

<b>1 March 2023</b>		<b>ITEM: 13</b>
<b>Council</b>		
<b>Independent Remuneration Panel</b>		
<b>Wards and communities affected:</b> N/a	<b>Key Decision:</b> Non-key	
<b>Report of:</b> John Jones, Interim Director of Law and Monitoring Officer		
<b>Accountable Assistant Director:</b> N/a		
<b>Accountable Director:</b> John Jones, Interim Director of Law and Monitoring Officer		
<b>This report is public</b>		

## Executive Summary

This report sets out the new arrangements for the Independent Remuneration Panel (IRP) including the appointment of new panel members.

### 1. Recommendation(s)

- 1.1 **Agree the make up and arrangements for the new Thurrock IRP as set out in section 2.2.**
- 1.2 **Determine whether panel members be paid a fee in recognition of their contribution or not.**
- 1.3 **If Council agree to a fee for panel members that this fee be £250 per day of attendance per panel member.**

### 2. Introduction and Background

- 2.1 The IRP exists to independently consider and recommend a level of allowances for Members. Historically Thurrock has shared an IRP with Southend Borough Council. At Full Council on 29 January 2020 Members agreed that "Officers should investigate and implement alternative IRP arrangements for future years". The General Services Committee considered an options paper in July 2022, agreeing to a dedicated Thurrock IRP.
- 2.2 Officers have subsequently worked on establishing this IRP with the following:
  - The Chair will be Mark Palmer. Mr Palmer is the Development Director of South Essex Employers and chairs numerous IRPs across the country including Maidstone, Winchester, Milton Keynes, South Oxfordshire and

many others. His services are engaged through the East of England Local Government Association.

- Three panel members have been identified with suitable skills and experience. These are:
  - Mr John Freeman
  - Ms Fabiana Goodall
  - Mr Jaswinder Jassell

Reserve Panel Member: Ms Geraldine Heapy

The Panel intends to convene in early July 2023 to consider Member Allowances and meet every four years as per national guidance.

- 2.3 Since the decision to establish an IRP solely for Thurrock, the Council has issued a Section 114 Notice which requires the Council to ensure all expenditure is within existing budgets. An IRP solely for Thurrock, based on a £250 per day fee for 3 panel members, has been costed at £6000. This cost also covers a chair person for two days' attendance at the panel and the production of his independent report. If Council decline to pay a fee to panel members then the cost of the Thurrock IRP would be £4500 (covering the cost of the Chair and his report writing services only). The cost of sharing these services with Southend Council was £4450 based on 2 panel members and a chair person for two days plus the specialist services to produce the report. Depending on the Council's decisions on recommendations 1.2 and 1.3, the extra cost of a Thurrock IRP compared to a joint panel will be £1550 (if panel members are reimbursed the £250 per day) or £50 (based on panel Members not receiving a fee). Any additional cost would need to be met through existing budgets.
- 2.4 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").
- 2.5 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).
- 2.6 The terms of reference for the IRP will be established by the new Panel but the core responsibilities will be:
- (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 Panel will be 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.

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

- 3.1 A report was taken to General Services Committee in July 2022 which set out options to continue the IRP with Southend Borough Council or to investigate sharing an IRP with another Council. There was cross party support to establish a Thurrock IRP which focussed on the local needs of Thurrock Members and that it convenes every four years.
- 3.2 Following the July 2022 meeting Southend Council has taken action to establish its own IRP through its Constitution and it will be difficult to restart an arrangement with Southend. If Members wish to re-establish a Joint IRP to make further savings, the Council would need to find a new partner to do this with.

## Panel Member Fees

- 3.3 Since the establishment of the joint IRP with Southend Council, each panel member has been paid £500 per day of attendance. This payment recognises the time each panel member takes out of their day/paid employment to attend the IRP. It also recognises the preparation time expected of each panel member in reading information packs and reviewing and signing off the subsequent report before it is presented to Full Council and attending any subsequent council meetings where the report may be discussed.
- 3.4 Due to the Council issuing a Section 114 Notice there is an opportunity for Full Council to review this payment and decide whether to offer a payment to panel members or not. The Local Authorities (Member Allowances) (England) Regulations 2003 state that it is for the Authority which the Panel is convening for to determine any expenses or allowances to be paid to the panel. There is no obligation to pay a fee to panel members.
- 3.5 If Council decides to pay panel members a fee then recommendation 1.3 advises £250 per day as a reasonable figure to recognise the service the panel member is providing and also to cover subsistence and travel expenses. When making a decision Council must consider a fair compensation to members of the public for undertaking their duties on the IRP and attracting good calibre candidates now and in the future.
- 3.6 Depending on the decision Council make in relation to recommendation 1.2 and 1.3, the panel members named in 2.2 will need to accept their positions based on the agreed fee.

## **4. Reasons for Recommendation**

- 4.1 The recommendations reflect the desire of the General Services Committee to establish a local IRP dedicated to Thurrock, as well as making a move to reduce costs as much as possible. The new panel chair is highly experienced in managing IRP discussions. The Panel members were interviewed in December 2022 following a detailed recruitment process. During interviews they demonstrated knowledge of Member allowances, financial matters and the ability to disseminate large amounts of information, which made them suited to the role.

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

- 5.1 The General Services Committee considered whether to establish a new IRP or continue with joint arrangements in July 2022. Members were fully supportive of a stand-alone IRP for Thurrock.

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

- 6.1 There is a legal requirement to have an IRP to independently consider the allowances of Members. This ensures that allowances are set fairly for Members without due influence from Members, officers or any other party. The new IRP will maintain Thurrock's duties in producing recommendations on allowances, for Members to consider, every four years.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Dammy Adewole**  
**Senior Management Accountant -Resources and Place**

The once shared cost of the IRP will now be fully covered by Thurrock's budget. The additional cost identified in 2.3 can be met through existing budgets, specifically income generated through the Democratic Services' school appeals service. The report supports a rationalisation of costs for the Panel by recommending a 100% or 50% reduction in the fees paid to the panel Members whilst maintaining an appropriate service.

### **7.2 Legal**

Implications verified by: **John Jones**  
**Director of Law & Governance**

The legal implications are contained in the main body of the report.

### **7.3 Diversity and Equality**

Implications verified by: **Rebecca Lee**  
**Team Manager- Community Development and Equalities.**

A fair recruitment process was run by the Council with regards to the new panel members. The application process was run between November and December 2022 and was open to everyone who met the criteria to apply. The Panel reflects the skills, interests and expertise required to fulfil the role.

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

There are no specific impacts related to this report.

**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):

- None.
- CVs and application details of panel members are exempt due to the personal nature of the information contained in them.

**9. Appendices to the report**

- None

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