

<b>Signed off by</b>	Head of Legal and Governance
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<b>To</b>	Council
<b>Date</b>	Thursday, 29 July 2021

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Report of the Independent Remuneration Panel on Members Allowances for 2021/22.
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<b>Recommendations</b>
<ol style="list-style-type: none"> <li>1. That Recommendations 1 to 22, listed on pages 3 and 4 of the Independent Remuneration Panel (IRP) report (Annex 1), be adopted.</li> <li>2. That the Interim Head of Paid Service be authorised to make any necessary changes to the Members' Allowance Scheme for 2021/22 (approved under Recommendation 1 above) arising from any amendment or non-adoption of the IRP's recommendations.</li> <li>3. That the effective date of any changes for all allowances, except for the Mayor's and Deputy Mayor's allowances, is 1 April 2021, and that the effective date of any changes relating to the Mayor and Deputy Mayor's allowances is 28 May 2021.</li> <li>4. That the IRP be thanked for its report.</li> </ol>
<b>Reasons for Recommendations</b>
<p>These recommendations comply with the requirements of the Local Government Act 2000 and government guidance for the Council to have a Members' Allowances Scheme recommended by an Independent Remuneration Panel. The recommendations of the IRP are considered to support the objectives for the Council's Members Allowances Scheme of allowing people to consider becoming an elected Member without risk of undue financial hardship, and of allowing existing councillors to fulfil their role to the best of their ability.</p>

## **Executive Summary**

This report sets out proposals on the Members Allowances Scheme for 2021/22 following a review by the Council's Independent Remuneration Panel. The IRP's report contains 22 recommendations for Council to consider, as detailed on pages 3 and 4 of Annex 1. Page 11 sets out the budgetary implications for 2021/22 of the recommendations. The IRP recommend that adopted changes apply from 1 April 2021, with applicable elements applied retrospectively back to this date, apart from changes to the Mayor's and Deputy Mayor's Allowances, which would apply from the day after Annual Council (28 May 2021).

**Council has authority to approve the above recommendations.**

## **Statutory Powers**

1. In accordance with the Local Government Act 2000 and guidance from the government, the Council is required to have a Members Allowances Scheme recommended by its Independent Remuneration Panel (IRP). The IRP has undertaken a review of the Authority's Members' Allowances and its report is attached at Annex 1.
2. The IRP's report on the outcome of its review (with a range of recommendations) has undergone initial consideration by the Council's Management Team and the Leader of the Council and is now before the Council to consider.
3. Under the Constitution, this issue is reserved for full Council. This means that it has not previously been the subject of debate by any other decision-making body.

## **Key Information**

### **Report of the IRP**

4. The Report of the IRP contains 22 recommendations. These relate to the following matters:
  - Introducing a 4-year cycle of full reviews of the members allowances scheme and basing approved increases in allowances on the annual increase in the Consumer Price Index (CPI) in January each year
  - The following changes to the Scheme:
    - Introduction of a Special Responsibility Allowance for the Vice Chair of the Overview & Scrutiny Committee
    - Removal of part of the Mayor's SRA from the Members Allowance to the Mayoralty Budget applicable from the date of the appointment of the Mayor for 2021/22 and thereafter
    - Removal of the Deputy Mayors SRA from Members' Allowances to the Mayoralty Budget applicable from the date of the appointment of the Mayor for 2021/22 and thereafter
    - Clarification of the arrangements for Maternity, Paternity and Adoptive Parents leave
  - Some administrative adjustments to the scheme

- The programme of work for the Panel over the next three years

### **Members' Allowances Scheme for 2021/22**

5. Should Council agree to adopt, or amend and adopt, any of the IRP's recommendations, then the Members Allowances Scheme will need to be amended. Delegation on this matter to the Interim Head of Paid Service is proposed (Recommendation 2 of this report).

### **Legal Implications**

6. The Local Government Act 2000 requires each local authority to establish and maintain an Independent Remuneration Panel for the purpose of considering a scheme for the payment of Members' Allowances.

### **Financial Implications**

7. The cost of the proposed scheme cannot be stated with complete certainty. Some Members, for personal reasons, choose not to claim allowances to which they are entitled.
8. The Council's revenue budget for 2021/22 includes a budget of £428,700 for Member Allowances and Support. Based on the proposals set out in this report, it is anticipated that £391,217 of this will represent spending on Members' basic allowances and mayoral and special responsibility allowances, as detailed on page 11 of the IRP's report.
9. There will also be some costs resulting from travel and subsistence or other secondary allowances. A budget allowance has been made for these, which have historically been claimed at a relatively low rate, and are not expected to present a significant budgetary pressure. In the event that they exceed projections, this may lead to a low level of overspend in 2021/22, which it is expected could be accommodated if necessary.
10. Any overspend, or underspend, will be considered as part of the service & financial planning process for 2022/23, with an awareness of the impact of measures relating to COVID-19 which may have influenced behaviour and costs during the year.

### **Equalities Implications**

11. The Council is asked to have regard to their duties under the Equality Act 2010. This requires the Council to have due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited under the Act;
  - Advance equality of opportunity between people who share a protected characteristic and those who do not;
  - Foster good relations between people who share a protected characteristic and those who do not.

12. The Panel considered these duties in relation to the nine protected characteristics (age; disability; gender reassignment; marriage/civil partnership status; pregnancy and maternity; race; religion; sex; and sexual orientation).
13. During the review, it was highlighted that the role of a Councillor was not a salaried one. However, the payment of allowances is generally expected to allow and encourage people from the widest possible range of backgrounds to serve as councillors. The Panel considered how their recommendations to the Scheme would enable all persons to be able to serve as a Councillor.

### **Communication Implications**

14. The Local Authorities' (Members' Allowances) (Miscellaneous Provisions) Regulations place certain duties on local authorities in connection with publicising the recommendations made by their Independent Remuneration Panel, their scheme of allowances and the actual allowances paid to Members in any given year
15. The Regulations require that as soon as reasonably practicable after receiving a report, setting out the IRP's recommendations, local authorities must ensure copies of the report are available for inspection at their principal office. Local authorities must also publish a notice giving details of the availability of the report and the Panel's recommendations. Local authorities are also required to repeat this process as soon as reasonably practicable after determining a scheme of allowances.
16. The Guidance states that all of these publicity requirements are statutory minimum requirements, and that local authorities should publicise more widely the report from their Panel, their scheme of allowances and the sums paid to each Member.

### **Risk Management Considerations**

17. The determination of allowances is a sensitive subject both from the perspective of Councillors themselves and the public who elect them. In view of this it is important that any scheme adopted is objectively reasonable and based upon a logical and fair mechanism.

### **Consultation**

18. Appendix 2 of the IRP Report details the consultation methodology by the IRP in the forming of its recommendations.