

22 July 2015		ITEM: 11
Council		
Review of Members' Allowances – Report of the Joint Independent Remuneration Panel		
Wards and communities affected: All	Key Decision: Non-key	
Report of: Mr Colin Sivell – Chair of The Joint Independent Remuneration Panel		
Accountable Head of Service: Fiona Taylor – Head of Legal Services		
Accountable Director: David Bull – Interim Chief Executive and Head of Paid Service		
This report is public		

Executive Summary

The Council are presented with the report and recommendations of the Joint Independent Remuneration Panel, following its review of the Scheme of Members Allowances.

The Council is required to “have regard” to the report and recommendations of the Panel which is attached at Appendix 1 and, whilst it must act reasonably, it is not obliged to follow the recommendations that have been made.

1. Recommendation(s)

1.1 There is no change to the current Basic Allowance payable to Thurrock councillors (remaining at £8,670 per annum for Thurrock Councillors).

1.2 The Members' Allowances schemes is amended to clarify that the Basic Allowance in each council includes not only postage, stationery and minor items of office equipment but also the cost of printing cartridges and paper.

1.2 There is no change to the Special Responsibility Allowances (SRAs) for the following positions:

- a) The Leader of the Council**
- b) The Deputy Leader of the Council**
- c) The Chair of Planning Committee**
- d) The Vice-chair of Planning Committee**
- e) The Chairs of Overview and Scrutiny Committees**

- f) The Vice-chairs of Overview and Scrutiny Committees**
- g) The Chair of Licensing Committee**
- h) The Vice-chair of Licensing Committee**
- i) The Chair of Standards and Audit Committee**
- j) The Leader of the Main Opposition Group**
- k) The Deputy Leader of the Main Opposition Group**

- 1.3 The Allowances Scheme be made clear that the qualification of 16 seats (or one third of the seats on Council) is required for a group to attract an allowance for the Deputy Leader of the Main Opposition Group.**
- 1.4 The SRA for portfolio holders is increased to 130% of the Basic Allowance or £11,275**
- 1.5 Leaders of other opposition groups, which have more than four members but are not the main opposition group, should be paid an SRA of 25% of the Basic Allowance (£2,165) and that this is added to the Allowances Scheme.**
- 1.6 The Chair of the Health and Well-being Board does not receive an SRA.**
- 1.7 The Allowance Scheme continues to prohibit the receipt of more than one SRA regardless of the number of remunerated posts a Member may hold.**
- 1.8 The allowance for ordinary co-optees on the Standards and Audit Committee remain unchanged.**
- 1.9 The allowance for statutory co-optees on overview and scrutiny committees is reduced to £260 per annum in line with Southend Borough Council.**
- 1.10 The Civic Allowances for the Mayor and Deputy Mayor remain unchanged.**
- 1.11 Allowances for the following remain unchanged:**
 - a) Dependants Carers' Allowance**
 - b) Subsistence Allowance**
 - c) Travelling Allowances**
- 1.12 The remuneration for the Independent Persons in relation to disciplinary action against a statutory officer remain at £500 with the Panel reviewing this in later years.**
- 1.13 Basic Allowances, SRAs and co-optees' allowances are indexed to the annual percentage salary increase.**

- 1.14 Mileage allowance is adjusted in line with Her Majesty's Revenue and Customs rates.**
- 1.15 Subsistence Allowance to be indexed to the same percentage increase that may be applied by the Council to officer subsistence allowances.**
- 1.16 Child Care rates are indexed to the national minimum wage applicable to the age of the carer.**

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").
- 2.2 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 four occasions (June 2007, August 2010, June 2011 and June 2015).
- 2.3 On 2 and 3 June 2015, the Panel met to undertake a review of the Scheme of Members' Allowances for both Southend and Thurrock councils, in accordance with the law which requires a new scheme to be put in place. The terms of reference for the review are set out as follows:
 - 1. The amount of basic allowance that should be payable to the elected Members
 - 2. The categories of Members who should receive a special responsibility allowance and as to the amount of such an allowance
 - 3. The amount of Co-optees allowances where applicable
 - 4. Travel and Subsistence Allowances
 - 5. The amount of Childcare and Dependent' Carers' Allowances
 - 6. Whether the allowances should continue to be adjusted in line with the average pay increases negotiated through the National Joint Committee for Local Government Employees
 - 7. The implementation date for the new Scheme of Allowances
- 2.4 In reviewing the Scheme, the Panel had regard to statutory guidance in relation to allowances, previous reports of the Panel and the results of a benchmarking exercise. The Panel also took account of written

representations made by Councillors Roy Jones, Gerard Rice, Barbara Rice and Steve Liddiard, as well as undertook interviews with Councillor John Kent, Leader of the Labour Group and Councillor Robert Gledhill, Leader of the Conservative Group.

2.5 The report of the Panel is attached at **Appendix 1**.

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, but it must implement a new Scheme by virtue of the relevant statutory requirements.

3.2 Should the recommendations of the Panel be implemented in full, Thurrock Council will not see an increase in overall basic allowance payments. In respect of special responsibility allowances, the cost will increase by £5,277. Conversely, the allowances paid to the statutory co-optees on overview and scrutiny committees will be reduced by £4,104.

3.4 Accordingly, should the recommendations of the Joint Independent Remuneration Panel be agreed (in accordance with the accepted formula and multipliers used), the Council will see a total increase in its expenditure of £1,173

3.5 The Panel has reminded the Council that its Members have no obligation to take all or part of their remuneration, or claim any reimbursements to which they are entitled. For those Members who disagree with the Panel's recommendations and the Council's subsequent implementation of a new scheme of allowances, the members' allowances scheme does enable them to forgo part or all of their allowances.

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

4.1 All Members were invited to submit written representations to the Panel and all Group Leaders were invited to attend an interview with the Panel on the days they met.

4.2 A copy of the final report of the Joint Independent Remuneration Panel has been sent electronically to Group Leaders for their information.

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.

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Chief Accountant

The Financial Implications are contained within the body of the report.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Legal Services

The review has been undertaken pursuant to the power 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.

7.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

The Panel have 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. This principle is maintained through the recommendations referred in section 1 of this report.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

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 Joint Independent Remuneration Panel.

9. Appendices to the report

- Appendix 1 – Report of the Joint Independent Remuneration Panel

Report Author:

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