowances increase in line with the Retail Prices Index [RPI]. That is to say, these allowances for 2026-27 will be fixed by applying to the current [2024-25] allowances the uplift in accordance with the increase in RPI as between 1st April 2025 and 1<sup>st</sup> April 2026 and similarly for 2027-28 .

We recommend, also, that the sums that may be claimed by members for travel and subsistence continue to rise in line with arrangements for officers.

### **8. Existence of Allowances for Councillors**

During our interviews with witnesses last year, we were surprised to learn that it is not political parties' practice routinely to advise potential candidates that allowances are available to elected Members. This year we found that this is still the case. We recommend, again, that all parties include information about allowances to encourage the widest range of candidates to come forward.

### **9. Postscript**

For the reasons we have given, we do not consider that it would be appropriate for the Council to continue to increase the allowances for 2025-2026. However, that position should not be taken as qualifying or diminishing our recognition of Members' commitment to their borough and their impressive service to their electors, who have entrusted them with the management of local affairs.

We commend our recommendations to the Council for Members' consideration.

**Marian Hurle**

**Nicholas Moss**

**Bill Welch**

**December 2024**