

REPORT TO: FULL COUNCIL

DATE: 7 FEBRUARY 2019

TITLE: REPORT OF THE INDEPENDENT
REMUNERATION PANEL 2018/19

LEAD OFFICER: SIMON HILL, HEAD OF GOVERNANCE
(01279) 446099

RECOMMENDED that:

- A** The Basic Allowance is increased to £4,485 for the 2019/20 financial year, representing a five per cent increase.
- B** All Special Responsibility Allowances in the Councillor's Allowance Scheme (attached as Appendix A to the report) are increased by two per cent for the 2019/20 financial year.

BACKGROUND

- 1. The Council has a duty under the Local Authorities (Members' Allowance) (England) Regulations 2003 to have an Independent Remuneration Panel (IRP). The role of the IRP is to make recommendations as to the level of allowances and expenses for Councillors and co-optees of the Council.
- 2. The IRP met on 5 November 2018 to consider any possible changes to the Scheme for the 2019/20 financial year. At the meeting it considered:
 - a) comparative data on allowance scheme for other councils
 - b) written or verbal statements by the Council's two Group Leaders.

ISSUES/PROPOSALS

- 3. In reviewing the Council's current Scheme, the Panel is aware that there have been no changes to the level of remuneration for a number of years. It has also noted that Council's Basic Allowance and Special Responsibility Allowances (SRAs) are amongst the lowest in Essex.
- 4. The Panel is mindful that remuneration plays a role in the recruitment and retention of Councillors and that low rates of remuneration may deter some residents from standing to be Councillors. The Panel considered the comments by both Group Leaders that people did not become Councillors for the money.
- 5. However, the Panel noted the comments by both Group Leaders that respect for role of Councillor amongst the public is often lacking. The Panel felt that part of

respecting the role was the value that was placed upon the role by means of remuneration. This meant it was difficult to justify either a reduction in actual terms, or a freeze in allowances which would represent a reduction in real terms.

6. The Panel has noted that the Basic Allowance, and the SRAs have not been increased for a number of years. During this time the cost of living has increased and this meant that, in real terms, the Basic Allowance and SRAs had been cut significantly.
7. Both Group Leaders agreed that the average Councillor spends around 10.5 hours a week performing Council duties. If a Councillor worked for this amount of time, the hourly rate for the Basic Allowance was almost identical to the National Living Wage.
8. The Council is accredited by the Living Wage Foundation and pays its staff the Foundation's calculation of the Living Wage. The Panel felt that although Councillors were not employed by the Council, it was reasonable to use this as a starting point when deciding the appropriate level of remuneration.
9. The Basic Allowance when calculated against the Foundation's Living Wage equalled £4,914. The Panel did not feel a 17 per cent increase in the Basic Allowance in one year was appropriate or necessary. Therefore, they recommended the increase was split over three years resulting in a five per cent increase in the next financial year. The subsequent increases would be reviewed as part of the annual review of Councillor Allowances.
10. The Panel did not consider that there was a need for the SRAs to be increased at the same rate as the Basic Allowance, but they noted that there had been no change to the SRAs since 2015/16 when they were reduced by five per cent. It was therefore considered appropriate for all SRAs to be increased by two per cent, in line with the staff pay award.

IMPLICATIONS

Place (Includes Sustainability)

None specific.

Author: Andrew Bramidge, Project Director – Enterprise Zone and Interim Head of Planning

Finance (Includes ICT)

The financial implications of the proposals set out within the report have been calculated and incorporated in to the General Fund Budget for 2019/20 subject to Council approval of the recommendations.

Author: Simon Freeman, Head of Finance and Deputy to the Managing Director

Housing

As outlined in the report.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

None specific.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

As set out within the report.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – Proposed Councillor’s Allowance Scheme 2019/20

Background Papers

None.

Glossary of terms/abbreviations used

IRP – Independent Remuneration Panel

SRA – Special Responsibility Allowance