

Southend-on-Sea Borough Council

Report of Strategic Director (Legal and Democratic Services)

To

Council

On

18th July 2019

Report prepared by: Colin Gamble
Head of Democratic Services

Agenda Item No.

Review of Members' Allowances

Part 1 (Public Agenda Item)

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 2019-2023 at [Appendix 2](#):

- 2.1 That the Basic Allowance be set at £9,200 (rounded down from £9,204 so that the allowance payable for both Southend and Thurrock Councils is aligned).
- 2.2 That the Special Responsibility Allowances (SRAs) summarised in paragraph 31 of the JIPR report and the revised SRAs set out in paragraphs 32-40 of the report, be approved.
- 2.3 That the existing practice of not paying an SRA to Chairs of Working Parties, Panels and Task Forces, be reaffirmed.
- 2.4 That the existing practice of not paying an “Acting-Up” allowance to councillors chairing committee meetings in the absence of the Chair or Vice-Chair, be reaffirmed.
- 2.5 That the allowance payable to the Independent Persons (paragraphs 49-52 of the JIRP report), be approved

- 2.6 That, subject to the Members' Allowances Scheme clarifying (in line with advice issued by the Office for Low Emission Vehicles), that electric/hybrid vehicles are to be treated in the same way as petrol and diesel cars for the purposes of the payment of mileage allowances, the existing provisions in the Members' Allowances Scheme with regard to travelling and subsistence allowances, be reaffirmed.
- 2.7 That subject to the Basic "Sitters" allowance being linked to the National Living Wage, the existing provisions in the Members' Allowances Scheme with regard to the Defendants' Carers' allowance, be reaffirmed.
- 2.8 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 to the annual percentage salary increase for local government staff (at spinal point 49) to be implemented from the start of the municipal year, rather than the financial year, for which year it is applicable.
 - (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 linked to the National Living Wage.

- 2.9 That the existing Members' Allowances Scheme be revoked and that the new Members' Allowances Scheme 2019-2023, as set out in Appendix 2 to this report, be approved and implemented on 1st August 2019.

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 five occasions in June 2007, June 2010, June 2011, June 2015 and June 2019.
- 3.3 On 24th and 25th June 2019, the JIRP met to undertake a review of the Members' Allowances Scheme 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 of the review were as follows:

- (a) The amount of Basic Allowance that should be payable to elected Members and the expenses it should include.
 - (b) The responsibilities or duties which should lead to the payment of a Special Responsibility Allowance and as to the amount of such an allowance.
 - (c) Those Co-optees who should receive a Co-optees' Allowance and as to the amount of such an allowance.
 - (d) The duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance
 - (e) As to whether Dependants' Carers' Allowance should be payable to Members, and as to the amount of such an allowance
 - (f) As to whether adjustments to the level of allowances may be determined according to an index and, if so, which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed.
 - (g) The implementation date for the new Schemes of Members' allowances and as to whether, in the event that the schemes are amended, any such amendments should be backdated to the beginning of the municipal year.
- 3.4 In reviewing the Members' Allowances Scheme, the JIRP had regard to statutory guidance in relation to allowances, the previous report of the JIRP and the results of a benchmarking exercise. The JIRP also heard evidence from Councillors Gilbert and Aylen. In addition, the JIRP took into account the written representations made by Councillors Ayling, Beck, Gilbert and Walker. The report of the JIRP is attached at [Appendix 1](#).
- 3.5 The revised Members' Allowances Scheme 2019-2023 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 11th 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 19th July 2012.

5. 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 the Southend 2050 Road Map

Becoming an excellent and high performing organisation

6.2 Financial Implications

The implementation of the recommendations of the JIRP would result in a small annual saving of around £5,000.

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.

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 2019-2023