

6 July 2022		ITEM: 5
General Services Committee		
Independent Remuneration Panel – Options		
Wards and communities affected: Not applicable	Key Decision: Non-Key	
Report of: Matthew Boulter, Democratic Services Manager, and Interim Monitoring Officer		
Accountable Assistant Director: Not Applicable		
Accountable Director: Sean Clark, Director of Resources and Place Making		
This report is Public		

Executive Summary

In January 2020 Full Council considered the report of the Joint Independent Remuneration Panel (IRP) relating to Member Allowances. One outcome of this consideration was that the Council agreed “that officers should investigate and implement alternative IRP arrangements for future years”. This report sets out the options for Members to consider regarding the future implementation of IRPs at Thurrock.

1. Recommendation(s)

1.1 To agree the future operation of an Independent Remuneration Panel (IRP) based on the three options set out in 3.1 below.

1.2 To maintain a four yearly cycle for the IRP.

2. Introduction and Background

2.1 Under *The Local Authorities (Members’ Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations), every council is required to review its Member Allowances via an independent remuneration panel (IRP).

2.2 Since 2007 Thurrock has shared a joint IRP with Southend Council to share the costs and workload of the Panel between the two councils. The Joint IRP has met on the following occasions: June 2007, August 2010, June 2011, June 2015 and June 2019.

2.3 The Panel is composed of 5 independent members recruited by the respective councils. 2 panel members represent Southend, 2 represent Thurrock and there is 1 chair. The panel members come from a varied background representing business, community and central government. The chair has extensive local government experience at senior management level.

2.4 The panel looks at the following issues:

- (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 is 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

2.5 The Panel employs an advisor with significant academic experience in Member Allowances to lead the panel's agenda and produce the detailed technical report that is presented to both councils.

3. Issues, Options and Analysis of Options

3.1 Members have the option to review the IRP arrangements and the options for future reviews are:

- Maintain the current joint panel with Southend
- Establish a new panel in collaboration with another council.

- Establish a new panel solely for Thurrock.

Maintaining a joint panel with Southend

- 3.2 The joint panel with Southend has suited the aims of Thurrock's IRP for over a decade. It offers both councils the ability to share the cost of the Panel on a 50/50 basis, including the costs of the panel and the advisor. In 2019 the joint panel felt that the work and circumstances of Members from both councils were still comparable but it would be for Members to decide whether the circumstances for Members in both councils has diverged enough to warrant an end to the joint arrangements.

Establish a new panel in collaboration with another Council

- 3.3 If Members wished to form a joint panel with another council it would be advisable that this council was comparable either in nature (unitary) or geography (a neighbouring council). Medway Council is the nearest unitary authority close to Thurrock outside Southend.
- 3.4 If Members wished to pursue this option then officers would need to approach the identified council(s) to enquire whether they would be interested in forming a joint panel.

Establish a new panel solely for Thurrock

- 3.5 Thurrock could establish its own IRP consisting of three independent people, as prescribed by the regulations. This could potentially increase the cost to the Council of running an IRP by removing shared costs with another council. Members would also need to agree the regularity of the review and the four yearly cycle would be a good one to maintain.

4. Reasons for Recommendation

- 4.1 It is essential that an IRP remains and is perceived to be independent. Whatever option Members agree the panel will continue its work in the same spirit it has maintained since 2007, namely objective enquiry into Member Allowances with reference to prescribed methods and evidence. In this sense the form the IRP takes will not affect the outcomes it produces following its deliberations.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 None. The report has been produced in direct response to the request of the Full Council in January 2020.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The maintenance of an IRP ensures the openness and transparency of the Member Allowances process, allowing the public to see how allowance figures are calculated and arrived at by the panel.

7. Implications

7.1 Financial

Implications verified by: **Dammy Adewole**
**Senior Management Accountant – Resources
& Place Delivery**

The average cost of a joint IRP meeting with associated report, for Thurrock, is £3000. The alternative shared option with another council would not present a large change to this expense. An IRP simply for Thurrock could cost more than £3000 and if based on the current procedure a total cost could be around £5000.

7.2 Legal

Implications verified by: **Mark Bowen**
Interim Head of Legal Services

The Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to review their Allowances Schemes and to appoint Independent Remuneration Panels to consider and make recommendations on the Scheme of Allowances. Members must have regard to the recommendations of the Panel before making any changes to the Allowance Scheme. The options contained in this report would comply with the legal requirements.

7.3 Diversity and Equality

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

There are no specific diversity implications related to this report. The IRP recommendations must maintain their objectivity and evidence based reasoning to apply allowances to Members fairly and equally.

7.4 **Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None.

8. 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 Joint Independent Remuneration Panel Report to Full Council on 29 January 2020. Available at www.thurock.gov.uk

9. Appendices to the report

- None

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Legal & Democratic Services