

22 May 2024		ITEM: 13
Annual Council		
Independent Remuneration Panel (IRP) Report		
Wards and communities affected: None	Key Decision: Non-key	
Report of: Daniel Fenwick, Executive Corporate Director, Corporate Services/Monitoring Officer		
Accountable Assistant Director: Not applicable		
Accountable Director: Daniel Fenwick, Executive Corporate Director, Corporate Services/Monitoring Officer		
This report is Public		
Version: Final Version		

Executive Summary

This report outlines the recent recommendations of the IRP in regards to revised special responsibility allowances (SRAs) for the chairs and vice chairs of Overview and Scrutiny Committees, the Standards Committee and the Audit Committee.

The Council is required to “have regard” to the report and recommendations of the Panel, which is attached at Appendix 1, when considering the setting of Member Allowances.

Commissioner Comment:

None.

1. Recommendation(s)

Full Council are asked to consider the following recommendations of the IRP as set out in Appendix 1:

- 1.1 The Special Responsibility Allowance (SRA) for the three new Overview and Scrutiny Chairs be increased to 100% of the Basic Allowance to be £9,595 per annum with effect from May 2024.**
- 1.2 The SRA for the three new Overview and Scrutiny Vice-Chairs be increased to 25% of the Basic Allowance to be £2,399 per annum with effect from May 2024.**

Version Control (delete as appropriate)

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- 1.3 **The SRA for the new Audit Committee Chair be introduced at 75% of the Basic Allowance to be £7,196 per annum with effect from May 2024.**
- 1.4 **The SRA for the new Audit Committee Vice-Chair be introduced at 15% of the Basic Allowance to be £1,440 per annum with effect from May 2024.**
- 1.5 **The SRA for the new Standards Committee Chair be introduced at 50% of the Basic Allowance to be £4,798 per annum with effect from May 2024.**
- 1.6 **The SRA for the new Standards Committee Vice-Chair be introduced at 10% of the Basic Allowance to be £960 per annum with effect from May 2024.**
- 1.7 **Co-opted members sitting on both the Standards Committee and Audit Committee receive an increased allowance of 20% of the Basic Allowance (£1,919 pa) with effect from May 2024, to reflect their increased attendance at more meetings per year.**
- 1.8 **The Monitoring Officer be delegated authority to make the necessary changes to the Members' Scheme of Allowances to reflect the decisions made by Council.**
- 1.9 **The Panel reconvene no later than February 2025 to re-evaluate the roles and the recommendations using an evidence base created from the implementation of the roles.**

Council to consider the following recommendation outside the recommendations of the IRP:

- 1.10 **The requirement for the main opposition group to have a minimum of 17 Members in order to qualify the Deputy Leader of the Main Opposition Group to receive an SRA be removed as qualified in section 3.3.**

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"). 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.
- 2.2 Following proposed changes to the committee structure, namely the separation of the standards and audit functions into two separate committees and the restructure of Overview and Scrutiny (O & S) from six committees to three, Members (through the Governance Recovery Board, Constitution Working Group and the Standards & Audit Committee) requested the IRP convene to assess whether those roles affected by the changes have their SRAs reviewed.
- 2.3 On 18 March 2024, the Panel met to undertake a review of:
 - (a) The Allowance for Chair & Vice-chair of the three new O & S Committees (People, Place and Corporate)

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- (b) The Allowance for Chair & Vice-chair of the Standards Committee
 - (c) The Allowance for Chair & Vice-chair of the Audit Committee
 - (d) The Allowance for co-opted members on the Standards and Audit Committee who would now sit on two separate committees with their own meeting schedule.
- 2.4 In reviewing the allowances, the Panel had regard to statutory guidance in relation to allowances, previous reports of the Panel and the results of benchmarking exercises.
- 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. Full Council is not obliged to follow the recommendations that have been made.
- 3.2 If the Council accept the Panel's recommendations Thurrock Council will see a decrease in overall special responsibility allowance payments if all positions are awarded.
- 3.3 The Constitution contains an historic rule requiring the Main Opposition Group to have a minimum of 17 Members in order that the deputy leader of that group receives an SRA. The intervention places additional focus on the role and development of governance and political management and opposition in the Council, increasing the workload on political groups and their leaders. The rule therefore works against the Council's current objectives and it is recommended it is removed.

4. Reasons for Recommendation

- 4.1 The reasoning of the Panel is set out in their report in Appendix 1.

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

- 5.1 A copy of the final report of the Independent Remuneration Panel has been sent electronically to all Members in advance of this report.

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

- 6.1 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.

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7. Implications

7.1 Financial

Implications verified by: **Rosie Hurst**
Interim Senior Management Accountant
19 March 2024

The cost impact of agreeing the recommended changes to the Special Responsibility Allowances in this report would see a saving of £12,762 to the overall spend on allowances if all positions were awarded:

Allowance	Award agreed in November 2023	Suggested award
Chair of O & S	£53,538 (based on 6 committees)	£28,785 (based on 3 committees)
Vice-Chair of O & S	£8,640 (based on 6 committees)	£7,196 (based on 3 committees)
Chair of Audit	£2,399 (the former Standards & Audit Chair)	£7,196
Vice-Chair of Audit	£0	£1,440
Chair of Standards	£0	£4,798
Vice-Chair of Standards	£0	£960
Co-opted Members	£2,398 (based on the 2 current standing co-optees)	£3,838 (based on the 2 current standing co-optees)
TOTAL	£66,975	£54,213

7.2 Legal

Implications verified by: **Gina Clarke**
Governance Lawyer & Deputy Monitoring Officer
25 March 2024

The Council's Members' Allowance Scheme must comply with the relevant provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003; the Local Government and Housing Act 1989 and the Local Government Act 2000. The Council must include in its scheme of allowances a basic allowance, payable to all members, and may include provision for the payment of special responsibility allowances (which fall within one or more categories set out in the 2003 Regulations).

The 2003 Regulations also allow the inclusion a co-optees' allowance within the scheme. These allowances are discretionary.

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Before adopting or amending the scheme the Council is required to have regard any statutory guidance and to the report published by the Remuneration Panel appointed by the Council.

The recommendations of the Independent Remuneration Panel on the special responsibility allowances to be paid supports the Council in setting a reasonable allowance which reflects the role and responsibilities of the relevant Members.

The 2003 Regulations place certain duties and requirements on the Council to publicise the recommendations made by the independent remuneration panel, the scheme of allowances and the actual allowances paid to members in any given year. Therefore, Full Council will need to delegate authority to authorise the relevant council officer to comply with the statutory requirement to publish the adopted amended Members Allowance Scheme.

7.3 Diversity and Equality

Implications verified by: **Rebecca Lee**
Team Manager – Community Development Team
20 March 2024

The Panel has 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.

7.4 Risks

Members must balance their decision, as per 6.1, to fairly recompense Members for their community leadership and councillor roles but being mindful to the Council's current financial status. Risks therefore may be that people are disincentivised to stand for election but also, that Members are not overpaid for their duties and the payment is judged as fair.

7.5 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 papers considered are referred to in the report of the Independent Remuneration Panel.

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9. Appendices to the report

- Appendix 1 – Report of the Independent Remuneration Panel
- Appendix 2 – Revised Scheme of Allowances 2024-2028

Report Author:

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Head of Democratic, Scrutiny and Member Services

Legal Services

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