

<b>Report to:</b>	<b>Full Council</b>
<b>Date:</b>	<b>15 November 2023</b>
<b>Title:</b>	<b>Members' Allowances Scheme – Report of the Independent Remuneration Panel (IRP)</b>
<b>Report of:</b>	<b>Simon Russell, Head of Democratic Services (and Monitoring Officer)</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>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.</b>
<b>Officer recommendation(s):</b>	<p><b>(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:</b></p> <ul style="list-style-type: none"> <li><b>(a) To accept the Panel's recommendation in full</b></li> <li><b>(b) To partially accept the Panel's recommendation with compelling reasons for doing so.</b></li> <li><b>(c) To reject the Panel's recommendation in full with compelling reasons for doing so.</b></li> </ul> <p><b>(2) That the Head of Democratic Services (and Monitoring officer) be authorised to make the necessary amendments (if approved) to the Council's Members' Allowances Scheme.</b></p> <p><b>(3) That thanks be conveyed to the Panel for the work undertaken and report produced.</b></p>
<b>Reasons for recommendations:</b>	<b>To meet the statutory requirement for Council to have regard to the recommendations made to it by the Independent Remuneration Panel.</b>
<b>Contact Officer(s):</b>	<b>Name: Simon Russell</b> <b>Post title: Head of Democratic Services (and Monitoring Officer)</b> <b>E-mail: <a href="mailto:simon.russell@lewes-eastbourne.gov.uk">simon.russell@lewes-eastbourne.gov.uk</a></b> <b>Telephone number: 01323 415021</b>

## **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 In accordance with regulation 20.2 (a) of the above regulations, an IRP comprising a minimum of three members, must be appointed and tasked with carrying out a review of the Council's Allowances Schemes. Once appointed, an IRP's term of office expires after four years.

1.3 The last review of the Council's Members' Allowances schemes was undertaken in 2020 by a newly appointed IRP. Full Council, at its meeting on 18 November 2020 considered the recommendations of the IRP and passed the following resolution:

(1) Having considered the recommendations of the Independent Remuneration Panel (IRP), the Council is grateful to the Panel for its work, but determines that it would not be in the best interest of the Council or the Town to accept them in full given the current financial challenges facing the Council whilst responding to the Covid 19 pandemic;

(2) The Council resolves as follows in relation to the recommendations:

(a) That the basic allowance and special responsibilities allowances be as set out in the current scheme of allowances, and uplift recommended by the IRP be rejected;

(b) To accept the recommendation that no Councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances;

(c) To accept the Panel's recommendations in relation to travelling and subsistence allowances, Dependent Carers Allowances, the proposed policy to support parental leave, and the continuation of the current IT allowance;

(d) To agree that the above changes made to the allowances scheme will be implemented with effect from the beginning of the 2020-21 financial year, and to revoke the current scheme of allowances from the same date.

(3) That the Head of Democratic Services be authorised to make the necessary amendments to the Council's Members' Allowances Scheme;

**(4) That the report and recommendations of the IRP be re-considered by Full Council at the end of the current administration in February 2023; and**

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

1.4 In accordance with the above resolution, the report was then re-considered by Full Council in February 2023. The following resolution was passed.

**RESOLVED (By 16 votes to 6)** – That the Council agree option c), to reject the Panels’ recommendation in full for the reasons that the recommendations of the Panel were now out of date, but this was subject to an Independent Review Panel being called early in the new Council to undertake a review, to report back to Full Council in November 2023.

1.5 The Independent Remuneration Panel appointed in 2020 was called and tasked with carrying out a new 2023 review.

1.6 The Panel 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 and was part of the 2020 review.

**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. Was a member of the IRP for the 2020 review.

1.7 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.

1.8 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 its 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 its report but a summary is set out below:

- **Basic allowance** (payable to all 27 Councillors):- **£4,573**
- **Special responsibility allowances (SRA)** (no councillor shall be entitled to receive at any time more than one SRA):-

	<b>Full Year Total:</b>
<b>Mayor</b>	<b>£4,573</b>
<b>Deputy Mayor</b>	<b>£2,287</b>
<b>Leader of the Council</b>	<b>£9,146</b>
<b>Deputy Leader of the Council</b>	<b>£4,573</b>
<b>Other Cabinet Member</b>	<b>£4,573</b>
<b>Chair of Planning Committee</b>	<b>£3,658</b>
<b>Other Members of Planning Committee</b>	<b>£2,287</b>
<b>Reserve Member of Planning Committee</b>	<b>£1,144</b>
<b>Chair of Licensing Committee</b>	<b>£2,287</b>
<b>Chair of Scrutiny Committee</b>	<b>£3,658</b>
<b>Chair of Audit and Governance Committee</b>	<b>£2,287</b>
<b>Leader of the Largest Opposition Group</b>	<b>£4,573</b>
<b>Deputy Leader of the Largest Opposition Group</b>	<b>No SRA</b>
<b>Chair of the Joint Staff Advisory Committee</b>	<b>5% of combined average of the Leaders of EBC and LDC</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):-**
  - No change to current scheme
  - 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

➤ **Parental Leave Policy:-**

No change to current scheme.

➤ **Information technology allowance:-**

£429 per annum (with indexation applied).

➤ **Indexing of allowances:-**

The basic allowance, SRAs and IT allowance to be increased annually in line with the percentage increase in staff salaries (or average percentage pay increase across salary bands if flat rate) until the allowances scheme is next reviewed by an IRP in 2027.

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

Recommended to be implemented with effect from the beginning of the 2024-25 financial year.

### **3 Financial appraisal**

- 3.1 The cost of the review has been met within an existing budget. The IRP's recommendation would result in an increase in basic allowance, SRA and IT allowance totalling £79,825. The existing budget allocation for members allowances which also includes allowances for other expenses incurred (e.g. Independent Person costs) is £190,200. Therefore, an increase of £24,846 would be required to accommodate the suggested increase in its entirety.

### **4 Legal implications**

- 4.1 It is a statutory requirement under regulation 19(1) of the Local Authorities (Members' Allowances) (England) Regulations 2003 that a local authority has regard to the recommendations of an IRP before it makes or amends a members' allowances scheme.

By regulation 2(5) of The Local Authorities (Functions and Responsibilities) Regulations 2000, the function of making any scheme authorised or required by regulations under section 18 (schemes for basic, attendance and special responsibility allowances for local authority members) of the Local Government and Housing Act 1989, or of amending, revoking or replacing any such scheme, is not to be the responsibility of an executive of the authority.

Accordingly, the power to implement the officer recommendations in this report, as set out on the front sheet and reiterated at paragraph 3.2 above, is conferred solely on the Full Council.

*Date of legal input: 02.11.23, Legal ref: 012518-EBC -KS*

## **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 have 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 November 2023.

## **9 Background papers**

- None