

# Southend-on-Sea Borough Council

Agenda  
Item No.

**22**

## Report of Corporate Director for Corporate Services

to  
**Council**  
on  
**23<sup>rd</sup> July 2015**

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### Review of Members' Allowances

#### Part 1 (Public Agenda Item)

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#### 1. Purpose of Report

For the Council to consider the report and recommendations of the Joint Independent Remuneration Panel ("JIRP") on Members' Allowances for the Council.

The current Members' Allowances Scheme is set out in Part 6 of the Constitution.

#### 2. Recommendations

The Council is requested to consider the following recommendations of the JIRP as set out in its report at **Appendix 1** and summarised in the new Members' Allowances Scheme 2015-2019 at **Appendix 2**:

- 2.1 That the Basic Allowance remains at £8,673, with clarification of what it covers as set out in paragraph 28 of the JIRP report.
- 2.2 That the revised Special Responsibility, Mayoral and Co-optees Allowances set out in paragraphs 29-84 of the JIRP report, be approved.
- 2.3 The subject to the inclusion of the HMRC approved mileage payments in relation to motorcycles and bicycles (paragraph 88 of the JIRP report), the existing provisions in the Members' Allowances Scheme with regard to travelling and subsistence allowances, be reaffirmed.
- 2.4 That the existing provisions in the Members' Allowances Scheme with regard to the Dependents' Carers' allowance be reaffirmed.

- 2.5 That the following indices be applied to the remuneration and allowances paid to Members of the Council:
- (a) Basic Allowance, Special Responsibility and Co-optees allowances to be indexed by reference to the National Joint Committee pay settlement for Council officers.
  - (b) Mileage allowances to be updated by reference to the rates which apply to Council officers (HMRC rates).
  - (c) Subsistence allowances to be updated by reference to the schemes which apply to Council officers.
  - (d) Basic “sitters” allowance be adjusted to the national minimum wage applicable to the age of the carer.
- 2.6 That the existing Members’ Allowances Scheme be revoked and that the new Members’ Allowances Scheme 2015-2019, as set out in **Appendix 2** to this report, be approved and implemented on 1<sup>st</sup> August 2015.

### **3. Background**

- 3.1 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”).
- 3.2 The Regulations impose a duty on Local Authorities to establish an Independent Panel to provide advice on its Members’ Allowances Scheme and the amounts to be paid. In April 2005 the Council agreed to establish a JIRP with Thurrock Council consisting of 5 independent Members. Since that time the Panel has met on four occasions in June 2007, June 2010, June 2011 and June 2015.
- 3.3 On 2<sup>nd</sup> and 3<sup>rd</sup> June 2015, the JIRP met to undertake a review of the Members’ Allowances Scheme for both Southend and Thurrock Councils in accordance with the law which required a new Scheme to be put in place. The Terms of Reference of the review were as follows:
- (a) The amount of Basic Allowance that should be payable to elected Members.
  - (b) The categories of Members who should receive a special responsibility allowance and as to the amount of such an allowance.
  - (c) The amount of Co-optees allowances where applicable.
  - (d) Travel and Subsistence Allowances.

- (e) The amount of Childcare and Dependents' Carers' Allowances.
- (f) 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.
- (g) The remuneration of the Independent Persons in the light of their new responsibilities.
- (h) The implementation date for the new Members' Allowances Scheme.

3.4 In reviewing the Members' Allowances Scheme, the JIRP had regard to statutory guidance in relation to allowances, previous reports of the JIRP and the results of a benchmarking exercise. The JIRP also heard evidence from Councillors Woodley and Lamb. In addition, the JIRP took into account the written representations made by Councillors Ayling, Kenyon, Nevin and Longley. The report of the JIRP is attached at **Appendix 1**.

3.5 The revised Members' Allowances Scheme 2015-2019 at **Appendix 2** has been drafted on the assumption that the recommendations of the JIRP are adopted. The Council may accept the recommendations of the JIRP in full or in part or introduce different arrangements. However, the Council must have regard to the recommendations of the JIRP before setting a new or amended Members' Allowances Scheme.

3.6 All Members will have an interest in this matter which needs to be declared. However on 11<sup>th</sup> July 2012 the Standards Committee granted a dispensation to all Members to participate in debate and vote on Members' Allowances and this was endorsed at Council on 19<sup>th</sup> July 2012.

#### **4. Other Options**

It is for the Council to determine to what extent it wishes to follow the recommendations made by the JIRP, but it must have regard to the report and its recommendations. Furthermore the Council must implement a new Members' Allowances Scheme by virtue of the relevant statutory requirements since the current Scheme is about to expire.

#### **5. Reasons for Recommendations**

To comply with the relevant statutory requirements.

#### **6. Corporate Implications**

##### **6.1 Contribution to Council's Vision & Corporate Priorities**

Becoming an excellent and high performing organisation.

## 6.2 Financial Implications

The recommendations of the JIRP would result in a small annual saving of around £4,500.

## 6.3 Legal Implications

The Council is required to “have regard to the recommendations” of the JIRP in making or amending a Members’ Allowances Scheme pursuant to Regulation 29 of the Local Authority (Members’ Allowance) (England) Regulations 2003.

## 6.4 People Implications

None

## 6.5 Property Implications

None

## 6.6 Consultation

All Members of the Council were given the opportunity to submit their observations to the JIRP on the matters set out in the terms of reference of that body.

## 6.7 Equalities and Diversity Implications

None

## 6.8 Risk Assessment

There are no significant risks. However, if Members are not provided with realistic allowances to enable them to carry out their representative and democratic duties this may act as a disincentive to the proper exercise of their duties.

## 6.9 Value for Money

See comment under the Financial Implications heading.

## 6.10 Community Safety Implications

None

## 6.11 Environmental Impact

None

## **7. Background Papers**

The papers considered by the JIRP are referred to in the Report at **Appendix 1**

## **8. Appendices**

**Appendix 1** The Report of the JIRP

**Appendix 2** The revised Members' Allowances Scheme 2015-2019