

## **Governance Committee**

**23 November 2020**

### **Report of the Independent Remuneration Panel**

#### **Report by Director of Law and Assurance**

**Electoral division: Not applicable**

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### **Summary**

As required by law, the Independent Remuneration Panel has reviewed the Members' Allowance Scheme. Its recommendations are attached at Appendix 1 for consideration by the Governance Committee. Appendix 2 shows their impact on the current Scheme.

The County Council on 11 December 2020 must consider the Panel's recommendations. The Committee's role is to consider them and make a recommendation to the Council on whether they should be approved, subject to any amendment, or whether the existing scheme should be retained without change.

### **Recommendations**

- (1) That the Independent Remuneration Panel's report and recommendations be submitted to the Council on 11 December 2020 for approval; and
  - (2) That the Committee considers whether any other recommendations to the County Council should be made in light of the report and recommendations of the Panel.
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### **Proposal**

#### **1 Background and context**

- 1.1 Councillors are able to receive allowances and expenses in recognition of the time they invest and any particular responsibilities they carry.
- 1.2 The Member Allowances Regulations 2003 require all local authorities to have a Members' Allowance Scheme published as part of their Constitution. They also require authorities to maintain Independent Remuneration Panels (IRPs) which should review schemes from time to time and make recommendations to the local authority about its scheme. An IRP must do so around every four years.
- 1.3 The current County Council scheme was approved in 2017 following a full review of roles and responsibilities of members.

## **2 Proposal details**

- 2.1 The IRP has carried out a review of member allowances during 2020. It started work on the basis that the current scheme has been working successfully, so it did not undertake a full evaluation of all roles on this occasion. It interviewed a number of members in different roles and noted several areas for review – particularly the payments to senior advisers and advisers to cabinet members and the payment to minority group leaders.
- 2.2 It also considered the impact of virtual working on members and decision-making process and the environmental impact of this.
- 2.3 The Panel's report, found at Appendix 1, contains recommendations (a) to (s). Appendix 2 sets out the impact of the recommendations on the current Members' Allowances Scheme.
- 2.4 The Committee's attention is drawn to the various recommendations made in relation to the use of virtual technology for meetings and action to encourage more sustainable travel by members (paragraphs 15 to 21) including greater links to climate change policies and greater rigour in discouraging unnecessary travel. The Committee is invited to consider whether and how these should be taken forward.
- 2.5 The Panel makes recommendations in relation to the roles of advisers to cabinet members (paragraphs 35 to 44) and mechanisms for ensuring that the appointments are more thoroughly tested to support the accompanying allowance. The Committee is invited to consider these specific recommendations.
- 2.6 The Panel makes recommendations to change the previously adopted allowance scheme for minority groups to bring the scheme close to those adopted in comparator councils and the Committee is asked to consider whether the proposals are the right ones for recommendation to the County Council.

## **3 Other options considered (and reasons for not proposing)**

- 3.1 Not applicable. These would have been dealt with by the Panel.

## **4 Consultation, engagement and advice**

- 4.1 The IRP has consulted the Chairman and group leaders on its draft recommendations. A range of members in different roles were also interviewed a part of the review by the Panel.

## **5 Finance**

- 5.1 The proposals, if implemented, would be met within the current Member Allowances budget of £1.2m per annum. The Panel recommends that there should be no increase to any allowance from May 2021. Using the current number of members in each role, these recommended allowances result in an overall saving of £12,733 (1.0%).

## 6 Risk implications and mitigations

<b>Risk</b>	<b>Mitigating Action (in place or planned)</b>
That members are seen to approve their own allowances, risking complaints of a conflict of interest. Lack of transparency in use of public funds	The independent nature of the IRP mitigates any reputational risk.  The approval process is all in the public domain.

## 7 Policy alignment and compliance

- 7.1 Relevant considerations in terms of equality impacts have been dealt with in the original design of the scheme and the use of particular allowances.

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### **Background papers**

None