

East Sussex County Council
Report to the Independent Remuneration Panel 2021

1. Background

1.1 The Independent Remuneration Panel (IRP) is required, by the Local Authorities (Members' Allowances) (England) Regulations 2003, to make recommendations to the Council on allowances paid to Councillors. In March 2013, 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. The Panel must produce a report making recommendations on:

- (a) the responsibilities or duties in respect of which the following should be available:
 - (i) Special Responsibility Allowances (SRA);
 - (ii) travelling and subsistence allowance; and
 - (iii) co-optees' allowance;
- (b) the amount of such allowances and as to the amount of basic allowance;
- (c) whether dependants' carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;
- (d) whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulation 10(6);
- (e) 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.

1.2 The last full review of the ESCC Member Allowances Scheme was in 2017, although the Council agreed in July 2020 a recommendation from the IRP that a Special Responsibility Allowance should be payable to the Chair of the Pension Committee. Since 2017 the scheme allowances have risen annually in line with those of the Local Managers Pay (LMG).

1.3 Legislation requires that the index used for the purpose of annual adjustment of allowances must be reviewed after a maximum period of four years. As the scheme of allowances has not been reviewed for the same period, the Panel is asked to refresh the entire scheme. Since the review of the scheme undertaken in 2017 there has been a change to the scrutiny structure of the Council. In summary, the Council moved from a structure in which there were 5 scrutiny committees to structure in which there were 3 scrutiny committees and an Audit Committee. As part of its deliberations, the Panel has considered the report in which these changes were proposed in order to understand the impact of the changes to the structure.

2. The principles of the East Sussex scheme

2.1 The Panel has previously used the following principles when framing its recommendations:

- The review should take into account the value of the work undertaken by Members of the County Council and of the functions carried out by the Council.

- The system of allowances should acknowledge that public service, rather than material reward, should remain the primary motivation for involvement in local government.
- The scheme should be fair in terms of relevant comparisons with other public bodies.
- The system for the payment of Members' allowances should be simple to understand and administer.
- The scheme for Members' allowances should take into account the desirability of attracting people to take part in local government who reflect the population of East Sussex.
- The scheme should have regard to statutory guidance and relevant comparative information including local wage rates.
- SRAs should only be paid to reflect significant and exceptional additional work.

2.2 The Panel agreed that these principles should continue to be used when considering the Members' Allowances Scheme.

3. The review process

3.1 The Panel met during 2021 to review and consider information relevant to the review. 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. A summary of the written representations received is attached at Appendix 1.

3.2 The Panel is required to review allowances based on the facts and information provided to it. Although the Panel is not required to take into account the financial position of the County Council it was mindful of this factor and the impact of coronavirus. It is for County Councillors to decide whether to accept, reject or modify the Panel's recommendations in the light of current budgetary constraints.

4. The Scheme of Allowances

4.1 Annual increments for all allowances

The Panel has previously agreed that the all Member allowances rise incrementally each year in line with increases awarded to ESCC LMG managers. Over the last six years, these have been:

Year	Percentage increase in ESCC LMG salaries
2021/2022	Not yet agreed
2020/2021	2.75%
2019/2020	2%
2018/2019	2%
2017/2018	1%
2016/2017	1%

4.2 Having reviewed the position the Panel see no reason to change the provision for annual increments for 2021/22 but wish to review the scheme of allowances for 2022/23 in early 2022 and as part of the review, consider whether an index should be used and if so which index. The Panel recommends that:

- **The basic and special responsibility allowances be adjusted in 2021/22 in line with the Local Manager Group pay award (once agreed)**
- **The Panel reviews the scheme of allowances in early 2022 for 2022/23. 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**

5. Basic Allowance

5.1 The Panel considered all statements presented and compared the allowance with other similar county authorities. These included neighbouring authorities and those of a similar size.

5.2 The basic allowance for these authorities at the time of the Panel's report being finalised was as follows:

County Council (in order of population size)	Basic Allowance (no. of cllrs)
Kent	£15,406 (80)
Essex	£12,000 (75)
Hampshire	£12,489 (78)
Surrey	£12,748 (81)
West Sussex	£12,202 (70)
Oxfordshire	£11,013 (63)
Cambridgeshire	£10,315 (61)
East Sussex	£13,149 (50)

5.3 This table shows that the East Sussex County Council basic allowance is comparable with other authorities and at the current time the Panel is not proposing any increase to the basic allowance.

5.4 The Panel recommends that the basic allowance remains at £13,149 for 2021/22 (subject to any change arising from the index link to the LMG pay award for this year)

6. Special Responsibility Allowances (SRAs)

6.1 In reviewing the SRAs the Panel considered representations that had been made and was mindful of the principle that SRAs should only be paid to reflect significant and exceptional additional work.

6.2 SRAs are currently paid in respect of the following roles:

Role	No.	Amount (per councillor)
Leader	1	£36,817
Deputy Leader	1	£18,792
Other Cabinet Members	5	£16,107
Scrutiny Chairs	3	£6,711
Chair of Planning Committee	1	£6,711
Chair of Pension Committee	1	£6,711
Chair of the Audit Committee	1	£6,711
Chairman of the County Council	1	£13,420
Vice-Chairman of the County Council	1	£5,374
Leader of the largest Opposition Group	1	£13,420
Deputy Leader of the largest Opposition Group	1	£3,487
Leader of the second largest Opposition Group	2	£5,374 in total £2,687 for each co-leader
Chairs of Scrutiny Review Boards		£1,341

6.2 **Having reviewed the various SRAs, the Panel recommends that all SRAs remain unchanged and that no additional SRA is payable for other work/roles.**

7. Travel and subsistence

7.1 The basic mileage rate (45p per mile) reflects the rate recommended by the Inland Revenue. The current scheme also allows for an additional payment of 10p per mile for each passenger carried to encourage car sharing and to reduce pressure on parking. The scheme also includes a bicycle allowance of 20p per mile.

7.2 **The Panel recommends that the basic mileage rate and supplement for passengers remain at 45p and 10p per mile respectively and that the bicycle allowance remain at 20p per mile. The Panel also recommends that the subsistence rates remain unchanged.**

8. Dependent carer's allowance

8.1 The Scheme allows for payment of a dependent carer's allowance of the actual cost up to a maximum of £10 per hour. The Panel agreed that this should be reviewed it has not increased since 2009. An increase in this allowance may encourage residents of East Sussex to take a role in Local Government. The Panel considered that the allowances payable for dependent carers should be increased.

8.2 The Panel recommends that the dependent carer's allowance should be amended to the actual cost up to £15 per hour and that co-optees also be eligible to claim this allowance.

9. Co-optees' Allowance

9.1 The Panel noted that co-optees are currently able to claim mileage for their travel to meetings of their respective bodies or to boards when appointed. The Panel recommends that **this remain unchanged but that the scheme be amended to enable co-optees to claim for dependent carer's allowance for the actual cost up to £15 per hour.**

10. Other issues

Maternity and Paternity Leave

10.1 The Panel welcomed the fact that a report on a Maternity and Paternity Leave Policy for councillors was to be submitted to the Council's Governance Committee on 30 September 2021.

Representation on the Council

10.2 The Panel recommends that the political groups and the Council be proactive in encouraging a greater cross section of the community to stand for election in order to increase the diversity of councillors on the Council. It was noted that the basic allowance had increased by nearly 9% in 2017, partly with the intention of encouraging a greater cross section of the community to stand for election. In relation to a consultation/survey with under represented groups on the council - as suggested by a councillor, the Panel concluded that it might be more appropriate for political groups to consider this issue and any impact the increase in basic allowance in 2017 had had on candidates standing in the 2021 council elections.

Conclusion

The Panel would like to thank the councillors for their contributions and views in assisting the Panel to reach its decisions.

Fiona Leathers (Chair of the Panel)
Daphne Bagshawe
Duncan Keir

APPENDIX 1

My only comment is that I see no justification for any increase in present circumstances.

No need for changes .

I would like to speak

Thanks for giving me the chance to make my views known about the Allowances. Is this in relation to the pay we receive every month? If it is, then I would recommend that a consultation be conducted with young people, people of colour and women in our communities – as they are under-represented in the Council. It would be useful to know whether the pay that is provided is a factor, and also what the other factors are that limit representation. I know that there is a limitation in terms of candidates. But young people may take up the opportunity more if they considered this as a proper job. Many would be unable to take this kind of role while starting out in their career, and would not be able to sustain themselves with the pay alone. I am sure financial hardship plays a part.