

A Joint Review

Of

Members' Allowances

For

Southend-on-Sea Borough Council

&

Thurrock Borough Council

A Report

By the

Joint Independent Remuneration Panel

Mr Colin Sivell (Chairman)	Thurrock Borough Council Appointee
Mr R. Ferris	Thurrock Borough Council Appointee
Mr N. Gayner	Southend-on-Sea Borough Council Appointee
Mr W. Robb	Southend-on-Sea Borough Council Appointee

July 2011

JOINT INDEPENDENT REMUNERATION PANEL

A REVIEW OF MEMBERS' ALLOWANCES

FOR

SOUTHEND-on-SEA BOROUGH COUNCIL

AND

THURROCK BOROUGH COUNCIL

Introduction: The Regulatory Context

1. This report is a synopsis of the proceedings and recommendations made by the statutory (Joint) Independent Remuneration Panel (the Panel) appointed by Southend-on-Sea and Thurrock Borough Councils to provide advice to each Council on its current Members' Allowances scheme.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations – which replaced the 2001 Regulations). These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice to Councils on Members' allowances. This is in the context whereby elected Members are able to determine their own levels of remuneration, and much of the scope and levels of other allowances/reimbursements.
3. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended members' allowances scheme.
4. In particular, the Panel has been reconvened under the *2003 Regulations [10. (50)]*, which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.
5. This mechanism is utilised to oblige all Councils to reconvene their Panel, usually at least once every four years, as a means of ensuring a degree of public accountability vis-à-vis their members' allowances schemes. It is under

this requirement that the Joint Panel has undertaken this review of members' allowances for Southend-on-Sea and Thurrock Borough Councils.

The Joint Panel

6. Both Councils agreed to establish a Joint Panel in 2007 for the first joint review and have agreed to replicate the process to fulfil the statutory requirements to review their allowances scheme to provide fresh authority for indexation. Joint Panels are permitted under the 2003 Members Regulations (20.1.b) which states that "an independent remuneration panel shall be established in respect of each authority by one of the following means:

Jointly by any authorities in which case that panel shall exercise the functions specified in regulation 21 [recommendations of the panel] in respect of the authorities which established it

7. The Regulations also specify that that there shall not be more than one panel that make recommendations in respect of an authority.
8. Southend-on-Sea and Thurrock Borough Councils reconvened their joint independent remuneration Panel consisting of the following members:
- Mr Colin Sivell DMA, DipO&M, FCIS, Barrister at Law (Chairman)
 - Mr R. Ferris
 - Mr N. Gayner JP FIAB ACIB
 - Mr W. Robb
9. The Review was supported and serviced throughout by the following Officer:
- Colin Gamble, Group Manager (Democratic Services) Southend-on-Sea Borough Council
 - Matthew Boulter, Principal Democratic Services Officer, Thurrock Borough Council
10. The Panel would like to record its gratitude to the Members and Officers of both Southend-on-Sea and Thurrock Borough Councils for ensuring the work of the joint review was properly supported and conducted in an efficient and effective fashion.

Terms of Reference

11. The terms of reference for this joint review are to make recommendations on:
- i The amount of Basic Allowance that should be payable to elected Members
 - ii The categories of Members who should receive a SRA and as to the amount of such an allowance

- iii Those Co-optees who should receive a Co-optees' Allowance and as to the amount of such an allowance
 - iv Travel and Subsistence Allowances
 - v The Dependants' Carers' Allowance
 - vi The applicability of pensionable allowances for Members and if so which Members should be eligible
 - vii The application of an index to allowances payable and if so what the relevant indices should be
 - viii The implementation date for the new Schemes of Members' allowances
12. As the Panel is also the statutory independent remuneration panel for parish and town councils within both boroughs the panel also considered a request from Leigh-on-Sea Town Council to make recommendation on:
- The appropriateness of the Town Council to introduce an in-parish area car mileage allowance
13. The Panel was also asked to address a number of issues in both allowances schemes that were mostly administrative in nature, mainly concerned with the need to clarify terms and conditions surrounding certain allowances.

Evidence Reviewed by the Panel

14. The Joint Panel met at the Civic Offices of Southend-on-Sea Borough Council on 28-29 June 2011 to hear oral evidence from Members, receive and consider the written submissions from Members, and briefings from Officers – see appendices one and two for details. The Joint Panel also reviewed further written information pertinent to the review, such as meetings schedules, benchmarking data, statutory guidance, etc.

(i) – The Statutory Framework

15. The Panel took a tiered approach in considering the evidence. It is required to operate within the broad statutory framework laid down by the 2003 Members' Allowances Regulations and 2006 Members' Allowances Statutory Guidance. The 2003 Regulations establishes the legal framework within which the Panel is required to operate, i.e., providing discretionary authority for the payment of SRAs, and Travel and Subsistence Allowances, while mandating the payment of a Basic Allowance that is paid equally to all Members. As part of this legislative context, the Panel has an obligation to pay regard to the 2006 statutory Guidance, which requires Panels to consider certain issues when reaching their recommendations.

(ii) – Considering Oral and Written Submissions

16. The next level of evidence considered by the Panel was the representations made by elected Members, which obtained the views of the groups and

individual Members of both authorities. The interviews in particular were deliberative in nature and provided the Panel with a qualitative feel of the issues facing elected Members in relation to the topics under consideration. The meetings with Officers were primarily to gather the factual context and inform the Panel of relevant changes in council structures.

(iii) – Benchmarking and Comparative Good Practice

17. Finally, all the evidence and representations were reviewed and evaluated within the comparative context. In particular, the Panel has benchmarked the scope and levels of allowances paid in both authorities against those paid in similar unitary authorities. While at times it is difficult to make systematic comparisons, partly due to lack of information in some allowances schemes and partly due to peculiar regional and sub-regional arrangements pertinent to both Councils, the Panel has undertaken benchmarking, where relevant figures can be obtained. While the Panel is cognisant of the allowances payable in comparable authorities it has not been driven by the average level paid. What the Panel is more concerned to discover is whether it is recommending levels that are significantly below or above the average paid in peer authorities. If that is the case, then the Panel has taken that context to ensure it is still content with being above/below the generally accepted level, and to lay out those reasons if the rationale can still be sustained.

Principles and Observations

Reducing Barriers and Providing Recompense

18. The Panel has been guided by the overarching principle that underpinned its 2007 joint review of allowances; namely, that it should seek to minimise barriers to public service and enable a wide a range of people to consider standing for council without incurring undue personal financial cost. Consequently, the allowances should provide a degree of recompense for time spent and responsibility carried by Members.
19. On the other hand, the Panel recognises that an element of Members' input should be recognised as voluntary, as given freely as a public service so that Members do not stand for and remain on either authority primarily for financial reasons.

Transparency & Simplicity

20. The representations made to the Panel emphasised that allowances schemes should be transparent so to understand how and why the allowances are being paid and for the schemes to be simple to operate. The transparency principle has led the Panel to take a consistent approach in how it has arrived at the SRAs and Co-optees' allowances so as both elected Members and the public understand the logic of the allowances payable.
21. The simplicity principle has led the Panel to make recommendations that seek

not to put further administrative burdens on both Members and Officers in the operation of the scheme.

The Role and Purpose of a Members' Allowances Scheme

22. There was a wide range of views on the *raison d'être* of a Members' Allowances scheme and the nature of being an elected Member. There were those who expressed the view that remuneration was not the purpose of an allowances scheme and that it should simply ensure out of pocket expenses be compensated for. While others took the view that the allowances scheme should provide a level of remuneration that reflects the time and responsibilities undertaken by elected Members.
23. The Panel can only be guided by the government's policy intention as stated in the 1998 White Paper (to the Local Government Act 2000) *Modern Local Government: In touch with the people* (3.54))

The financial support for councillors must also reinforce the culture of the modern council and address, as far as possible, any disincentives to serving in local politics. People do not enter public service to make their fortune. But neither should they pay a price for serving the public. It is clear that executive mayors, and some others in political executive positions or the scrutiny function in councils, may spend much if not all of their time on council business with a possible subsequent loss of earnings and pension rights.

24. Consequently, the Panel is required to make recommendations that recognise that some Members spend the greater part of their time on council activities and the rest spend a substantial part of their time on council activities; and that commitment should not, as far as possible mean they have to "pay to a price for serving the public".

Council Policy and the Right to Forgo Remuneration

25. Following on from above, the Panel reminds Members that they have no obligation to take all or part of their remuneration or claim any reimbursements to which they are entitled. For those Members who disagree with the Panel's recommendations and Council's subsequent implementation of a new scheme of allowances the members' allowances schemes enable them to forgo part or all of their allowances.
26. For the Panel it is important to recognise that elected Members are in different financial circumstances and for those who can afford to forgo allowances the opportunity is there. While those elected Members for whom allowances make the difference then the recommendations contained in this report are largely addressed to them. It still leaves other Members free to make decisions on the allowances they are entitled to according to their own personal circumstances. To do otherwise would not only hinder the recruitment of potential elected

Members but also put barriers in place for those Members who wish to “step up” to posts that require them to spend a substantial amount of their time on council activities.

The Joint Context of the Review and the Thurrock 5% Reduction

27. In 2007, the Panel recommended the same level of allowances in both Councils for the main roles and posts under consideration. However, the scope and level of allowances payable in both Councils have diverged over the years, most notably arising out of Thurrock Council’s decision to reduce all allowances by 5% last year, as is its right.
28. The evidence reviewed by the Panel once more confirms that there is “no substantial difference between the two Councils to justify recommending different levels of allowances for similar posts. The Panel has decided to recommend levels that do not take into account the 5% reduction of allowances in Thurrock. The decision by Thurrock Borough Council to reduce allowances across the board by 5% in 2010 is an issue their Members will need to reconsider once more in light of the recommendations of this Panel.

The Role of the Panel and Current Economic Context

29. The legislation put emphasis on the prime role of the Panel being to assess what it judges the roles and posts under review are worth based on the evaluation of the evidence. Yet, the Panel has to be aware of the current economic climate both generally, where many residents of both Councils are facing uncertain economic future and internally, where both Councils are seeking further cuts in expenditure. This has led the Panel to take the view that it would be reluctant to increase the total spend on allowances unless there was very strong evidence for the Panel to make such a recommendation.

A Robust Scheme

30. The contextual comparisons aside, the evidence received and reviewed by the Panel, both oral and written, indicated that general increases in allowances or wholesale additional remunerated posts could not be justified. This, and the broader context, means that the Panel has sought to correct current anomalies where they exist rather than undertake a fundamental re-setting of the whole allowances scheme.

The Panel’s Recommendations

The Basic Allowance

Arriving at the Basic Allowance (2007)

31. In the 2007 Joint Review the Panel noted that in the 2003 allowances review for Thurrock Borough Council the Basic Allowance was arrived at in a

transparent manner and in line with the 2006 Statutory Guidance based on the following approach:

- **Input:** 96 days per year
- **Public Service Discount:** 33%
- **Day Session Rate:** £116.50 per day

32. This expected minimum annual input of 96 days was discounted by 33% to reflect the fact that an element of councillor's time is to be given freely, as public service or *pro bono publico*. Thus, out of the 96 days per year minimum input councillors, 32 days were assumed unremunerated and 64 days were remunerated, with the latter figure multiplied by £116.50 per day, which produced in 2002 a Basic Allowance of £7,456 for Thurrock Borough Council, which had subsequently been increased through indexation to approximately £8,000 by 2007.
33. Subsequently, the JIRP decided that this was the appropriate Basic Allowance for both authorities in 2007.

Replicating the Original Methodology (2011)

34. The Panel received no evidence that the expected time inputs and the public service discount should be revisited. The £116.50 per day as the benchmark for assessing Members worth (or rate of remuneration) in 2002 is now £152.77 per day. This is based on the Local Government Association (LGA) 'day session' rate, (2010) which is issued to provide an advisory day rate (and annual uplift) if Panels so chose to adopt it.¹
35. Thus, if the Panel replicated the previous methodology with the day rate updated it would produce the following Basic Allowance:
- 96 days minimum annual expected average input – 32 days per year as a Public Service Discount = 64 remunerated days per year
 - 64 days per year x £152.77 per day = **£9,777**

36. The current Basic Allowance (£8,402) has not kept pace with the LGA day session rate due to the different basis for indexing the Basic Allowance since 2007 – it was never uplifted in line with the LGA day session rate. Nonetheless, although there has been an effective cut in the Basic Allowance in relation to the original setting in 2007, there was no support to increase in the current Basic Allowance payable.

Benchmarking the Current Basic Allowance

37. As a further check, the Panel benchmarked the current Basic Allowance

¹ See LGA alert 62/10, *Members Allowances*, 23 June 2010

(£8,402) against that paid against the benchmark group of Councils. The benchmark, or comparator group of Councils, are those English unitary authorities that are similar in size to Southend-on-Sea and Thurrock and/or are coastal unitary authorities. This exercise was carried out to ascertain that by not “recalibrating” the current Basic Allowance whether it had significantly fallen behind that paid in peer authorities. The Panel has not been driven by the comparative remuneration figures but used them for simply placing the current Basic Allowance in context and to test out whether the Panel’s original recommendation remain valid.

38. The average Basic Allowance paid in the benchmark group of unitary authorities is £8,440. The Panel is content that the current BA (the Thurrock 5% reduction notwithstanding) represents a fair remuneration in relation to the comparable authorities in light of the fact that there was no representation received to “recalibrate” the current BA to reflect the up rated LGA day rate.
39. **Consequently, the Panel recommends that the current BA (£8,402) is still appropriate for Southend-on-Sea and Thurrock Borough Councils.**

Factoring in Expenses

40. In 2007, the Panel recommended that the Basic Allowance should be deemed sufficient to cover minor incidental costs, such as the use of a member’s home, occasional stationery, postage and administrative costs.
41. Moreover, the 2006 Members’ Allowances statutory guidance states:

Basic allowance is intended to recognise the time commitment of all Members, including such inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes. (Department of Communities and Local Government, par. 10, May 2006)
42. The Panel reaffirms that the Basic Allowance is deemed sufficient to cover *minor* incidental costs such as postage, stationary, and minor items of office equipment.

SRAs and Determining Scope and Numbers: Meeting the Significance Test

43. A concern of the Panel was the potential number of SRAs payable at present. In particular, the Panel was cognisant that while the 2003 Members’ Allowances Regulations do not specifically prohibit the numbers of SRAs that are payable in an authority the statutory guidance (May 2006, 2003 paragraphs 72 - 73) states that in relation to recommending SRAs:

If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the

additional roles of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.

It does not necessarily follow that a particular responsibility which is vested to a particular member is a *significant* additional responsibility for which a special responsibility allowance should be paid. Local authorities will need to consider such particular responsibilities very carefully. Whilst such responsibilities may be unique to a particular member it may be that all or most members have some such responsibility to varying degrees. Such duties may not lead to a *significant* extra workload for any one particular member above another. These sorts of responsibilities should be recognised as a time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which a special responsibility allowance should be recommended.

44. The Panel has, in line with the statutory guidance, when recommending SRAs considered whether the remunerated posts meet the test of being vested with “*significant* additional responsibility”. This has led the Panel to recommend the discontinuation of some SRAs in Southend and for Thurrock some additional SRA.

Arriving at the Special Responsibility Allowances – Levels payable

45. In the 2007 review, the Panel utilised a number of approaches in arriving at the recommended levels of SRAs payable. The Panel notes that the main methodology utilised was (as suggested in the 2006 statutory guidance) “to take the agreed level of basic allowance and recommend a multiple of this allowance as an appropriate special responsibility allowance” for the Leader. (Paragraph 76)
46. In the interests of transparency and simplicity, the Panel has consistently applied this approach in arriving at all the other main allowances.

The Leader’s SRA

47. In 2007, the Panel arrived at the Leader’s SRA by multiplying the Basic Allowance by a factor of 3.5. The Panel took the opportunity to revisit this original recommendation noting that across English local government a more commonly accepted multiplier of the Basic Allowance when setting a Leader’s SRA is 3.

The East Sussex, Essex, Kent, Medway, Southend, and Thurrock Local Enterprise Partnership (LEP)

48. The original rationale in 2007 for using a multiplier of 3.5 reflected the Panel’s view at the time that the special responsibilities placed on the Leaders of both Thurrock and Southend-on-Sea were closer to those of a London Borough

rather a unitary authority. Added to this, both Leaders were involved in the Thames Gateway initiative and the geographical location of the two authorities meant that the Leaders *inter alia* had to work closely with Leaders of London Boroughs and faced similar pressures. Leaders of London Boroughs then as now were remunerated more than Leaders of unitary authorities. Consequently, the Panel pitched the SRA for the Leaders of both Councils at the higher end of the spectrum of SRAs paid to leaders in unitary councils to reflect the work involved.

49. The Panel considered how this context might have altered since 2007. The information received by the Panel indicates that while the context may have changed somewhat the rationale for a multiple of 3.5 of the Basic Allowance remains unaltered. In particular, the Panel was informed that the English regional support infrastructure that was in place in 2007 has been dismantled, namely the Regional Development Agencies and Regional Assemblies, and replaced by Local Enterprise Partnerships (LEPs). This is a national phenomenon but it has had a particular impact for the Leaders of Southend-on-Sea and Thurrock as the government has been instrumental in creating the largest LEP in England, covering the counties of East Sussex, Essex and Kent and the unitary authorities of Medway, Southend-on-Sea, and Thurrock Borough Councils. It is designed to be able to compete on scale and influence with other large regional LEPs, such as London, Birmingham, and the North East. It has enhanced the regional/national role of the Leaders that is not replicated in all unitary authorities.
50. Moreover, the Thames Gateway has been reviewed by the government. The new Thames Gateway group has been reconfigured as a strategic political arrangement to work alongside the Minister for the Thames Gateway and lobby the government on areas of mutual concern, rather than be seen as a vehicle to achieve a rather nebulous aim of creating a regional or super unitary authority. The Thames Gateway group now consists of the *Leaders* of Essex and Kent County Councils, the three unitary authorities of Medway, Southend-on-Sea and Thurrock, the Great London Authority (with the Deputy Mayor in the Chair) and the relevant London Boroughs.
51. Consequently, the Panel accepts that 3.5 remains the more appropriate multiplier due to the distinctive circumstances of both authorities.
52. **The Panel recommends that the multiplier for arriving at the Leaders' SRA remain at 3.5 (or 350%), which equates to £29,407.**

The future of the LEP/Thames Gateway Group

53. The Panel also points out that the particular circumstances relating to the LEP and Thames Gateway may well have changed in four years time. Consequently, the rationale for utilising a multiplier of 3.5 on the Basic Allowance to arrive at the Leaders' SRA may no longer apply and the situation would need to be kept in mind for the next review by the Panel.

The Deputy Leader

54. The 2007 review arrived at the recommended SRA for the Deputy Leader by sizing it at 50% of the Leader's SRA, which currently equates to £14,529. The Panel received evidence that this sizing of the role is no longer valid. Both Deputy Leaders have portfolio responsibilities, and both take part in the appointments and disciplinary processes in each authority when required (dealt with below). In effect, the model of Deputy Leader as explained to the Panel is that they are "active" Deputy Leaders, with specific responsibilities and duties to undertake. In arriving at an appropriate "re-sizing" of the Deputy Leader's role, the Panel has been cognisant of the SRA paid to Deputy Leaders in the benchmarking group of unitary authorities where the average is £15,019. Consequently, the Panel has decided in line with maintaining a consistent and transparent approach the Panel to apply a multiple of 180% on the Basic Allowance to arrive at the recommended SRA for the Deputy Leaders.
55. **The Panel recommends the SRA for the Deputy Leaders payable at £15,123, which is based on 180% of the Basic Allowance.**

The Other Executive Members (6)

56. The Panel notes that since the 2007 review the size of the Executive in both Councils has been reduced from 10 to 8, including Leader and Deputy Leader. There are now six other Executive Members as opposed to eight in 2007. This has had the effect of producing savings (of £21,006) in each Council in that two other Executive SRAs are no longer paid.
57. The issue for the Panel to consider is whether the reduction in the numbers of other Executive Members has increased the size of their roles. However, the Panel received no evidence to suggest that the size of the other Executive Members roles has increased. While a case can be made to suggest their roles have been marginally enhanced, it has largely been offset by a rebalancing of portfolio responsibilities
58. The SRA for the other Executive Members was set in 2007 by sizing it at 125% of the Basic Allowance, and they are currently paid £10,503 in Southend-on-Sea. Thurrock Borough Council implemented the SRA for the Other Executive Members at 100% of the Basic Allowance. The Panel can see no reason why the Other Executive Members are not paid equally in each authority, especially considering there is an equal number in each executive. Moreover, the benchmarking group shows that the average SRA for other Executive Members is £11,677, with the lowest being Blackpool (£5,999) and the highest being Plymouth (£20,085). The Panel has decided to retain the SRA for other Executive Members at 125% of the Basic Allowance.
59. **The recommended SRA for the Other Executive Members in both Councils should remain at £10,503, or 125% of the Basic Allowance.**

The Chairs of the Planning (or Development Control) Committee

60. The 2007 review set the SRA for the respective Chairs of the Planning/Development Committees at 100% of the Basic Allowance, which is now £8,402. The recommendation was not implemented by Thurrock which chose to remunerate its Chair of Planning at the same level as the Chairs of Scrutiny Committees (£6,302) due to the fact that major planning applications were not handled by the Planning Committee but by the Thames Gateway Development Corporation.
61. The Panel received no evidence that the role of the Chairs of Planning differed in each authority, particularly as the Thurrock-specific arrangements on major planning applications will end on 1 April 2012, and that the original sizing was no longer appropriate. This is further reinforced by the fact the average SRA for the Chair of Planning in the benchmarking group is £7,768. The Chair of Planning/Development Control is a high profile role and it is common for it to be the highest paid Chair in many authorities.
62. **The Panel recommends that the SRA for the Chairs of the Planning/Development Committees in both Councils is £8,402, which equates to 100% of the Basic Allowance.**

The Vice Chair of the Planning (Development Control) Committees

63. The 2007 review set the SRA for the Vice Chairs of the Planning/Development Control Committees in each Council at 25% of the Chairman's SRA, which now equates to £2,100. The Panel received no evidence to alter this SRA and it should remain unaltered but expressed as 25% of the Basic Allowance.
64. **The Panel recommends that the SRA for the Vice Chairs of the Planning/Development Committees is £2,100, which equates to 25% of the Basic Allowance.**

The Chairs of the Scrutiny Committees

65. The 2007 review set the SRAs for the Chairs of the Scrutiny Committees at 75% of the Basic Allowance, which now equates to £6,302. The average SRA for the Chairs of Scrutiny in the benchmarking group is £6,771. The Panel received no evidence to indicate the current levels are no longer appropriate.
66. **The Panel recommends that the SRA for the Chairs of the Scrutiny Committees is £6,302, which equates to 75% of the Basic Allowance.**

The Vice Chairs of the Scrutiny Committees

67. The 2007 review set the SRAs for the Vice Chairs of the Scrutiny Committees at 25% of their respective Chairs' SRAs, which now equates to £1,575. The average SRA paid to Vice Chairs of Scrutiny in the benchmarking group is £2,711 but interestingly they are not paid in 8 out of the 17 comparator authorities.
68. Unlike in the quasi-judicial committees, the role of Scrutiny Vice Chairs is

variable, mainly restricted to having to stand-in when required and some but not all also attend briefing sessions. Their current SRA is not proportionate to the SRAs for recommended for the Vice Chairs of the quasi-judicial committees when their respective workloads and responsibilities are compared. Moreover, each authority has numerous scrutiny committees to carry the workload, with Southend-on-Sea having 3 and Thurrock having 5 scrutiny committees. Consequently, the Panel has decided to apply a reduction to their SRA by assessing the role at 15% of the Basic Allowance.

69. **The Panel recommends that the SRA for the Vice Chairs of the Scrutiny Committees is £1,260, which equates to 15% of the Basic Allowance.**

Southend-on-Sea Borough Council:

Chair of Licensing/Sub Committee & Vice Chair of Licensing Committee/Chair of Sub-Committee

70. In 2007, the Panel set the SRA for the Southend Chair of the Licensing Committee at 12.5% of the Basic Allowance, which now equates to £1,050. The SRA was set relatively low as the Panel was informed that much of the work of the Licensing Committee, resulting from the transfer of liquor licensing functions from magistrates to local authorities (Licensing Act 2003), would be carried out by Licensing Sub-Committees. Consequently, in 2007, the Panel set the SRA for the Chairs of the Licensing Sub-Committees (A and B) at 50% of the Basic Allowance, which is now £4,201.
71. Thurrock had, and continues to have, different arrangements to discharge its licensing responsibilities. Previously it had a Public Protection Committee undertaking some of the general licensing functions. It did not remunerate the Chair of its Licensing Committee at the time, and still does not. However, it now has a single licensing committee, which has the prime function, as in Southend, to set licensing policy and meets infrequently.
72. In Southend, there are two Licensing Sub-Committees (A and B) to deal with licensing matters, and the members are drawn from the full Licensing Committee of 15 members. Members are appointed to the sub-committees on a rotation basis and are chaired by the Chair or Vice Chair of the main committee. Thurrock calls upon three out of any 15 members of its full Licensing Committee to sit on a Licensing Sub-Committee as required with Chairs appointed on the day.
73. In Southend-on-Sea, the Panel was informed that the reality is that the Chair of the full Licensing Committee will nearly always chair one of the two licensing sub-committees, and the Vice Chair of the full Licensing Committee will nearly always chair the other licensing sub committee. In effect this makes the separate SRA provision for the Chair and Vice of the full Licensing Committee and the Chairs of the two Licensing Sub-Committees redundant as they are the held by the same Members.
74. Consequently, **the Panel recommends that for Southend-on-Sea Borough**

Council the 4 SRAs currently payable for the Chair and Vice Chair of the Licensing Committee and the SRAs for the Chairs of the Licensing Sub-Committees (A and B) are discontinued. Furthermore, the Panel recommends that they be replaced by two SRAs, which reflect the co-joined nature of the posts – the Chair of Licensing/Sub-Committee and Vice Chair of Licensing/Chair of Licensing Sub-Committee.

75. In determining the appropriate level of the 2 SRAs the Panel has taken the total paid out currently for the 4 Licensing Chair/Vice Chair SRAs in Southend-on-Sea Borough Council, as laid out below:

▪ Chair of Licensing:	£1,050
▪ Vice Chair of Licensing:	£ 262
▪ Chairs of Licensing Sub-Committees (A and B):	£8,402
▪ Total:	£9,714

76. It has then apportioned the total spend on the licensing function between the Chair of Licensing/Licensing Sub-Committee and Vice Chair of Licensing/Chair of Licensing Sub-Committee on an approximately 55/45 basis to reflect their responsibility and workload, which it has further converted into a percentage of the Basic Allowance as with all other SRAs. To maintain (approximately) the current spend, the Chair of Licensing/Sub Committee's SRA has been calculated by multiplying the Basic Allowance, by 60%, which equates to £5,041. The Vice Chair of Licensing/Chair of Licensing Sub-Committee's SRA has been calculated by multiplying the Basic Allowance by 55%, which equates to £4,621. Both these figures have been rounded up to the nearest £50, to reflect more closely the total sum payable at present.

77. **The Panel recommends that the SRA for the Chair of the Licensing Committee/Sub-Committee in Southend is £5,050 and the SRA for the Vice Chair of the Licensing Committee/Chair of Licensing Sub-Committee is £4,650.**

Thurrock Borough Council:

Chair of Licensing Committee and Vice Chair of Licensing Committee.

78. Although the Panel was informed that the Chairs of the Licensing Sub-Committees are appointed on an ad hoc basis, the Panel has made the assumption that the Chair and Vice Chair of the full Licensing Committee in Thurrock either take, or should take, a lead role in chairing meetings of the Council's Licensing Sub-Committee

79. **Consequently, the Panel recommends that the Chair of Licensing and Vice Chair of the Licensing Committee in Thurrock should be paid a SRA at £5,050 and £4,650 respectively.**

The Ordinary Members of the Licensing Committee

80. In 2007, the Panel was informed that the ordinary Members of the Licensing Committee would be undertaking a workload beyond what would be normally expected for those Members in receipt of the Basic Allowance only. It was set at 12.5% of the Basic Allowance, which now equates to £1,050. This SRA was only ever paid in Southend-on-Sea, although representation was made to the Panel this time round to consider its appropriateness for ordinary Members of the Licensing Committee in Thurrock, as they are all potentially required to sit on its Licensing Sub-Committee.
81. This type of SRA was commonly paid in wake of the implementation of the Licensing Act 2003 as it was envisaged that ordinary Members of Licensing Sub-Committees would be undertaking an abnormally heavy workload sitting on licensing hearings. However, it is less common now, as the initial impact of the Licensing Act has settled down into a more routine work pattern. Out of the 17 authorities in benchmarking group of unitary authorities, only 4 (including Southend continue to pay a SRA to Members for sitting on licensing sub-committees).
82. Furthermore, the analysis of the workloads of the ordinary Members of the Licensing Sub-Committees in both Southend-on-Sea and Thurrock indicates that the workload has indeed settled down. For the municipal year of 2010/11 in Southend-on-Sea, there were 13 sessions of the Licensing Sub Committees (A and B). Of these, one panel met on 3 occasions to deal with one case, and at least three lasted under one hour. The Licensing Sub-Committee in Thurrock met on 8 occasions in 2010/11, with its parent committee meeting only once. In effect, the average workload of the ordinary Members the Licensing Sub-Committees in both councils is no greater than for those members who sit on the Planning/Development Control Committees, which is covered by their Basic Allowance.
83. The Panel has taken the view that the Basic Allowance covers sitting on quasi-judicial committees and sub-committees, a role that most Members can reasonably be expected to be fulfil.
84. **Consequently, the Panel recommends that the SRA for the ordinary Members of the Licensing Sub-Committees (A and B) in Southend-on-Sea be discontinued. Similarly, for ordinary members on the Licensing Sub-Committee in Thurrock, the Panel does not recommend an SRA.**

The Chair of the Audit Committee

85. In 2007, the Panel recommended that the Chair of the Audit Committees in Southend and Thurrock be paid a SRA set at 25% of the Basic Allowance, which now equates to £2,100. At the time, Thurrock had only just established an Audit Committee and, as there was no experience of the role, the Council did not remunerate to the post, which remains the case. The Panel was informed that both Committees meet on a broadly similar basis, (7 times in Thurrock in 2010/11 and 5 times in Southend-on-Sea in 2010/11). The average SRA paid to the Chairs of Audit Committees in the benchmarking group of unitary authorities is £4,735. However, the Panel understands that

many Audit Committees in other authorities have additional functions assigned to them.

86. The Panel received no representation to indicate that the original sizing of the role of Chair of the Audit Committee is no longer appropriate and has decided that an SRA for the Chairs of Audit set at 25% of the Basic Allowance should be maintained in Southend and instituted in Thurrock.
87. **The Panel recommends that the SRA for the Chairs of the Audit Committees in both Southend and Thurrock should remain/be set at £2,100 respectively.**

The Vice Chairs of the Audit Committee

88. In 2007, the Panel recommended a SRA for the Vice Chairs of the Audit Committee in both Councils set at 25% of the Chairs SRA, which now equates to £525. Only Southend-on-Sea implemented the recommendation.
89. In the benchmarking group of authorities only four Councils, including Southend remunerate the Vice Chair of their Audit Committee. The Panel decided that the logic of remunerating the Vice Chair of the Audit Committee is somewhat diminished by the role undertaken by the co-optees[s], particularly in terms of providing a sounding board and informed advice to the Chair, and is limited principally to stand-in when required. Moreover, a SRA of £525 hardly meets the test of significant responsibility.
90. **Consequently, the Panel recommends that the SRA for the Vice Chair of the Audit Committee in Southend is discontinued and does not recommend the institution of an SRA for the Vice Chair of Audit in Thurrock.**

Chair & Vice Chair of General Purposes

91. Currently the Chair and Vice Chair of General Purposes Committee in Southend-on-Sea Borough Council are paid £1,050 and £263 respectively. It only meets when required and has not met for more than 2 years. These posts do not meet the test of significant responsibility and the Panel cannot support the continuation of these SRAs.
92. **The Panel recommends that the SRAs for the Chair (£1,050) and Vice Chair (£263) of the General Purposes Committee in Southend-on-Sea be discontinued.**
93. **There is no SRA payable to the for the Chair and Vice Chair of the General Purposes Committee in Thurrock, and the Panel recommends that this continues to be the case.**

Chair & Vice Chair of Appointments and Disciplinary (Southend-on-Sea BC)

94. Currently, Southend-on-Sea provides a SRA for the Chair (£4,201) and Vice

Chair (£1,050) of its Appointments and Disciplinary Committee. The original rationale behind these SRAs was that Southend-on-Sea BC was going through a major restructuring at the time and the Committee was meeting frequently. This restructuring is now past, and the Appointments and Disciplinary Committee meets as and when required, which is relatively infrequently. The posts no longer meet the test of being vested with significant responsibility and the Panel has decided that the SRAs be discontinued.

95. **The Panel recommends that the SRAs for the Chair (£4,201) and Vice Chair (£1,050) of the Appointments and Disciplinary Committee in Southend-on-Sea be discontinued.**

Chairs of Appeals Committees (A & B - Southend-on-Sea BC)

96. In 2007, the Panel set the SRA for the Chairs of the Appeals Committees (A & B) at 50% of the Basic Allowance, which is now £4,201. The main functions of these committees are to hear appeals relating to school transport and staffing grievances. They meet as required but their respective workloads are constant (if concentrated around certain periods). The Panel had no information on similar posts being remunerated in the benchmarking group. In many authorities, they are not significant committees or they are often handled by another SRA holder, for which their SRA recognises. However, the Panel is convinced they remain significant posts in Southend-on-Sea, but received no representation that the current level of remuneration is no longer appropriate.
97. **The Panel recommends that the SRAs for the Chairs of the Southend-on-Sea Appeals Committees remains unaltered at £4,201, which equates to 50% of the Basic Allowance.**

The Vice Chair of Appeals Committees (A & B - Southend-on-Sea BC)

98. In 2007, the Panel set the SRAs for the Vice Chairs of the Appeals Committees (A & B) at 25% of their Chairs' SRAs, which now equates to £1,050. The Panel was informed that this post is rarely remunerated in other authorities. Nonetheless, the Panel understands that it is not uncommon for the Vice Chair to have to stand in for the Chair due to its quasi-judicial nature. Consequently, the Panel has decided that the Vice Chairs of the Appeals Committees do meet the test of being vested with significant responsibility and the SRAs payable to the Vice Chairs should continue at the current level.
99. **The Panel recommends that the SRAs for the Vice Chairs of the Appeals Committees (A & B) in Southend-on-Sea Borough Council be maintained at £1,050, which equates to 12.5% of the Basic Allowance.**

The Opposition Group SRAs – Leader of the Opposition

100. In 2007, the Panel set the SRA for the Leader of the Opposition in Southend at 75% of the SRA for the other Executive Members, which now equates to £7,877. Due to different historical patterns of Opposition Group size, the Panel set the SRA for the Leader of the Opposition in Thurrock at 125% of the Basic

Allowance but in implementation, it was paid at 100% of the SRA for other Executive Members, which is now £8,402. The average SRA for the Leaders of Opposition Groups in the benchmarking group is £6,928, but that average is brought down by a couple of very low SRAs, e.g., in Bournemouth, the Leader of the Opposition receives only £1,764 and in Isle of Wight £1,580.

101. The Panel accepts the view that being Leader of the Opposition in both Councils is not so varied to merit a differential SRA – regardless of size of group; the Leader of the main Opposition Group has a responsibility to take a lead in challenging the ruling administration. Moreover, the 2003 Members Allowances Regulations require that at least one opposition member should receive an SRA; based on the Widdicombe principle of having a resourced opposition is vital to maintain a healthy local democracy.
102. To underline the importance of Leader of the Opposition the Panel recommends that the SRA for respective posts in both Councils should be set at 100% of the Basic Allowance.
103. **The Panel recommends that the SRA for the Leader of the Opposition be paid a SRA of £8,402, which equates to 100% of the Basic Allowance.**

Deputy Leader of the Opposition

104. In 2007, the Panel recommended that the Deputy Leader of the main Opposition Group be paid a SRA set at 25% of their Group Leader's SRA, *on the condition that the Opposition Group have at least one third of the seats on Council*. This currently equates to 17 seats in Southend and 16 seats in Thurrock. The Panel has decided that this criterion should be maintained. On current seats held, the SRA would only apply to the Deputy Leader of the Opposition (Conservatives) in Thurrock which hold 22 seats on Council – although the current scheme seems not to make provision for paying the Deputy Leader of the Opposition. If it was paid, it would be £2,101 and the Panel sees no reason to alter this level of remuneration.
105. **The Panel recommends that the Deputy Leader of the main Opposition be paid a SRA of £2,101 where that Opposition Group holds at least one third of seats on Council. Presently, only the Deputy Leader of the main Opposition Group in Thurrock qualifies for this SRA as the Conservatives have 22 seats on Council.**

SRAs for Leaders of Other Opposition Groups

106. In 2007, the Panel set the SRAs for the Leaders of the other Opposition Groups based on a formula paying the SRA relative to the SRA for the Leader of the (principal) Opposition Group and the number of seats the respective other Opposition Group held. A further qualifying criterion was stipulated that an other Opposition Group had to have a minimum of four members (including group leader) – which at present only applies to Southend (with the Independent Group holding 9 seats and the Labour Group holding 4 seats).

107. The Panel continues to support the principle of remunerating the Leaders of other Opposition Groups, as long as they have a minimum of 4 members but feels the current formula lacks transparency and simplicity. **In order to meet these two criteria without substantially altering the SRA payable under the current formula the Panel recommends that the SRA for the Leaders of the Other Opposition Groups is calculated by awarding 10% of the Basic Allowance (£840) for each group member, once they have met the criteria of having a minimum 4 members.**
108. On the current make-up of Southend-on-Sea Borough Council this produces recommended SRAs as follows:
- **Independent Group Leader: 9 Members X £840 per member = £7,560**
 - **Labour Group Leader: 4 Members X £840 per member = £3,360**

Where 2 Groups are the main Opposition Groups

109. **In the unlikely event that 2 Opposition Groups are equal in size so that they both are co-equal main Opposition Groups the Panel recommends that each Group Leader be paid at SRA of £8,402, or 100% of the Basic Allowance.**

Applying the “1-SRA only” Rule

110. In 2007, the Panel recommended that the SRAs were payable “in addition only to the Basic Allowance” in the first set of recommendations for the main SRAs (e.g., see 2007 Report paragraphs 6.9, 6.15, 6.22, and 6.39) but did not explicitly state the same restriction in relation to all recommended SRAs as it felt the reiteration redundant.
111. Subsequently, Thurrock adopted what is generally known as the “1-SRA only” rule while Southend did not. As pointed out previously the Regulations do not prohibit members being paid more than one SRA but it was the intent of the Panel in 2007 that Members should not be paid more than 1 SRA regardless of the number of remunerated posts held. When SRAs were nominal sums, being paid more than 1 SRA was less of an issue. But now SRAs are generally substantial sums, the 1-SRA rule has been commonly adopted by the majority of local authorities to ensure that remunerated posts are not concentrated in few hands, which is contrary to the spirit, if not the actual letter, of the statutory guidance. Furthermore, it can potentially lead a situation where a member through accumulating remunerated post can receive more than a Leader – which is hard to justify to the public.
112. It is noted that out of the 17 authorities in the benchmarking group 12 specifically restrict the payment of 1-SRA only regardless of the number of remunerated posts a member may hold. One Council restricts the payment of a 2nd and subsequent additional SRAs to 50% of sum payable (Medway) and one Council limits the number of SRAs payable to a Member to a maximum of two (North Somerset). Only one Council specifically states in its members’ allowances scheme: “there is no prohibition on a Member receiving more than

one SRA” (Southend), while three authorities are silent on the issue (Bournemouth, North Lincolnshire, and Stockton).

113. In line with the original intent of recommendations of the Panel in 2007, **the Panel recommends that the allowances schemes for both Councils includes a line in the relevant section, stating that “No member is permitted to draw down more than 1 SRA regardless of number of remunerated posts they may hold. It is assumed they will be paid the higher SRA.”**

Other Allowances – The Co-optees’ Allowances

Chair of the Standards Committee

114. The Local Government Act requires the Chair of the Standards Committee to be a non-elected Member, and as such qualifies for a Co-optees’ Allowance. The Chair of the Standards Committee Co-optees’ Allowance was set in 2007 at 25% of the recommended Basic Allowance, which currently stands at £2,101, or the equivalent of the Chair of the Audit Committee. The benchmarking figures show that the average Co-optees’ Allowance paid to the Chair of Standards Committees is £3,625. However, this average needs to be given a health warning – the benchmarking figures show that 7 out of 17 of the comparator authorities do not show the level of Chair of Standards’ Co-optees Allowance. It is highly unlikely that they are not paid just that the scheme does not lay out co-optees allowances.
115. Nonetheless, the Panel did not receive any evidence that the current Co-optees’ Allowance payable to the Chair of the Standards Committee was no longer appropriate. **The Panel recommends that the Co-optees’ Allowance for the Chair of the Standards Committee in both Councils remains unaltered at £2,101, which is based on 25% of the recommended Basic Allowance.**

The Vice Chair of Standards Committee where a Co-opted Member

116. The 2007 review set the Co-optee’s Allowance for the Vice Chair of the Standards Committee at £1,250, based on 100% of the ordinary Co-optees’ Allowance + 25%. This allowance now stands at £1,312. The average Co-optees’ Allowance paid to the Vice Chair of the Standards Committee is £2,142.
117. Nonetheless, the Panel did not receive any evidence that the current Co-optees’ Allowance payable to the Vice Chair of the Standards Committee was no longer appropriate. However, in keeping with the consistent application of the Panel’s methodology the Panel has decided express the Co-optees’ Allowance for the Vice Chair of the Standards Committee as 15% of the recommended Basic Allowance, which equates to £1,260. This sum is marginally larger than the current level but the Panel is content to go with the

higher figure due to the leading role the Vice Chair of Standards in each council will have in dealing with complaints against Members.

118. **The Panel recommends that the Co-optees' Allowance for the Vice Chair of the Standards Committee in both Councils is £1,260, which is 15% of the recommended Basic Allowance.**

SRA where the Vice Chair of Standards is an elected Member

119. At the present Southend-on-Sea Borough Council has opted to appoint an elected Member to be Vice Chair of its Standards Committee, which is its right. Thus, the Southend-on-Sea Borough Council allowances' scheme specifies that the SRA payable at £263, which was set at 25% of the difference between the allowance for a co-opted member and that of the Chairman. The Panel feels this SRA is inconsequential in terms of meeting the significance test. Moreover the Vice Chairman of the Southend-on-Sea Standards Committee would not have a great as role in dealing with complaints against elected Members as the three sub-committees, which deal with complaints against elected Members, must always be chaired by a Co-opted Member.
120. **The Panel recommends that the SRA for the Elected Member Vice Chair of the Standards Committee in Southend-on-Sea Borough Council is discontinued.**

Ordinary Statutory Co-optees on Standards Committee

121. In the 2007 the Panel recommended that the Co-optees on the Standards Committee be paid a Co-optees' Allowance set at 12.5% of the recommended Basic Allowance, which is currently £1,050. The benchmarking group shows that the average Co-optees' Allowance paid to other statutory Co-optees on their Standards Committees is £929.
122. The Panel notes that the Co-optees will take an active role in dealing with complaints against Members and due to the level of complaints are content that the current level of Co-optees' Allowance reflects the workload and responsibility undertaken.
123. **Thus, the Panel recommends that the Co-optees' Allowance for the ordinary Co-optees on the Standards Committee remains unaltered at £1,050, which is 12.5% of the Basic Allowance.**

Other Co-optees

124. In the 2007 review the Panel recommended all other Co-optees to be paid a Co-optees' Allowance based on the following basis:
- Education Scrutiny Committee: £1,200 (15% of the Basic Allowance)
 - Audit Committee: £1,000 (12.5% of the Basic Allowance)
 - Other Co-optees: on a banding system depending on the

Number of meetings attended

125. The Panel notes that while the majority of recommendations on other Co-optees Allowances were accepted by both Councils, Southend-on-Sea Borough implemented the standard Other Co-optees' Allowance for all other Co-optees "as agreed by the Council" at £1,000 rather than accept the banding system. Thurrock has never made any provision for "Other Co-optees".

Co-optees on the Audit Committee

126. There is no legal requirement to appoint Co-optees onto Audit Committees however, the advice from the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Audit Commission is to appoint Co-optees to Audit Committees who have specialist expertise, such as numeracy skills, with experience of financial management and accountancy, risk management and control assurance, and regulation and compliance. Both Councils, as is good practice, have followed this advice and have included a provision within their respective constitutions to appoint Co-optees onto their Audit Committees who are required to have accountancy and other relevant financial expertise that could not readily be expected from elected Members.
127. The Panel understands the need to appoint and remunerate the specialist Co-optees onto Audit Committees and supports the current level of remuneration.
128. **Thus, the recommended Co-optees' Allowance for Co-optees appointed to both Councils Audit Committees is £1,050, or 12.5% of the recommended Basic Allowance.**

Co-optees on the Scrutiny Committees

129. The Panel notes that the Co-optees on the Scrutiny Committees (church and parent governors, representatives from social services where relevant) are not required to attend the same level of meetings as those on Standards nor are they required to have the same level of expertise as those on the Audit Committee; they are institutional representatives.
130. The current levels payable are based on the original assumption that they would be attending over 10 meetings per year (for those paid £1,260) and for those paid £1,050 (in Southend-on-Sea Borough Council) having the same workload as those Other Co-optees appointed to the Standards Committee. This has not worked out to be the case in practice.
131. Consequently, the Panel has decided that the Co-optees appointed to the Scrutiny Committees should have their Co-optees' Allowance set at a level that more closely reflects their workload, at 3% of the Basic Allowance, which equates to £252.
132. For clarification the Panel has laid out the relevant Co-optees on the Scrutiny Committees to which this recommendation should apply:

- Southend-on-Sea Borough Council:
 - Children & Lifelong Learning Scrutiny Committee:
 - 2 diocesan representatives (statutory)
 - 2 elected parent governor representatives (statutory)
 - 3 non voting representatives (Children's Social Services)
 - Community Services and Culture Scrutiny Committee
 - 3 non voting representatives (Adult Social Services)
- Thurrock Borough Council:
 - Children Services Overview and Scrutiny Committee:
 - 2 diocesan representatives (statutory)
 - 2 elected parent governor representatives (statutory)
 - Health and Well Being Overview and Scrutiny Committee
 - No co-optees currently appointed

133. **The Panel recommends that the Co-optees appointed to the Scrutiny Committees should be paid a Co-optees' Allowance of £252, or 3% of the Basic Allowance.**

Other Co-optees

134. There is no requirement to appoint any other Co-optees and **the Panel, in line with good practice, recommends that all references to payment of other Co-optees in both allowances schemes be deleted.**

The Civic Allowance for the Mayors and Deputy Mayors

135. In 2007, the Panel recommended a SRA for the Mayors and Deputy Mayors of both councils set at 150% of the Basic Allowance and 50% of the Mayors' SRA respectively. The Panel understands that this SRA is paid in lieu of each of the post holders receiving Civic Allowance under the 1972 Local Government Act. The Panel, on reflection, feels that this confuses the payments received by the respective Mayors and Deputy Mayors of both Councils as the intent of a SRA is to remunerate a post while the intent of the Civic Allowance to meet the expenses of holding a civic office. The Panel feels that this situation needs clarifying.

136. **The Panel recommends that both schemes of allowances for Southend and Thurrock are clarified so that the allowance they are currently paid (£12,603 for the Mayors and £6,302 for the Deputy Mayors) is specified as being paid as a Civic Allowance under the 1972 Local Government Act.**

137. While the Civic Allowance is outside the remit of the statutory independent remuneration panels in England the Panel is of the view that the level paid to the Deputy Mayor is disproportionate to the workload and expenses incurred relative to the Mayor. **The Panel suggests that that more proportionate**

Civic Allowance for the Deputy Mayors is £2,941, which equates to 35% of the Basic Allowance.

The Dependants' Carers' Allowance (DCA)

138. The Panel received no representation that the scope and level of reimbursements claimable under the Dependants' Carers' Allowances needed revising. However, a number of clarifications should be made to the DCA for each Council that enhanced probity and clarified the basic "sitters" rate. In particular, the Panel feels that for clarity the DCA should lay out the minimum wage for the basic "sitters" allowance and distinguish provide for when a carer is under 21 years of age.
139. **The Panel recommends that the DCA hourly rate for the basic "sitters" allowances is based on and linked to the minimum wage applicable to the age of the carer which are currently as follows:**
- £5.93 - the main rate for workers aged 21 and over
 - £4.92 - the 18-20 rate
 - £3.64 - the 16-17 rate for workers above school leaving age but under 18
140. The Panel also feels that the following should be inserted into the DCA scheme to clarify terms and conditions that ensure high standards of probity are maintained, namely:

Subject to (a)-(f) below, Members and the co-opted Members shall be entitled to claim for the care of dependants in accordance with the rates in this Scheme.

The following provisions apply to Dependants' Carers' Allowances:

- (a) Payments shall be claimable in respect of children up until their fifteenth birthday or in respect of dependants where there is medical or social worker evidence that care is required
- (b) The Council reserves the right to require evidence that there is a reasonable need for the level of care in respect of which a claim is made. Members seeking to claim an allowance to cover the cost of professional or specialist carers should first seek the approval of the Head of Legal and Democratic Services
- (c) A claim will be reimbursed where it is a reasonable requirement of the market that a booking fee is payable and that a rate is payable for each person cared for
- (d) The allowance shall be paid as a reimbursement of actual incurred expenditure against receipts. If receipts are unavailable the payment will be made through the Council's payroll and be subject to tax and national insurance contributions

(e) When there is more than one Member in a household, only one claim can be made in respect of each person cared for

(f) The paid carer cannot be a member of the immediate family or household.

Subsistence Allowances

141. The Panel notes there remain some marginal differences in the conditions and rates which members in Southend-on-Sea and Thurrock can claim the subsistence allowances. The only significant difference is that Thurrock Members overnight subsistence (bed and breakfast) allowance is capped at £72 (normal) whereas the Southend equivalent is capped at £109.56. **The Panel recommends that the Thurrock overnight subsistence (bed and breakfast) allowance be raised in line with that applied to Southend Members and capped at £109.56 per night for normal/outside London.**
142. The other variations in subsistence rates are so marginal as not to make any material difference.

Travelling & Subsistence Allowances:

Members of School Admission & Exclusion Appeals Panels

143. The Schools Admissions Appeals Code (Chapter 1 paragraph 1.39) January 2007 specifies that Admission Appeals Panel members are eligible to receive travel and subsistence allowances that are necessarily incurred as a result of attending an appeals panel or associated training. Similar provisions are made in the Education (Pupil Exclusions and Appeals) (Maintained Schools) (England) Regulations 2002, for members of Exclusions Appeals Panels. Members of such panels have been eligible to receive travelling and subsistence allowances, although no reference to this is included in either of the Allowances Schemes at present. Any payments made must have regard to the recommendations of the Councils' IRP.
144. **For clarity and completeness, the Panel recommends that both schemes make specific reference to such entitlement, payable at the same rates that are applicable to elected Members.**

Elected Members and the Local Government Pension Scheme (LGPS)

145. Elected Members are now permitted to join the Local Government Pension Scheme (LGPS). It is the only pension scheme that Members are permitted to join that attracts the 'employers' contribution. In 2007, the Panel did not recommend Members of either Council should be permitted to join the LGPS. This is the one binding recommendation that the Panel can make in a negative sense. In other words, if the Panel does *not* recommend Members should be

able to join the LGPS then the Council cannot alter that recommendation to allow all or some Members to join. However, if the Panel recommends that all Members be permitted to join the LGPS and it should apply to both the Basic Allowance and SRAs then the Council can revise the scope of this recommendation downwards by, for instance by limiting it to SRA holders only. Furthermore, individual Members can decline to join the LGPS if they feel it does not suit them.

146. The Panel recognises that even if it permitted Members to join the LGPS it would not provide a living pension for their retirement but then that is not the objective: membership is designed to compensate for 'damage' that might have been done to their occupational pension by being a Member due to one or more of the following situations:
- Having to take unpaid leave from work
 - Restricted overtime over working career
 - Lack of normal career progression
147. Moreover, the Panel noted that pensionability could remove a potential barrier to public service which is one of its guiding principles, to 'close the door' by exercising its one binding power by taking a restrictive view vis-à-vis the LGPS could be seen as maintaining a barrier to public service.
148. Yet, it was the view of the previous Panel that the LGPS was not suitable for all elected Members, primarily on the grounds, there was no demand from Members. **The Panel felt this was still the case and decided that Members should not be able to join the LGPS.**

Indexation

149. **The Panel recommends that the following indices are applied to the remuneration and allowances paid to Members of both Councils:**
- a. **Basic Allowance, SRAs and Co-optees Allowances:**
 - Indexed to the annual percentage salary increase for local government staff (at spinal column 49) to be implemented from the start of the municipal year, rather than financial year, for which year it is applicable.
 - b. **Mileage Allowance:**
 - Adjusted in line with the same mileage rates that apply to Officers
 - c. **Subsistence Allowances:**
 - The day subsistence allowances and overnight subsistence allowances be should be indexed to the same percentage increase that may be applied by the Council to Officer day subsistence and overnight subsistence rates.
 - d. **DCA:**
 - **Basic "sitters" allowance:**

- Indexed to national minimum wage applicable to the age of the carer

Implementation and Backdating of Recommendations

150. **The Panel recommends that both Southend-on-Sea and Thurrock Borough Councils implement the recommendations contained in this report from 1 August 2011.**

Leigh-on-Sea Town Council – Travel Allowances

151. As the statutory advisory independent remuneration panel for any parish and town councils within either Borough, the Panel received a request to consider the appropriateness of Leigh-on-Sea Town Council establishing a Members' travel allowance scheme and, if agreed, at what rate.
152. The 2003 Regulations permit a parish or town council to pay its members allowances in respect of travel (and subsistence) both inside and outwith the boundary of the parish/town council. The Panel was informed that the principle issue is to consider the appropriateness of a travel allowance for Town Council Members undertaking approved duties within Leigh-on-Sea Town Council boundaries.
153. The Panel acknowledges that there may be occasions when Members of Leigh-on-Sea Town Council incur travel expenses within the town boundary for council-related activities. However, the distances involved are so marginal that the cost of administering such a scheme, including the setting and monitoring of approved duties, would be disproportionate to the expenses reimbursed.
154. However, the 2003 Regulations now permit the payment of a Parish Basic Allowance for parish and town councillors payable either as an annual lump sum or at intervals throughout the year. The Panel feels that a nominal Parish Basic Allowance payable in arrears as an annual lump sum would be the most efficient and cost-effective method of reimbursing travel and other costs of the elected Members of Leigh-on-Sea Town Council.
155. Furthermore, the 2003 Regulations (paragraph 29 (2)) state:
- A parish remuneration panel shall express its recommendation as to the level of parish basic allowance, in respect of a parish or parishes, as a percentage of the sum that an independent remuneration panel has recommended as the level of basic allowance for the establishing authority which is the responsible authority for that parish or parishes.
156. In determining the appropriate level of Parish Basic Allowance for elected

Members of Leigh-on-Sea Town Council the Panel has set it at 1% of the Basic Allowance payable to members of Southend-on-Sea and Thurrock Borough Councils.

157. **The Panel recommends that Leigh-on-Sea Town makes available to its elected Members a Parish Basic Allowance of £84 payable annually in arrears.**
158. **The Panel points out that The Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2004 (SI 2004 No. 2596) does not permit full members of a parish or town council to receive a Parish Basic Allowance if they have been co-opted onto council in the absence of any candidates standing for election in the ward they have been co-opted to represent. It can be paid to elected members only.**
159. **In addition, where a Member of Leigh-on-Sea Town Council is also an elected Member of Southend-on-Sea Borough Council then they should not be paid the Parish Basic Allowance, to maintain the rule that a Southend-on-Sea Borough Member cannot receive payments for in-Borough travel.**

The Panel's Final Comments

160. The Panel commends this Report to both Councils. It hopes that, having given much thought to the various issues that been drawn to the Panel's attention, having considered the relevant national and benchmarking criteria, and the present methods of operation by each Authority, the Councils of both Thurrock and Southend-on-Sea will feel able to accept the overall thrust of the Report and adopt the recommendations contained within it.

Appendix One: Members And Officers Who Met With The Panel

Southend-on-Sea Borough Council:

Members:

Cllr I. Gilbert	Leader of Labour Group
Cllr R. Hadley	Vice-Chairman of Licensing Committee
Cllr N. Holdcroft	Leader of the Council and Conservative Group
Cllr J. L. Lamb	Deputy Leader of Council and Conservative Group
Cllr R. Woodley	Spokesperson for Southend Independent Group

Officers (Briefings):

Colin Gamble:	Group Manager (Democratic Services)
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Thurrock Borough Council:

Members:

Thurrock Borough Council Members elected to present evidence to the Joint Panel through written submissions as Panel sat in Southend for this review

Officers:

Matthew Boulter	Principal Democratic Services Officer
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Appendix Two: Written Submissions Received by the Panel

Southend-on-Sea Borough Council:

Cllr S. Alyen:	Conservative Group Member
Cllr F. Evans:	Chair of Licensing Committee
Cllr J. Garston:	Portfolio Holder - Planning
Cllr N. Holdcroft	Leader of Council and Conservative Group
Cllr A. Holland:	Chair of Community and Culture Scrutiny Committee
Cllr G Longley & Cllr P.Collins (Joint Submission)	Leader of Liberal Democrat Group Deputy Leader of Liberal Democrat Group
Cllr R. Morgan:	Liberal Democrat Group Member
Cllr A. Moring:	Portfolio Holder – Corporate Support Services
Cllr C. Walker:	Conservative Group Member

Thurrock Borough Council:

Cllr P. Anderson	Leader of Conservative Opposition Group
Cllr J. Kent	Leader of Council and Labour Group