

<b>29 January 2020</b>		<b>ITEM: 12</b>
<b>Council</b>		
<b>Review of Members' Allowances – Report of the Joint Independent Remuneration Panel</b>		
<b>Wards and communities affected:</b> N/A	<b>Key Decision:</b> Non-key	
<b>Report of:</b> Robert Gledhill – Leader of the Council		
<b>Accountable Assistant Director:</b> Tim Hallam – Assistant Director of Legal Services and Monitoring Officer		
<b>Accountable Director:</b> Sean Clark – Director of Finance, ICT and Legal Services		
<b>This report is public</b>		

## **Executive Summary**

The Council are presented with the report and recommendations of the Joint Independent Remuneration Panel, following its review of the Scheme of Members Allowances.

The Council is required to “have regard” to the report and recommendations of the Panel which is attached at Appendix 1 and, whilst it must act reasonably, it is not obliged to follow the recommendations that have been made.

- 1. Recommendation(s)**
  - 1.1 Agree all recommendations presented in the Independent Remuneration Panel’s report at Appendix 1 and the subsequent Scheme of Allowances at Appendix 2.**
  - 1.2 The Council implements its recommendations from 1 August 2019.**
  - 1.3 For officers to investigate and implement alternative IRP arrangements for future years.**
- 2. Introduction and Background**
  - 2.1 The power under which schemes of Members’ Allowances are made is contained in Section 18 of the Local Government and Housing Act 1989, Section 99 of the Local Government Act 2000 and in the Local Authorities (Members’ Allowances) (England) Regulations 2003 (“the Regulations”).**

- 2.2 The Regulations impose a duty on local authorities to establish an Independent Panel to provide advice on its scheme of allowances and the amounts to be paid. In April 2005, the Council agreed to establish a Joint Panel with Southend-On-Sea Borough Council, consisting of 5 independent members. Since that time, the Panel has met on five occasions (June 2007, August 2010, June 2011, June 2015 and June 2019).
- 2.3 On 24 and 25 June 2019, the Panel met to undertake a review of the Scheme of Members' Allowances for both Southend and Thurrock councils, in accordance with the law which requires a new scheme to be put in place. The terms of reference for the review are set out as follows:
- (a) The amount of Basic Allowance that should be payable to elected Members and the expenses it should include.
  - (b) The responsibilities or duties which should lead to the payment of a Special Responsibility Allowance and as to the amount of such an allowance.
  - (c) Those Co-optees who should receive a Co-optees' Allowance and as to the amount of such an allowance.
  - (d) The duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance.
  - (e) As to whether Dependants' Carers' Allowance should be payable to Members, and as to the amount of such an allowance.
  - (f) As to whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed.
  - (g) The implementation date for the new Schemes of Members' allowances and as to whether, in the event that the schemes are amended, any such amendments should be backdated to the beginning of the municipal year.

In addition, the Joint Panel was asked to make recommendations on:

- (h) The Civic Allowances and amounts payable.
- (i) The payments made to the statutory post of Independent Persons.
- (j) Any other issues that are brought to the Panel's attention.

2.4 In reviewing the Scheme, the Panel had regard to statutory guidance in relation to allowances, previous reports of the Panel and the results of a benchmarking exercise. It also received a number of representations in writing and in person from councillors from both authorities.

2.5 The report of the Panel is attached at **Appendix 1** with the associated scheme of allowances at **Appendix 2**.

### **3. Issues, Options and Analysis of Options**

3.1 It is for the Council to determine to what extent it wishes to have regard to the recommendations made by the Joint Independent Remuneration Panel, but it must implement a new Scheme by virtue of the relevant statutory requirements.

3.2 If the Council accept the Panel's recommendations Thurrock Council will not see an increase in overall basic allowance payments. In respect of special responsibility allowances the cost of Vice-chairs of scrutiny will decrease by approximately £5,521 (based on 2019-20 figures and all 6 SRAs being claimed) while there would be an increase of £2,300 for the new SRA for Chair of Corporate Parenting.

### **4. Consultation (including Overview and Scrutiny, if applicable)**

4.1 All Members were invited to submit written representations to the Panel and all Group Leaders were invited to attend an interview with the Panel on the days they met.

4.2 A copy of the final report of the Joint Independent Remuneration Panel has been sent electronically to Group Leaders for their information.

### **5. Impact on corporate policies, priorities, performance and community impact**

5.1 A Scheme of Members' Allowances provides financial support for councillors in undertaking their role and must reinforce the culture of the modern council and address, as far as possible, any disincentives to serving in local politics.

### **6. Implications**

#### **6.1 Financial**

Implications verified by: **Jonathan Wilson**  
**Assistant Director Finance**

The Financial Implications are contained within the body of the report. The establishment of a new IRP solely for Thurrock would have additional cost implications as current costs are shared with Southend Council. Additional costs would need to be set out when considering the options for future IRPs.

## 6.2 Legal

Implications verified by: **Tim Hallam**  
**Assistant Director of Law and Governance**  
**(acting)**

Whilst there is a duty on the Council, before it makes or amends a scheme, to have regard to the recommendations made in relation to it by the Joint Independent Remuneration Panel (IRP), it is for the Council to decide, subject to it complying with the usual public law requirements, whether or not it accepts all, some or none of the recommendations made by the Panel. The Council must though make a new Scheme by virtue of the relevant statutory requirements.

The Council is able to establish a 'replacement' IRP to solely consider Thurrock's allowances under the Local Government Act 2000 (Section 99)(amending section 18 of the Local Government and Housing Act 1989) and more specifically under the Local Authorities (Members' Allowances) (England) Regulations 2003 (Regulation 20), which requires a minimum of 3 panel members.

## 6.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**  
**Community Engagement and Project**  
**Monitoring Officer**

The Panel have been guided by the overarching principle that it should seek to minimise barriers to public service to enable a wide range of individuals to become a Councillor without incurring undue personal financial cost. This principle is maintained through the recommendations referred in section 1 of this report.

## 6.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

## 7. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- The papers considered are referred to in the report of the Joint Independent Remuneration Panel.

## 8. Appendices to the report

- Appendix 1 – Report of the Joint Independent Remuneration Panel

- Appendix 2 – Revised Scheme of Allowances 2019-2023

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