

COUNCIL

24 JANUARY 2023

REPORT OF HEAD OF DEMOCRATIC SERVICES AND ELECTIONS

A.5 **Review of the Scheme of Allowances for Councillors by the Independent Remuneration Panel**

(Report prepared by Keith Simmons)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To receive and consider the report of the Independent Remuneration Panel and, having regard to the Panel's recommendations, determine the uplift to be applied to Basic and Special Responsibility Allowances in the scheme for 2022/23 and to approve the Scheme of Allowances for Councillors for 2023/24 (and until 2027/28).

EXECUTIVE SUMMARY

The Council's Independent Remuneration Panel has been meeting over the past few months as they considered the separate, but related, elements of the Scheme of Allowances for Members of this Council. Those elements were, firstly, what uplift should be applied to the Basic and Special Responsibility Allowances for Councillors in 2022/23 following the pay award for Council staff approved in late 2022. The second element was the entire Scheme of Allowances that should be put in place for 2023/24 (and for the period to 2027/28 with an index link). In concluding the Panel's work, it produced a report which is set out at the Appendix herewith. It is this report, and the recommendations set out in it, that the Council is invited to consider. It is a legal requirement that the Council may only make (changes to) its Scheme of Allowances after receiving a report from its Independent Remuneration Panel.

RECOMMENDATION(S)

- (a) That the report of the Independent Remuneration Panel (set out in the Appendix to this report), following that Panel's review of the appropriate uplift to be applied to Basic and Special Responsibility Allowances in the scheme for 2022/23 and the Scheme of Allowances for Councillors for 2023/24 (and until 2027/28) be considered;**
- (b) that the response to the recommendations from the Independent Remuneration Panel set out on pages 10-13 of the Appendix be determined;**
- (c) that, having determined uplift to be applied to Basic and Special Responsibility Allowances in the scheme for 2022/23 and the Scheme of Allowances for Councillors for 2023/24 (and until 2027/28), authority be given to update Part 7 of the Council's Constitution accordingly; and**

(d) that the Chief Executive be authorised, in exceptional circumstances, to designate as approved duties such events for travel claim purposes where attendance by (a) Councillor(s) would be in the interests of the Council and the event otherwise has not been so designated.

REASON(S) FOR THE RECOMMENDATION(S)

The recommendations seek to provide for lawful decisions by the Council in respect of the Scheme of Allowances that currently applies and that will apply to the Council following the elections on 4 May 2023. In considering the questions around the appropriate uplift to be applied to Basic and Special Responsibility Allowances in the scheme for 2022/23 and the Scheme of Allowances for Councillors for 2023/24 (and until 2027/28), Council must have regard to the report/recommendations from the Independent Remuneration Panel. Having determined these matters it is necessary to then update the details of the Scheme of Allowances in the Constitution. Finally, there is a proposal for a delegation to address rare occasions when it would be in the general interests of the Council for an event to be designated an approved duty and the event is not otherwise designated as such.

ALTERNATIVE OPTIONS CONSIDERED

The Council may determine not to adopt the recommendations from the Independent Remuneration Panel or otherwise amend those recommendations. The Panel itself has considered options (including not making the recommended allowances) as part of its work that lead to the production of the report at the Appendix and the recommendations set out in that report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The adoption of a published Scheme of Allowances for Councillors, having regard to the recommendations of an Independent Remuneration Panel, is consistent with the Council's core values of integrity and openness.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Independent Remuneration Panel consulted Councillors on the issue of the Scheme of Allowances for 2023/24 (and beyond) and the uplift to be applied in 2022/23 and it received those views.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The budget for 2022/23 for Basic and Special Responsibility Allowances for Councillors and for the Council's Chairman and Vice Chairman Allowances totals £477,840. Given the spend against that budget to December 2023, it is considered that the proposed uplift recommended by the Independent Remuneration Panel can be accommodated within that budget. Any decision concerning the Allowances Scheme for 2023/24 will be incorporated into the Council's Budget for that year.

Risk

The crucial feature of the Panel is that it is composed of people unconnected with the local authority. This degree of independence is designed to secure that the Council is directly accountable to the electorate in respect of the payments made to Councillors and that the risk of any lack of transparency is mitigated.

<input checked="" type="checkbox"/>	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
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No further comments to those set out in the report in respect of the budget position.

LEGAL

The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the arrangements to be followed in relation to allowances and expenses payable to Councillors. The Regulations set out that regard must be had to the recommendations of an Independent Remuneration Panel before determining or amending the Scheme of Allowances. Consideration of this report and its appendix will enable the Council to meet those statutory requirements.

The Local Government Act 1972 (sections 3 and 5) allows the payment of an allowance to the Chairman and Vice Chairman of the Council.

<input checked="" type="checkbox"/>	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:
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The Monitoring Officer has been involved in the process in supporting the Independent Remuneration Panel in reviewing the Members Allowance Scheme, together with the Head of Democratic Services and Elections and has no additional comments to make.

EQUALITY IMPLICATIONS

Due consideration of the Public Sector Equality Duty has been given in the development of the proposals set out in the Independent Remuneration Panel's report in the Appendix and Council will need to be mindful of that duty in relation to its consideration of the recommendations set out.

OTHER IMPLICATIONS

Councillors' Responsibility For Reporting Receipt of Allowances

Councillors are advised to declare the receipt of an allowance if **any form** of benefit such as income support or housing benefit is being claimed. The rules on how allowances to Councillors are treated may vary depending on the benefit claimed and advice should be sought from the relevant administering body. For example, the rules for those in receipt of Housing Benefit and Council Tax Support state that "basic members allowance, special responsibility allowance and conference attendance allowance are treated as earnings except for any expenses which have been wholly, exclusively and necessarily incurred in the performance of their duties". Councillors are therefore advised that in order to claim expenses in these circumstances receipts and records to justify the expenses incurred must be kept.

Wards Affected

None.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The detail to this matter is set out in the report from the Independent Remuneration Panel set out in the Appendix. This includes Regulation 10(1) of the Local Authorities (Members' Allowances) (England) Regulations 2003 by which the Council is normally required to determine its Scheme of Allowances before the relevant financial year has commenced.

The attention of Members is drawn to the following in the Council's Constitution:

"Any Member wishing to move an amendment or alternative recommendation to those made by the Independent Remuneration Panel in respect of the Members' Scheme of Allowances must have submitted their proposals to the Council's Section 151 Officer and the Monitoring Officer at least two working days before the relevant Full Council meeting to enable them to consider the legal and financial implications. Any such amendment or alternative recommendation must be accompanied by the reasons for departing from the IRP's recommendations. Once deemed to be valid by the Monitoring Officer it will be immediately circulated by email to all Members of the Council. Copies of such amendment or alternative recommendation(s) will also be placed on Members' tables prior to the commencement of the Council meeting."

On the basis of the above, any amendment or alternative recommendation would need to have been submitted by Friday, 20 January 2023.

PREVIOUS RELEVANT DECISIONS

Council on 24 May 2019 (Minute 13 refers) – Consideration of the report of the Independent Remuneration Panel on a Scheme of Allowances for the Council following the reduction in Councillor numbers from 60 to 48.

Council on 21 January 2020 (Minute 81 refers) – Consideration of the report of the Independent Remuneration Panel's Light Touch Review Report.

Council on 15 September 2020 (Minute 27 refers) – Consideration of the report of the Independent Remuneration Panel on the Scheme of Allowances for Councillors for the remainder of the 2020/21.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

There are no background papers

APPENDICES

Appendix – Report of the Independent Remuneration Panel

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