

Report to: **Governance Committee**

Date: **30 September 2021**

By: **Assistant Chief Executive**

Title of report: **Review of Members' Allowances**

Purpose of report: **To consider the proposals recommended by the Independent Remuneration Panel**

RECOMMENDATIONS

The Governance Committee is recommended to recommend the County Council to approve the recommendations of the Independent Remuneration Panel as set out in their report and that the Scheme of Allowances be amended accordingly.

1. Background Information

1.1 The Independent Remuneration Panel is required, by the Local Authorities (Members' Allowances) (England) Regulations 2003, to make recommendations to the Council on allowances paid to Councillors. In 2017, the Council agreed that the Panel be asked to review the Scheme every 4 years in accordance with the Regulations unless the Assistant Chief Executive considers that there is a change in circumstances that justifies an earlier review or a request is received from a Group Leader.

1.2 The Independent Remuneration Panel was appointed by the Governance Committee in April 2019 and consists of three members, Daphne Bagshawe, Duncan Keir and Fiona Leathers.

1.3 As part of their review the Independent Remuneration Panel took into account information provided including comparative information from other County Authorities.

1.4 In order to capture the views of Members, all councillors were contacted regarding the review of the Scheme of Allowances and given an opportunity to submit written representations and/or to make representations in person to the Panel. A summary of the written comments received is attached to the Panel report.

1.5 A copy of the Independent Remuneration Panel report is attached at Appendix 1. The current Members' Allowances Scheme is set out in Part 6 of the Constitution.

1.6 The Independent Remuneration Panel is required to review allowances based on the facts and information provided to it. The Governance Committee is asked to make recommendations to the County Council on whether to accept, reject or modify the recommendations. Councillors are required to give due consideration to the recommendations of the Panel but are not bound by them.

2. Summary of findings

2.1 The Regulations allow for the Members' Allowances Scheme to make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority. 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. For the last four years the allowances have been indexed to the percentage increase in the salaries of managers who are on locally negotiated pay. The Independent Remuneration Panel recommend that this continues for 2021/22.

2.2 The Panel also recommends that a further review of the Scheme of Allowances for 2022/23 be undertaken in early 2022 and as part of the review, the Panel will make a recommendation as to whether an index should be used for that year and, if so, what the index should be.

2.3 In addition to Basic Allowance and Special Responsibility Allowances (SRA), the Panel considered other aspects of the allowances scheme including subsistence levels, travel and dependent carer's allowance. The Panel is recommending 2 changes to the Scheme:

- a) The dependent carer's allowance should be increased from £10 to £15 per hour. The Panel were mindful that this allowance had not increased for several years and that an increase might encourage a greater cross section of the community to stand as candidates at future elections.
- b) The Panel is also recommending that anyone co-opted to a County Council committee, Panel or other body should be able to claim dependent carer's allowance for the actual cost up to £15 per hour.

2.4 In summary, the Panel are recommending:

- a) The continued use of an index to allow for annual increases in basic and special responsibility allowances for 2021/22
- b) The Panel review the Scheme of Allowances in early 2022 for 2022/23 and in doing so will make a recommendation as to whether an index should be used for that year and, if so, what the index should be
- c) The basic allowance should remain unchanged
- d) The SRA payable to the Leader of the Council should remain unchanged
- e) The SRA for the Deputy Leader and other Cabinet members should remain unchanged
- f) The SRA for Chairs of Scrutiny Committees, the Audit Committee, Pension Committee and Planning Committee should remain unchanged
- g) The SRA for the Chairman and Vice Chairman of the Council should remain unchanged
- h) All other SRA should remain unchanged
- i) The basic mileage rate and supplement for passengers should remain at 45p and 10p per mile respectively and that the bicycle allowance remain at 20p per mile
- j) The dependent carers allowance should be increased to the actual cost up to £15 per hour
- k) Co-optees should continue to be able to claim mileage for travel to meetings and be able to claim dependent carer's allowance

2.5 The Independent Remuneration Panel recommends that all changes to allowances are effective from 10 May 2021.

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Local Members: All
Background Docs: none