



**Reigate & Banstead**  
**BOROUGH COUNCIL**  
Banstead | Horley | Redhill | Reigate

<b>SIGNED OFF BY</b>	Head of Legal and Governance
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<b>TO</b>	Council
<b>DATE</b>	Thursday, 30 July 2020

<b>KEY DECISION REQUIRED</b>	N
<b>WARDS AFFECTED</b>	(All Wards);
<b>SUBJECT</b>	Report of the Council's IRP on Members' Allowances for 2020/21

<b>RECOMMENDATIONS</b>
<ol style="list-style-type: none"><li>1. That Recommendations (1) to (12) of the Independent Remuneration Panel (IRP) be adopted;</li><li>2. That the Council determine its response to Recommendation (11) of the report of the IRP that asks Council to consider whether it would like the Panel to undertake any further work for their next review;</li><li>3. That the Chief Executive be authorised to make any necessary changes to the Members' Allowances Scheme for 2020/21 (approved under Recommendation 1 of this report above) arising from any amendment or non-adoption of the IRP's recommendations on Allowances;</li><li>4. That the payment to IRP members for producing this report be increased, in line with the general principle of adopting the January 2020 CPI (1.8%), from £563.20 to £573.34, in accordance with the general principle of the approach agreed by Council in December 2018.</li><li>5. That the IRP be thanked for its report.</li><li>6. That the Council agree to recruit two IRP Members for a three year period.</li></ol>
<b>REASONS FOR RECOMMENDATIONS</b>
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.

## **SUMMARY**

This report sets out proposals on the Members Allowances Scheme for 2020/21 following a review by the Council's Independent Remuneration Panel. The IRP's report contains 12 recommendations for Council to consider, as detailed in paragraph 4 of this report. Arising from the Recommendations, the report sets out the budgetary implications for 2020/21 and a Members' Allowances Scheme to apply from 1 April 2020, with applicable elements applied retrospectively back to this date.

## **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 accordingly 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 Chief Executive and Leader of the Council and is now before the Council to consider. The IRP report has also been made available to all Members.
3. Members will be aware that, 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 IRP's report on Member's Allowances for 2020/21 contains 12 recommendations. These relate to the following matters:
  - General Principles – Recommendation (1) – Sections 13-17.
  - The Role of Elected Members – Recommendations (2), (3) and (4) – sections 24-28.
  - Recruitment and Retention of Councillors – Recommendation (5) – sections 29-33.
  - The Basic Allowance – Recommendation (6) – sections 34-44.
  - Special Responsibility Allowances – Recommendations (7a), (7b) and (7c) – sections 47-77.
  - Mayoral and Deputy Mayoral Allowances – Recommendation (8) – sections 78-84.
  - Travel and Subsistence Allowances – Recommendation (9) – sections 85-89.
  - Dependants' Carers' Allowance – Recommendation (10) – sections 90-95.

- Future Reviews – Recommendation (11) – sections 98-101.
- Members’ Allowances Scheme 2020/21 – Recommendation (12) – section 102.

**Members’ Allowances Scheme for 2020/21**

5. Based on the recommendations of the IRP, Officers have prepared a Members’ Allowances Scheme for 2020/21 and this is set out in Annex D to the IRP report. Should Council amend or not adopt any of the IRP’s recommendations, then the proposed scheme will need to be suitably amended. Delegation on this matter to the Chief Executive is proposed (Recommendation 3).

**Appointments to the IRP**

6. To conduct a review of Members’ Allowances, the Council’s IRP must comprise at least three members. The membership for 2019/20 was Mr Colin Woods, Ms Tracey Jessup, Ms Farah Stehrenberger and Mr Paul Whitehouse.
7. Of these panel members, Mr Woods, Ms Jessup and Mr Whitehouse have now served as panel members for the recommended duration and are therefore due to retire from the panel this year. Ms Stehrenberger was appointed for a three year period from 2019/20 and is therefore expected to remain as a member of the panel until the completion of the 2022/23 review.
8. To support the operation of the panel for forthcoming reviews, there Council will therefore need to recruit two additional Independent Remuneration Panel Members. It is therefore recommended that the Council agree to recruit two IRP Members for a period of three years from point of appointment, to support the operation of the panel during that period.

**Payment to IRP Members**

9. When the Council first established its IRP it was agreed that its members should be paid £500 per report produced for the Authority. This was increased to £550 in 2009/10 to maintain the general level of remuneration originally intended.
10. For 2018/19, a revised payment of £563.20 (an increase of £13.20) was agreed, in line with the general principle of an increase in line with CPI (2.4%) to ensure Allowances are maintained at a level appropriate to the wider economic landscape.
11. In keeping with the principle of an annual uplift in line with CPI, to maintain the allowance at a consistent real level over time, it is recommended that the allowance for 2019/20 be increased by 1.8% to £573.34, in line with the January 2020 level of CPI.

**LEGAL IMPLICATIONS**

12. 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**

13. 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.

14. Due to the decision to conduct this year's review of the Independent Remuneration Panel later in the year, to allow for additional consideration of the implications of the changes to electoral ward boundaries, it was necessary to agree a budget for the year in advance of the completion of the review. Whilst the budget therefore included an estimated level for the Members' Allowances for the year, it was not possible to fully reflect the recommendations of the panel at that time.
15. The Council's revenue budget for 2020/21 includes a budget of £428,700.00 for Member Allowances and Support. Based on the proposals set out in this report, it is anticipated that £403,737.00 of this will represent spending on Members' basic allowances and mayoral and special responsibility allowances.
16. This figure relates to the Basic; Special Responsibility Allowances and Mayoral Allowances and do not take account of some Members who may choose not to take all or part of their entitled Allowances.
17. 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, which it is expected could be accommodated if necessary. Due to recent circumstances and the necessity of remote meetings, current claims are below usual levels.
18. Including the remaining costs within the £428,700.00 budget, primarily pertaining to training, were this year's total claim on allowances to follow the same pattern as the previous year, there would be an anticipated total overspend of £941.00 in 2020/21. This would represent a less than 0.25% variation relative to the projected budget, and is not considered to represent a significant concern.
19. Any overspend, or underspend, will be considered as part of the budget process for 2021/22, with an awareness of the impact of current measures relating to COVID-19 which may have influenced behaviour and costs during the year.

## **EQUALITIES IMPLICATIONS**

20. 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.
21. 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).
22. 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 paid particular attention to the issue of enabling all persons to be able to serve as a Councillor, and how the allowance scheme may assist this objective.

23. To support these objectives, the Panel's recommendations include an update to the implementation of the Dependant Carer's Allowance to limit any potential disadvantage faced by Members with caring responsibilities, and clarification around the Travel and Subsistence Allowance to make clear that support is also available for those not necessarily able to drive.
24. These issues are dealt with in more detail in sections 85-95 of the IRP's report. The Panel would also welcome any further steps the Council could take to promote equality of opportunity for those considering serving as Councillors.

## **COMMUNICATION IMPLICATIONS**

25. 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.
26. 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.
27. 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**

28. 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**

29. As set out in sections 7 and 8 of the IRP Report, all Members were given an opportunity to complete a questionnaire on the Members' Allowances Scheme 2019/20 and 32 Councillors (71%) chose to do so. Members were also given opportunities to either meet with or submit comments to the Panel on the current Members' Allowances Scheme.
30. The Panel met with and/or otherwise consulted the following Members and Officers to explore any issues regarding Allowances (roles noted as at time of consultation):
  - John Jory, Chief Executive
  - Ben Bix, Governance & Democratic Services Manager

- Councillor K. Foreman, Mayor of Reigate & Banstead
- Councillor M.A. Brunt, Leader of the Council
- Councillor N. Harrison, Chair of the Overview and Scrutiny Committee and Leader of the Residents' Association Group
- Councillor V. Lewanski, Executive Member for Corporate Direction and Governance and Chair of the Employment Committee
- Councillor R., Feeney, Overview and Scrutiny Committee and Licensing and Regulatory Committee Member.