

**A Joint Review**  
**Of**  
**Members' Allowances**  
**For**  
**Southend-on-Sea Borough Council**  
**&**  
**Thurrock Borough Council**

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**A Report**  
**By the**  
**Joint Independent Remuneration Panel**

Mr Colin Sivell (Chairman)	Joint Thurrock/Southend Borough Councils Appointee
Mr R. Ferris	Thurrock Borough Council Appointee
Mr W. Robb	Southend-on-Sea Borough Council Appointee
Mr Ray Smallcombe	Thurrock Borough Council Appointee

July 2015

# JOINT INDEPENDENT REMUNERATION PANEL

## A REVIEW OF MEMBERS' ALLOWANCES

FOR

**SOUTHEND-on-SEA BOROUGH COUNCIL**

AND

**THURROCK BOROUGH COUNCIL**

### **Introduction: The Regulatory Context**

1. This report is a synopsis of the proceedings and recommendations made by the statutory Joint Independent Remuneration Panel (the Panel) appointed by Southend-on-Sea and Thurrock Borough Councils to provide advice to each Council on its current Members' Allowances scheme.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, which arise out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice to Councils on Members' allowances. This is in the context whereby elected Members are able to determine their own levels of remuneration, and much of the scope and levels of other allowances/reimbursements.
3. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended members' allowances scheme.
4. In particular, the Panel has been reconvened under the *2003 Regulations [10. (50)]*, which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.

5. This mechanism is utilised to oblige all Councils to reconvene their Panel, usually at least once every four years, as a means of ensuring a degree of public accountability vis-à-vis their members' allowances schemes. It is under this requirement that the Joint Panel has undertaken this review of members' allowances for Southend-on-Sea and Thurrock Borough Councils.

### **The Joint Panel**

6. Southend-on-Sea and Thurrock Borough Councils reconvened their joint independent remuneration Panel consisting of the following members:
- Mr Colin Sivell (Chairman) Southend/Thurrock Borough Council Appointee
  - Mr R. Ferris Thurrock Borough Council Appointee
  - Mr W. Robb Southend-on-Sea Borough Council Appointee
  - Mr Ray Smallcombe Thurrock Borough Council Appointee
7. The Review was supported and serviced throughout by the following Officers:
- Colin Gamble Group Manager (Democratic Services)  
Southend-on-Sea Borough Council
  - Matthew Boulter Principal Democratic Services Officer,  
Thurrock Borough Council
8. The Panel was also supported by Declan Hall (PhD), a former lecturer at the Institute of Local Government, The University of Birmingham and currently an independent consultant specialising in Members' Allowances.

### **Terms of Reference**

9. The terms of reference for the joint review are to make recommendations on:
- I. The amount of basic allowance that should be payable to the elected Members
  - II. The categories of Members who should receive a special responsibility allowance and as to the amount of such an allowance
  - III. The amount of Co-optees allowances where applicable
  - IV. Travel and Subsistence Allowances
  - V. The amount of Childcare and Dependent' Carers' Allowances
  - VI. 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
  - VII. The remuneration of the Independent Person in light of their new responsibilities

## VIII. The implementation date for the new Scheme of Allowances

### **Evidence Reviewed by the Panel**

10. The Joint Panel met at the Civic Offices of Thurrock Borough Council on 2-3 June 2015 to hear and consider oral evidence from Members, receive and consider the written submissions from Members, and briefings from Officers – see appendices one and two for details. The Joint Panel also reviewed further written information pertinent to the review, such as meetings schedules, benchmarking data, statutory guidance, etc. See appendices three and four for further details.

### **Principles and Observations**

#### **Reducing Barriers and Providing Recompense**

11. The Panel continues to be guided by the overarching principle that underpinned its previous joint reviews; namely, that it should seek to minimise barriers to public service to enable a wide a range of people to become a Councillor without incurring undue personal financial cost. Consequently, the allowances should provide a degree of recompense for time spent and responsibility carried by Members.
12. On the other hand, the Panel recognises that an element of Members' input should be voluntary, given freely as a public service so that Members do not stand for and remain on either council primarily for financial reasons.

#### **Transparency**

13. Once again the representations made to the Panel emphasised that allowances schemes should be transparent so to understand how and why the allowances are being paid and for the schemes to be simple to operate. The transparency principle has led the Panel to take a consistent approach in how it has arrived at its recommendations so as both elected Members and the public understand the logic of the allowances payable.

#### **Equity**

14. The Panel remains convinced that except in a borough-specific instance the allowances payable for the equivalent role in each council should be the same. No evidence was received to suggest there should not be equity across the board. While there is some discrepancy in the levels payable for the same role or post, arising out of different implementation dates of the main index, these differences are so marginal in most cases so as not to effectively regard them as being equal.

## Recognising Current Economic Context and the Role of the Panel

15. While there was evidence indicating that some of the allowances merited a fundamental review the Panel has to be aware of economic reality. The weight of the representations evidence received by the Panel indicated that general increases in allowances or wholesale additional remunerated posts could not be justified. This has led the Panel to ensure that its recommendations do not increase the total spend on allowances.
16. Consequently, the role of the Panel during this review has been to address any anomalies arising due to legislative and structural changes over the last 4 years. The Panel has sought to correct any incongruities that are apparent rather than undertake a resetting of the whole allowances scheme.

## The Panel's Recommendations - The Basic Allowance

### Recalibrating the Basic Allowance

17. The Panel, in line with the 2003 Statutory Guidance (paragraphs 67-69) revisited the original variables utilised in arriving at the Basic Allowance but updated for the most recent values available.
18. The 3 variables and their respective values are as follows:
  - **Input:** 144 days per year
  - **Public Service Discount:** 33%
  - **Rate of Remuneration:** £94 per day
19. The expected minimum annual input of 144 days was arrived at by taking the most recent figures from the 2013 Councillors Census (LGA) which shows that Members of unitary councils with no positions of responsibility on average put in 21.6 hours per week on "council business".<sup>1</sup> This equates to 144 days per year on a 7.8 hour working day.
20. The Public Service Discount is the element of a Members' time that is not remunerated and is given freely as public service or *pro bono publico*. Thus, out of the 144 days per year expected input for Members 48 days were assumed to be unremunerated, leaving 96 remunerated days.
21. The updated rate of remuneration is based on the 2014 median daily pay (gross) for all full time employee jobs in Southend and Thurrock Borough Council areas.<sup>2</sup>

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<sup>1</sup> Specific information supplied to Dr Hall in an email from the LGA, 20 September 2014, and based on the raw data gathered for the publication of the 2013 Councillors Census

<sup>2</sup> Based on 2014 median weekly pay (gross) for all full time employee jobs in Southend of £475.20 and £462.30 in Thurrock, which equates to £93.75 per day across both council areas, which the Panel has rounded up to £94. See Annual Survey of Hourly Earnings (ASHE), Table 7.1a Weekly pay (gross) for all full time employee jobs,

22. Thus the recalibrated Basic Allowance has been arrived at by applying the following formula as laid out in the 2003 Statutory Guidance:
- 144 days minimum annual expected average input – 48 days per year as a Public Service Discount  
= 96 remunerated days per year
  - 96 days per year x £94 per day  
= **£9,024**
23. The current Basic Allowance (Southend £8,673 and Thurrock £8,670) has not kept pace with local salaries largely because no indexation was applicable for 2011-13. In effect there has been a reduction in the Basic Allowance. However, while there was some support in the representation received to increase the Basic Allowance it was primarily on an abstract level. The overwhelming view was that in reality it would be difficult to publicly justify any increase the current Basic Allowance even where it may be justified.

### **Benchmarking the current Basic Allowance**

24. As a further check, the Panel benchmarked the current Southend and Thurrock Basic Allowance (£8,673 and £8,670 respectively) against that paid in the comparator councils utilized for the Southend/Thurrock benchmarking group. The benchmarking, or comparator group of Councils are the eight nearest neighbours for both Southend and Thurrock as defined by the Chartered Institute of Public Finance and Accountancy (CIPFA)<sup>3</sup>.
25. This exercise was carried out to ascertain that by not “recalibrating” the current Basic Allowance whether it had significantly fallen behind that paid in peer authorities. The Panel has not been driven by the comparative remuneration figures but used them for simply placing the current Basic Allowance in context and to test out whether there is an external reason to recommend the recalibrated Basic Allowance (£9,024).
26. The average Basic Allowance paid in the benchmarking group is £8,729. The Panel is content that the current Basic Allowance represents a fair remuneration in relation to peer authorities and in light of the representation received that overwhelmingly did not support such a recalibration.
27. **Consequently, the Panel recommends no change to the current Basic Allowance payable for Southend-on-Sea (£8,673) and Thurrock Borough (£8,670) Councils.**

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UK 2014, Office of National Statistics.

<sup>3</sup> See appendix 3 for more details. Thurrock's sixth nearest neighbour - Reading - has not been included as it is such an extreme outlier it disproportionately distorts the averages in a benchmarking group of this size. The Southend fourth and fifth nearest neighbours - Torbay and North Tyneside - have also been excluded as they have elected mayors.

### **Clarifying the expenses included in the Basic Allowance**

28. The Panel received representation to clarify the expenses that are included in the Basic Allowance for Southend-on-Sea and Thurrock Borough Councils as they are both in the process of becoming a 'paperless council.' As such, **the Panel recommends that the Southend-on-Sea and Thurrock Borough Councils Members' Allowances schemes are 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.**

### **Recommending the Special Responsibility Allowances – The Leaders SRA**

29. The SRA for the Leaders of Southend (£30,354) and Thurrock (£30,346) is noticeably above the mean (£24,978) SRA paid in the benchmarking group. However, previously the Panel has consciously recognised the sub regional agenda in relation to the Thames Gateway, an agenda which continues albeit with a greater south Essex dimension. If anything the Panel heard that the demands on the Leaders are now greater - the devolution agenda will be a pressing issue for the Leaders once the imminent legislation is passed.
30. Another development since the previous review is the implementation of the provisions contained in Part 3, Chapter 5 of the Local Government and Public Involvement Health Act 2007, namely the requirement to have a strong leader model of executive. The strong leader model had only just been implemented as the Panel was sitting in 2011. Nonetheless, this has put further responsibility on both Council Leaders such as acquiring the powers to determine size of executive and scope of the powers of executive members; a power that has been exercised by both Leaders. Finally, while there is no legal requirement for the Leaders of Southend and Thurrock to be full time the post holders, regardless of whom they may be, are effectively prohibited from being able to earn an outside living by virtue of holding the Leader's office. This is not the case in all the comparator councils.
31. **The Panel recommends that the current SRA paid to the Leaders of Southend-on-Sea and Thurrock Borough Councils is still appropriate at £30,354 and £30,346 respectively.**

### **The Deputy Leader**

32. Similarly the Panel found no reason to revise the SRA paid to the Deputy Leaders (Southend £15,611 and Thurrock £15,605). The mean SRA for Deputy Leaders in the comparator councils is £15,351.
33. **The Panel recommends that the SRA for the Deputy Leaders of Southend and Thurrock remains unchanged.**

### **The alternating model of Deputy Leaders in Southend-on-Sea**

34. Southend-on-Sea has no overall control by a single party group and the Independent, Labour, Liberal Democrat and Southend Independence groups have formed a joint administration as outlined in the "Joint Administration Agreement" (May 2015). In particular, there are 2 Deputy Leaders who each rotate the statutory duties of a Deputy Leader on a six monthly alternating basis. Consequently the Deputy Leaders' SRA is paid pro rata to each for the duration of their six month formal term of office.
35. This is a sensible arrangement but in the interests of transparency **the Panel recommends that the Southend-on-Sea Members' Allowances scheme is amended to reflect the fact that the Deputy Leaders' are paid an SRA on a pro rata basis.**

### **The Other Executive Members**

36. Benchmarking shows that the mean SRA paid to other Executive Members in the benchmarking group is £12,701, whereas the SRA for this post is £10,841 in Southend and £10,830 in Thurrock. While this is not sufficient reason to alter the current SRAs there has been a change in the size of the Executive since the previous review. In Southend the number of other Executive Members has reduced from 6 to 5 while in Thurrock it has reduced from 8 to 7 (excluding Leaders and Deputy Leaders). In effect the Other Executive Members in each council have had an additional workload and responsibility of at least 10% once the rebalancing of portfolios across all executive members has been taken into account.
37. Consequently, the Panel has decided to recalibrate the SRAs for the Other Executive Members. The current SRAs were originally calculated at 125% of the Basic Allowance, the Panel has increased the percentage to 130% to go half way in recognising the enhanced workloads and responsibilities, which equates to £11,275 in both cases.
38. **The recommended SRA for the Other Executive Members in both Councils is £11,275, or 130% of the Basic Allowance.**

### **The Chair and Vice Chair<sup>4</sup> of the Development Control Committees**

39. The SRAs for the Chair and Vice Chair of the respective Development Control Committees were originally arrived at by assessing it at 100% of the Basic Allowance. Currently this is £8,663 in Thurrock and £8,673 in Southend. The Vice Chairs SRA was set by multiplying the Basic Allowance by 25%, which is

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<sup>4</sup> Thurrock uses the term Chair and Vice Chair while Southend-on-Sea calls equivalent posts, Chairman and Vice Chairman. The report has adopted the Thurrock terminology for the purposes of this report.



currently £2,168 (Southend) and £2,165 (Thurrock). Benchmarking shows the mean SRA for these posts are respectively £8,030 and £3,724. No evidence was received to revise the current levels payable.

40. **The Panel recommends that the SRAs for the Chair and Vice Chair of the Planning/Development Control Committees in both Councils are not changed.**

### **The Chairs and Vice Chairs of the Overview and Scrutiny Committees**

41. The SRA for the Chairs of the Scrutiny Committees was originally set at 75% of the Basic Allowance, which now equates to £6,505 in Southend and £6,503 for Thurrock. For the Scrutiny Vice Chairs the operative ratio is 15% of the Basic Allowance, which now equates to £1,301 in both councils. The mean SRA for the Chairs of Scrutiny in the benchmarking group is £6,182 and £2,531 for Vice Chairs, although the latter post is only paid in four out of the 13 comparator councils.
42. Southend and Thurrock each have a different operational model of scrutiny. In Southend there is greater emphasis on 'call-in' where the Chair and Vice Chair play leading role. While in Thurrock the emphasis is more on policy development and review.
43. Yet, benchmarking does not give the whole picture. Southend maintains 3 Scrutiny Committees while in Thurrock the number has grown to 6. Thus, the remuneration of the scrutiny function in Thurrock is twice that of Southend. It is also noted that the benchmarking figures do not take into account the number of scrutiny committees a council may have at any one time.
44. Nonetheless, the Panel received no evidence to indicate the current levels are no longer appropriate. **The Panel recommends that the SRA for the Chairs and Vice Chairs of the Scrutiny Committees in Southend and Thurrock is unchanged.**

### **The Chairs and Vice Chairs of the Licensing Committees**

45. The Southend Chair of Licensing's SRA is £5,204 and £5,192 in Thurrock whereas the benchmarking group mean SRA is £7,508. The comparatively low SRA in Southend and Thurrock for their Chairs of Licensing is counter balanced by the comparatively high SRA they pay their Licensing Vice Chairs; £4,770 in Southend and £4,781 in Thurrock whereas the mean SRA in the 4 out of 13 comparator councils that remunerate the equivalent post is £3,811.<sup>5</sup> Thus, once the comparatively high SRA paid to their Licensing Vice Chairs is taken into account the total remuneration in both Southend and Thurrock on the licensing function is in line with peer authorities.

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<sup>5</sup> A further 2 comparator councils remunerate all Members of their Licensing Committee and 1 remunerates their Licensing Vice Chair and all other Licensing Members.

46. The Panel is content with the comparatively narrow differential in the SRA paid to Chairs and Vice Chairs of Licensing as the Vice Chair in each council undertakes a leading role in the Licensing Sub Committees where much of the work of licensing is undertaken.
47. **The Panel recommends that the SRA for the Chairs and Vice Chairs of the Licensing Committees in Southend and Thurrock is unchanged.**

#### **Posts specific to Southend-on-Sea Council: Chair of Audit Committee**

48. Southend has a standalone Audit Committee, the Chair's SRA set at 25% of the Basic Allowance, which is currently £2,168. The mean SRA paid to similar positions in the comparator councils is £6,092. The comparatively high SRA in peer councils is partly accounted for by some of them having a wider remit, e.g., in Bournemouth, Sefton and Warrington it is the *Audit and Governance* Committee. Moreover, no representation was made suggesting the SRA for the Chair of Audit at Southend-on-Sea Borough Council required revising.
49. **The Panel recommends that the current SRA (£2,168) paid to the Southend-on-Sea Borough Council Audit Committee Chair is unaltered.**

#### **Chair of the Standards Committee**

50. Southend has retained a standalone Standards Committee post-*Localism Act 2011*, which discontinued the requirement to maintain such a committee. The Chair of the Standards Committee is now an elected Member who receives an SRA paid at the same amount as when it was a Co-optees' Allowance. i.e., when the Chair was a Co-optee. This equates to an SRA of £2,168. Whereas the mean SRA for this post in the comparator group is £2,801. The reality is that the workload and responsibility is not what it was and the number of formal meetings greatly reduced and the powers it can exercise being much reduced, e.g., it can no longer suspend a Councillor. Yet, the Chair still has a role to undertake at a more informal level when a complaint against a Councillor is received in that they are now almost always resolved informally by the Monitoring Officer in consultation with the new post of Independent Person and Chair of Standards before it goes before the Standards Committee. On balance the Panel felt the current SRA is no longer justified and should be recalibrated by setting it at 20% of the Basic Allowance.
51. **The Panel recommends that the SRA payable to the Chair of the Standards Committee for Southend-on-Sea Borough Council is £1,735.**

#### **Chairs of the Appeals Committee A & Appeals Committee B**

52. The remuneration, currently £4,336 each, of the Chairs of the Appeals Committees A & B is unusual as equivalent committees elsewhere are often

chaired by an executive Member or the workload is so infrequent that an SRA is not merited. Both Committees in Southend meet as and when required but their respective workloads are constant (if concentrated around certain periods) albeit not always as constant as with other committees with a total of 4 hearings last year.

53. The evidence indicated that the Appeals Committees A & B are more on a par with the Audit Committee and as such the Panel has reset the recommended SRA for the 2 Appeals A& B Chairs at 25% of the Basic Allowance.
54. **The Panel recommends that the SRA for the Chairs of the Southend-on-Sea Appeals A & B Committees is £2,168, which equates to 25% of the Basic Allowance.**

#### **Vice Chairs of the Appeals Committee A & Appeals Committee B**

55. Similarly the Panel has decided to reduce the current SRA (£1,085) paid to the Vice Chairs of the Appeals Committees A & B by the same proportion it has reduced the SRA for their respective chairs and reset the percentage from 12.5% of the Basic Allowance to 6.25%
56. **The Panel recommends that the SRA for the Vice Chairs of the Southend-on-Sea Appeals A & B Committees is £542, which equates to 6.25% of the Basic Allowance.**

#### **Posts specific to Thurrock Council: Chair of Standards & Audit Committee**

57. In light of the impact of the *Localism Act 2011* that required a 'lighter touch' from its Standards Committee Thurrock Borough Council decided to merge it with its Audit Committee with the SRA maintained at 25% of the Basic Allowance, which is currently £2,159. No evidence was received to indicate this SRA needed revising.
58. **The Panel recommends that the SRA for the Thurrock Chair of the Standards and Audit Committee is unchanged.**

#### **The Opposition Group SRAs – Leaders of the Main Opposition Groups**

59. The SRA for the Leaders of the Main Opposition Groups in both Southend and Thurrock was set at 100% of the Basic Allowance which is now £8,673 and 8,670 respectively. The mean SRA paid to equivalent posts in the comparator councils is £8,539. No evidence was received to revise this SRA.
60. **The Panel recommends that the SRA for the Leaders of the Main Opposition Groups in Southend-on-Sea and Thurrock is unaltered.**

### **Deputy Leader of the Main Opposition Group**

61. The respective Main Opposition Group Deputy Leaders receive an SRA of £2,168 in Southend and £2,160 in Thurrock. It is not typically a post that is paid in all councils but the Panel is content with the situation in Southend and Thurrock as there are no SRAs for Opposition Spokespersons, which does occur with greater frequency elsewhere and the fact that there is a qualifying criterion for the SRA to be paid.
62. In the July 2011 Report the Panel recommended that this SRA is only payable if the main Opposition Group has at least 1/3 of the total seats on the Council. This currently equates to 17 seats in Southend and 16 seats in Thurrock. Interestingly the Southend Allowances scheme clarifies this qualification and the Thurrock scheme does not. The Thurrock scheme should be clarified to point out the SRA for the Deputy Leader of the Main Opposition Group will only be payable if the Group consists of at least 1/3 of the total Council membership.
63. **The Panel recommends that the Deputy Leaders of the Main Opposition Groups continues to be paid at £2,168 in Southend and £2,160 in Thurrock.**
64. **The Panel further recommends that the Thurrock Members' Allowances scheme is amended to clarify that this SRA is only paid to the Deputy Leader of the main Opposition Group in Thurrock if their group has attained 1/3 or 16 of the seats on Council.**

### **SRAs for Leaders of Other Opposition Groups**

65. In the July 2011 Report the Panel recommended that an SRA should be paid to Leaders of Other Opposition Groups at 10% of the Basic Allowance per group Member up to a maximum of 90% of the SRA paid to the Leader of the Main Opposition Group subject to having a minimum of 4 group Members. Again the Southend scheme reflects this recommendation but the Thurrock scheme does not. That needs to be rectified.
66. Moreover, while this SRA is not actually payable in Southend nor would be in Thurrock the Panel now recognises that the methodology utilised in arriving at this SRA has the potential to create a comparatively high SRA - another Opposition Group would only have to have 7-8 Members and the Leader would be receiving an SRA greater than that paid to most Chairs.
67. The Panel has decided to alter how it arrives at this SRA by resetting it as a fixed figure at 25% of the Basic Allowance. This equates to £2,168 in Southend and £2,165 in Thurrock.
68. **The Panel recommends that the SRA for the Leaders of the Other Opposition Groups is £2,168 in Southend and £2,165 in Thurrock, subject to the qualifying criteria of having at least 4 Members.**

69. **The Panel further recommends that Thurrock Borough Council adopt this recommendation and insert it in its allowances scheme.**

#### **SRAs Arising - Chair of Health and Well Being Board**

70. All councils are now required to appoint to a Health and Well Being Board which also has on it relevant Officers and public health officials and other stakeholders. It is tasked with taking a more joined up approach to improve the health of residents. No representation was received to indicate that the Chairs of the Southend and Thurrock Health and Well Being Boards merited an SRA. The Panel was informed that the relevant executive Member from both councils will invariably chair their respective Health and Well Being Boards, an element of their wider responsibilities which their SRA recognises.
71. **The Panel does not recommend that the Southend and Thurrock Members' Allowances schemes include provision for the payment of an SRA to the Chairs of their respective Health and Well Being Boards.**

#### **All Group Leaders**

72. The Panel also received representation to provide for an SRA for Group Leaders whose Group may be part of the administration but the Group Leader is not otherwise in receipt of an SRA. As this 'anomaly' does not exist and it is only reasonable to expect any Leader of a group that is part of a joint administration that they would otherwise be in receipt of an SRA by virtue of holding a senior remunerated post (most likely on the Cabinet) **the Panel does not recommend an SRA be provided for Group Leaders whose group in a joint administration if they are not otherwise remunerated.**

#### **Confirming the "1-SRA only" Rule**

73. In line with good practice **the Panel recommends that the allowances schemes for both Councils continues to prohibits the receipt of more than 1 SRA regardless of the number of remunerated posts a Member may hold.**

#### **Other Allowances – The Co-optees' Allowances**

##### **Co-optees on the Thurrock Standards and Audit Committee & Southend Audit Committee**

74. Thurrock continues to appoint 3 Co-optees on its merged Standard and Audit Committee, each eligible for a Co-optees Allowance of £1,084. Southend pays the same Co-optees Allowance to its single co-optee on its Audit Committee.

75. As the remit of these co-optees includes the Audit function which requires a degree of financial knowledge the Panel has decided to maintain this allowance at the current level, set at 12.5% of the Basic Allowance.
76. **The Panel recommends that the Co-optees' Allowance for the ordinary Co-optees on the Thurrock Standards and Audit Committee and Southend Audit Committee remains unaltered at £1,084.**

### **Statutory Co-optees on the Scrutiny Committees**

77. The Panel notes that the Co-optees on the relevant Scrutiny Committees for Southend and Thurrock are all eligible for a Co-optees Allowance. In Southend the level payable is £260 whereas in Thurrock it is £1,286. The Panel decided that the statutory Co-optees should be entitled to a small annual Co-optees Allowance that is an honorarium for their service and the level payable in Southend is the appropriate one.
78. **The Panel recommends that both Southend and Thurrock pay an annual Co-optees Allowance of £260 (set at 3% of the Basic Allowance) to their statutory Co-optees on Scrutiny.**

### **The Civic Allowance for the Mayors and Deputy Mayors**

79. While the Civic Allowance is outside the remit of the Joint Panel as it is an allowance payable under s3(5), and s5(4), of the *Local Government Act 1972* rather than arising from the *Local Government Act 2000*. The 1972 Act permits a principal council to pay the chair and vice chair of a council an allowance which it thinks reasonable for the purpose of meeting the expenses of those offices.
80. However in the interests of transparency both councils continue to seek independent advice from the Joint Panel on the appropriate Civic Allowance for their respective Mayors and Deputy Mayors who receive £13,009 and £3,035 in Southend and £13,006 and £3,048 in Thurrock. Out of this allowance they have to meet their own day to day expenses that invariably arise from representing their respective councils at public and other events they have to attend.
81. Benchmarking is of little value in this case as the full picture on allowances received by Civic Heads in the comparator councils cannot be obtained. For instance, five of the comparator councils do not include any payment of allowances for their civic heads in their allowances schemes. This does not mean they do not get a civic allowance. The likelihood is that they do but there is no formal requirement to publish such a payment in a members' allowances scheme. Another five comparator councils publish a figure that they confirm the allowances payable are Civic Allowances, the remaining three councils state that the published allowance payable to their civic heads

is an SRA. This may or may not be the case as it is often mislabelled as SRA when in fact it is a civic allowance. Moreover, even if an SRA as stated there is no way to know whether they also get a Civic Allowance in addition.

82. Representation was received to adjust the Civic Allowance by paying more to the Deputy Mayor when the latter is required to stand in more than usual. The Panel felt that this was more a work load issue and is not making any recommendation in this regard.
83. Furthermore, the Panel received no evidence that the current Civic Allowance paid to the Mayors and Deputy Mayors of Southend and Thurrock Councils required revision.
84. **The Panel recommends that the current Civic Allowance paid to the Mayor and Deputy Mayor of Southend and Thurrock is unaltered.**

#### **The Dependants' Carers' Allowance (DCA)**

85. No representation was received to suggest that the scope and level of reimbursements claimable under the Dependants' Carers' Allowances needed revising.
86. **The Panel recommends that the current scope and level of reimbursements payable under the Dependants' Carers' Allowance are unaltered.**

#### **Subsistence Allowances**

87. No issues were raised regarding the Subsistence Allowances. **The Panel recommends that the scope and level of Subsistence Allowances are unaltered.**

#### **Travelling Allowances:**

88. Two issues emerged regarding Travelling Allowances. First, both the Southend and Thurrock schemes do not reflect the full range of HMRC mileages rates. **The Panel recommends that the both the Southend and Thurrock Members' Allowances schemes are (amended to clarify that the 'Mileage Allowances' are specified as follows:**

The HMRC Mileage Approved Payments (MAPS) are:

<b>Mode of Transport</b>	<b>First 10,000 miles in year</b>	<b>Additional miles</b>
<b>Cars and vans</b>	45p	25p
<b>Motor cycles</b>	24p	24p

<b>Bicycles</b>	20p	20p
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89. Secondly, representation was made that travel and subsistence allowances should not be claimable for Members undertaking an approved duty outside the Council area. The Panel rejected this view as there can be substantial costs involved when attending conferences and seminars outside of the two council areas. **The Panel recommends no other change to the scope and level of Travelling Allowances.**

### **The Independent Person and their new role**

90. Under the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015/881 the Independent Person, appointed under the *Localism Act 2011* has acquired an additional responsibility. The new regulations replace the statutory protection that required an appointment of a Designated Independent Person (DIP) to investigate any allegation of misconduct against statutory officers. In the place of a DIP process, any decision will now be taken by full council, who must consider any advice, views or recommendations from an independent panel, the conclusions of any investigation into the proposed dismissal, and any representations from the officer concerned.
91. In the case of a proposed disciplinary action against a statutory officer the Council is required to invite independent persons who have been appointed for the purposes of the members' conduct regime under section 28(7) of the Localism Act 2011 to form an independent panel..
92. The Joint Panel was asked to consider the implications of the new regulations on the current remuneration paid to the Councils Independent Persons, which is £1,084 in Southend and £500 in Thurrock. However, it was noted that the Regulations also make a provision limiting the remuneration that they would normally receive as an Independent Person in the conduct regime. Therefore it is not possible to recognise the additional responsibility by increasing the amount currently paid to such persons.
93. **The Panel recommends that the amount payable to the Independent Persons at Southend (£1,084) and Thurrock (£500) is unaltered.**

### **Members' Allowances and variation**

94. There was some representation that felt Members remuneration should bear a greater relationship to input and that not all Members merited their Basic Allowance. The Panel discussed this issue and no evidence was produced that it is a major problem in either Southend or Thurrock. Moreover the Panel is unable to play a role in this regard so it is not making any recommendation regarding variation of allowances based on inputs by Members.



95. There was also a view that the Basic Allowance should be adjusted depending on the level of deprivation in an individual Members' ward. Apart from the problem of identifying how representing a deprived ward may have more impact on a Members' workload than other variables that are present in other Members wards the legislation requires the payment of an equal Basic Allowance to all Members. Thus the Panel cannot make any recommendation in this regard.
96. Another representation felt it was inequitable that some council appointments to outside bodies were remunerated e.g., the Fire Authority, while others, the vast majority, were not. However, the Panel has always made clear that the Basic Allowance and SRAs are intended to recognise that all Members can reasonably expect to be on outside bodies, whether as a council appointee or by virtue of being a Councillor. Where remuneration is received for being on that body it is outside the remit of this Panel.

### **Indexation**

97. **The Panel recommends that the following indices are applied to the remuneration and allowances paid to Members of both Councils:**
- a. **Basic Allowance, SRAs and Co-optees Allowances:**
    - Indexed to the annual percentage salary increase for local government staff (at spinal column 49) to be implemented from the start of the municipal year, rather than financial year, for which year it is applicable.
  - b. **Mileage Allowance:**
    - Adjusted in line with HMRC rates
  - c. **Subsistence Allowances:**
    - The day subsistence allowances and overnight subsistence allowances should be indexed to the same percentage increase that may be applied by the Council to Officer day and overnight subsistence rates.
  - d. **DCA:**
    - **Child Care rates:**
      - Indexed to national minimum wage applicable to the age of the carer

### **Implementation of Recommendations**

98. **The Panel further recommends that both Southend-on-Sea and Thurrock Borough Councils implement the recommendations contained in this report from 1 August 2015. .**

## **Appendix One: Information received by the Joint Panel**

1. Panel's terms of reference
2. Southend-on-Sea Borough Council, Members' Allowances Scheme, 2015-16
3. Thurrock Borough Council, Members' Allowances Scheme, 2015-16
4. Joint Administration Agreement between Independent, Labour, Liberal Democrat and Southend Independence Groups on the Southend-on-Sea Borough Council
5. The Joint Independent Remuneration Panel for Southend-on-Sea Borough Council and Thurrock Borough, Review of Allowances Report, July 2011
6. Southend-on-Sea Borough Council, Schedule 2 - The Constitution and Terms of Reference of Cabinet, Committees, etc May 2015
7. Thurrock Borough Council, The Cabinet and Committees: How the council works and how decisions are made, <https://www.thurrock.gov.uk/how-council-works-and-how-decisions-are-made/how-council-works>
8. Email to Dr Hall, Councillors mean weekly hours by council and whether a post is held, based on 2013 Councillors Census, 20 September 2014
9. Annual Survey of Hourly Earnings (ASHE), Table 7.1a Weekly pay (gross) for all full time employee jobs, UK 2014, Office of National Statistics.
10. The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015, 2015/881.

## **Appendix Two: Members and Officers who met with the Panel**

### **Southend-on-Sea Borough Council:**

#### **Members:**

Cllr J. L. Lamb	Leader of the Opposition (Conservative) Group
Cllr R. Woodley	Leader of the Council, Chairman of the Cabinet (Independent Member)

#### **Officers (Briefings):**

Colin Gamble:	Group Manager (Democratic Services)
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### **Thurrock Borough Council:**

#### **Members:**

Cllr R. Gledhill	Leader of the Opposition (Conservative) Group
Cllr J. Kent:	Leader of the Council and Labour Group Leader

#### **Officers:**

Matthew Boulter	Principal Democratic Services Officer
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## **Appendix Three: Written Submissions Received by the Panel**

### **Southend-on-Sea Borough Council:**

Cllr B. Ayling	Chairman Appeals Committee A and Independent Group Member
Cllr D. Kenyon	Independent Group Member
Cllr C. Nevin	Labour Group Member
Cllr G Longley	Deputy Leader of the Council, Cabinet Member for Enterprise, Tourism & Economic Development and Leader of Liberal Democrat Group

### **Thurrock Borough Council:**

Cllr R. Jones	Chairman of Cleaner, Greener and Safer Overview and Scrutiny Committee, Vice Chairman of Licensing Committee and Deputy Leader UKIP Group
Cllr S. Lilliard	Mayor of Council and Labour Group Member
Cllr B. Rice	Cabinet Member for Adult Social Care and Health and Labour Group Member
Cllr G. Rice	Portfolio Holder for Environment and Labour Group Member

## Appendix Four: Southend and Thurrock CIPFA Near Neighbours - summary of main Allowances payable 2015/16

ALLOWANCE PAYABLE	Thurrock	Southend	Bournemouth	Milton Keynes	Peterborough	Plymouth	Poole	Sefton
Basic Allowance	£8,670	£8,673	£9,291	£9,962	£7,962	£10,368	£9,553	£8,520
Leader's SRA	£30,346	£30,354	£17,652	£29,625	£21,498	£31,102	£22,848	£25,560
Deputy Leader SRA	£15,605	£15,611	£13,239		£16,123	£21,885	£13,709	£17,040
Leader of Opposition SRA	£8,670	£8,673	1,764 + £176 per Group Member	£620 per Group Member	£7,166	£10,368	£4,570 + £50 per Group Member	£4,260
Deputy Leader of Opposition	£2,160	£2,336				£5,184		
Portfolio Holder	£10,830	£10,841	£11,034	£10,753	£14,332	£20,733	£11,424	£17,040
Chair of Scrutiny	£6,503	£6,505	£4,413	£4,500	£7,166	£10,368	£4,570	£4,260
Vice Chair of Scrutiny	£1,301	£1,301	£1,104					
Chair of Planning	£8,663	£8,673	£8,826	£8,132	£7,166	£10,368	£9,139	£8,520
Vice Chair of Planning	£2,165	£2,168	£4,413			£5,184		
Chair of Licensing	£5,192	£5,204	£8,826	£8,132	£7,166	£10,368	£4,480	£8,520
Vice Chair of Licensing	£4,781	£4,770	£4,413					
Chair of Audit	£2,159	£2,168	£4,413	£5,422	£7,166	£5,184		£4,260
Vice-Chair of Audit			£1,104					
Chair of Standards		£2,168	£4,413	£2,962			£1,371	
Vice-Chair of standards		£1,301	£3,309					
Co-optee (Standards)	£1,084	£1,084		£640			£505	
Co-optee (Education)	£1,286	£260	£929	£640				
Co-optee (Other)	£1,084	£1,084	£929	£640	£1,000		£907	
Mayor	£13,006	£13,009		£10,647	£12,000	£14,402		£12,780
Deputy Mayor	£3,048	£3,035		£5,324	£3,600	£4,754		
Any other notes	Indicates paid as civic allowance			Figures in red indicate paid as a Co-optees' Allowance				

Stockton	Swindon	Telford	Trafford	Warrington	Wirral	Mean	Thurrock	Southend	ALLOWANCE PAYABLE
£9,300	£7,710	£7,870	£6,491	£7,911	£8,712	<b>£8,729</b>	<b>£8,670</b>	<b>£8,673</b>	Basic Allowance
£25,000	£19,674	£23,768	£35,559	£20,015	£22,927	<b>£24,978</b>	<b>£30,346</b>	<b>£30,354</b>	Leader's SRA
£13,750	£11,699	£15,898	£18,176	£15,012	£11,463	<b>£15,351</b>	<b>£15,605</b>	<b>£15,611</b>	Deputy Leader SRA
£5,000	£4,670	£9,837	£12,983	£8,506	£13,756	<b>£8,539</b>	<b>£8,670</b>	<b>£8,673</b>	Leader of Opposition SRA
					£6,878	<b>£6,031</b>	<b>£2,160</b>	<b>£2,336</b>	Deputy Leader of Opposition SRA
£11,250	£9,837	£11,805	£12,983	£10,008	£9,171	<b>£12,701</b>	<b>£10,830</b>	<b>£10,841</b>	Portfolio Holder
£6,250	£4,930	£7,139	£7,788	£8,506	£4,585	<b>£6,182</b>	<b>£6,503</b>	<b>£6,505</b>	Chair of Scrutiny
£3,125			£3,894	£2,002		<b>£2,531</b>	<b>£1,301</b>	<b>£1,301</b>	Vice Chair of Scrutiny
£6,250	£6,381	£7,870	£10,387	£8,506	£4,585	<b>£8,030</b>	<b>£8,663</b>	<b>£8,673</b>	Chair of Planning
£3,125			£3,894	£2,002		<b>£3,724</b>	<b>£2,165</b>	<b>£2,168</b>	Vice Chair of Planning
£6,250	£4,253	£7,870	£10,387	£8,506	£4,585	<b>£7,508</b>	<b>£5,192</b>	<b>£5,204</b>	Chair of Licensing
£3,125			£3,894			<b>£3,811</b>	<b>£4,781</b>	<b>£4,770</b>	Vice Chair of Licensing
£6,250	£4,253	£7,870	£7,788	£8,506		<b>£6,092</b>	<b>£2,159</b>	<b>£2,168</b>	Chair of Audit
£3,125			£3,894		£4,585	<b>£3,177</b>			Vice-Chair of Audit
	£4,253	£3,935	£2,295	£2,002		<b>£2,801</b>		<b>£2,168</b>	Chair of Standards
					£1,375	<b>£2,342</b>		<b>£1,301</b>	Vice-Chair of standards
	£1,000		£766			<b>£700</b>	<b>£1,084</b>	<b>£1,084</b>	Co-optee (Standards)
						<b>£785</b>	<b>£1,286</b>	<b>£260</b>	Co-optee (Education)
£650			£1,147			<b>£795</b>	<b>£1,084</b>	<b>£1,084</b>	Co-optee (Other)
<b>£15,625</b>	<b>£10,000</b>			£10,700		<b>£12,130</b>	<b>£13,006</b>	<b>£13,009</b>	Mayor
<b>£4,910</b>	<b>£3,500</b>			£1,500		<b>£3,481</b>	<b>£3,048</b>	<b>£3,035</b>	Deputy Mayor
	Lic Mbrs paid		Lic Subs Mbrs paid	T&S Lump Sum					Any other notes