

**Report to:** Full Council

**Date:** 18 November 2020

**Title:** Members' Allowances Scheme – Report of the Independent Remuneration Panel (IRP)

**Report of:** Head of Democratic Services

**Ward(s):** All

**Purpose of report:** To advise the Council of the Independent Remuneration Panel's recommendations and determine changes to the Council's Allowances Scheme in the light of the recommendations.

**Officer recommendation(s):** (1) To consider the recommendations of the Independent Remuneration Panel as set out at appendix 1 to the report and decide on one of the following options:

- (a) To accept the Panel's recommendation in full;
- (b) To partially accept the Panel's recommendation with compelling reasons for doing so; or
- (c) To reject the Panel's recommendation in full with compelling reasons for doing so.

(2) That be the Head of Democratic Services authorised to make the necessary amendments (if approved) to the Council's Members' Allowances Scheme.

(3) That thanks be conveyed to the Panel for the work undertaken and report produced.

**Reasons for recommendations:** To meet the statutory requirement for Council to have regard to the recommendations made to it by the Independent Remuneration Panel.

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## 1 Introduction

1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to have regard to the recommendations made to it by an Independent Remuneration Panel (IRP) before it agrees its Members' Allowances Scheme.

1.2 The last review of the Council's Members' Allowances schemes was undertaken in 2011.

1.3 In accordance with regulation 20.2 (a) of the above regulations, an IRP comprising of a minimum of three members, was appointed and tasked with carrying out this review.

1.4 The Panel for this review comprised the following members:-

**Mr Mark Palmer (Chair)** – Development Director at South East Employers. Has strong experience undertaking and chairing IRPs for a variety of Councils.

**Mr Ian Buckingham** – Is a senior cross-industry “Business and Brand Transformation, Change Communication and Engagement Specialist”. Has previously served on an IRP for Decorum District Council.

**Ms Daphne Bagshaw** – Previously an East Sussex County Councillor (around 1997-2005) serving on the Cabinet including in a Finance Portfolio. No longer actively involved in politics. Also appointed to another IRP to be undertaken this year.

1.5 This covering report has been produced to accompany the detailed report of the IRP that is included at appendix 1. Reference should be made to that report for further information and detail.

1.6 The regulations require the Council to publicise the recommendations of the IRP, the agreed scheme and actual allowances paid to councillors each year. Arrangements are in hand for the required notice to be published in accordance with the regulations.

## 2 Recommendations made by the Panel

2.1 Under the regulations the Council is required to have regard to the advice of their IRP. The phrase “...shall have regard to the recommendations made...” is used in the regulations. Should the Council wish to implement arrangements not fully in accordance with the Panel’s recommendations they will need to give compelling reasons for doing so. In addition, it should be noted that details of any variations between the Panel’s recommendations and the Council’s final decision must be detailed in a public notice.

2.2 The full recommendations of the Panel are detailed in their report but a summary is set out below:

➤ **Basic allowance** (payable to all 27 Councillors): **£3,732**

➤ **Special responsibility allowances (SRA)** (no councillor shall be entitled to receive at any time more than one SRA):

<b>Special Responsibility:</b>	<b>Full Year Total:</b>
<b>Mayor</b>	<b>£3,732</b>
<b>Deputy Mayor</b>	<b>£1,866</b>
<b>Leader of the Council</b>	<b>£7,464</b>
<b>Deputy Leader of the Council</b>	<b>£3,732</b>
<b>Other Cabinet Member</b>	<b>£3,732</b>

<b>Special Responsibility:</b>	<b>Full Year Total:</b>
<b>Chair of Planning Committee</b>	<b>£2,986</b>
<b>Other Members of Planning Committee</b>	<b>£1,866</b>
<b>Reserve Member of Planning Committee</b>	<b>No SRA</b>
<b>Chair of Licensing Committee</b>	<b>£1,866</b>
<b>Chair of Scrutiny Committee</b>	<b>£2,986</b>
<b>Leader of the Largest Opposition Group</b>	<b>£3,732</b>
<b>Deputy Leader of the Largest Opposition Group</b>	<b>No SRA</b>
<b>Chair of the Joint Staff Advisory Committee</b>	<b>£1,116</b>
<b>Chairman of a Licensing Sub-Committee</b>	<b>£100 per meeting</b>
<b>Ordinary Member of a Licensing Sub-Committee</b>	<b>£65 per meeting</b>

➤ **Travel and subsistence allowance:**

No change to current scheme

➤ **Dependants' carers' allowances (DCA):**

DCA to be based on two rates:

Rate 1: Childcare at market rate with no monthly maximum claim

Rate 2: Specialist care based at cost

➤ **Information technology allowance:**

£429 per annum.

➤ **Indexing of allowances:**

The basic allowance, SRAs and IT allowance to be increased annually in line with the percentage increase in staff salaries until 2024, at which time the allowances scheme shall be reviewed again by an IRP.

➤ **Implementation of new scheme of allowances:**

Recommended to be implemented with effect from the beginning of the 2020-21 financial year.

### **3 Financial appraisal**

3.1 The cost of the review has been met within an existing budget.

3.2 The current Members' Allowances budget will not be sufficient to fund the changes proposed in this report, and as detailed at Appendix 4 to the IRP's report, their recommendation would result in an increase in basic allowance, SRA and IT allowance totalling £41,126 on the current cost. The current budget for 2020/21 was set at £136,500 which is 2% more than the current cost, but still £38,357 less than the proposed cost. Should the Council approve the recommendations of the Panel, it will be necessary for payments to be backdated to 1 April 2020, with the additional cost being funded through the existing contingency budget. This pressure will be reflected within the draft

budget for 2021/22, for the Council to identify savings in order to fund this additional cost.

#### **4 Legal implications**

4.1 It is statutory requirement that a local authority has regard to the recommendations of an IRP before it makes or amends a members' allowances scheme.

#### **5 Risk management implications**

5.1 There are none.

#### **6 Equality analysis**

7.1 The scheme as a whole is intended to assist the objective of overcoming any financial and other disincentive that an individual might experience in being a councillor and encourage persons from all sections of the community to become and remain councillors.

7.2 The Panel has given consideration to the subject of equalities in its report.

#### **7 Environmental sustainability implications**

8.1 There are no implications arising from this report.

#### **8 Appendices**

- Appendix 1 – Report from the Independent Remuneration Panel of February 2020

#### **9 Background papers**

- None