

Report to Council

Wednesday, 6 September 2023

By the Chief Executive

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Interim Report of the Independent Remuneration Panel

Executive Summary

The Council is required to adopt a Members' Allowances Scheme and must have regard to the recommendations of an Independent Remuneration Panel ("IRP") when doing so.

The IRP undertook a full review of Members' Allowances in April 2021 and this report contained a recommendation to undertake an interim review, prior to the next full review, which is required to be undertaken by April 2025.

The IRP has now completed the interim review and its findings and recommendations are set out in the appendix attached to this report.

The existing Scheme of Members' Allowances was last adopted at a Council meeting on 22 February 2023.

Accordingly, councillors are requested to consider the IRP's recommendations.

Recommendations

That the Council is recommended:

- i) To note the report of the IRP and its recommendations which are contained at appendix 1 of this report; and
- ii) To approve the payment of an honorarium, in the sum of £500, to each IRP member in respect of this interim review, and the review completed in February 2023.

Reasons for Recommendations

- i) To note the IRP's recommendations.
- ii) To approve the payment of an honorarium to the members of the IRP.

Background Papers

The IRP report contained in the appendix attached to this report.

Wards affected: (All Wards);

Contact: Jane Eaton, Chief Executive.

Background Information

1 Introduction and Background

- 1.1 The Council is required to adopt a Members' Allowances Scheme setting out the allowances payable to councillors.
- 1.2 The Scheme must set out the level of the Basic Allowance payable to Councillors. In addition, it may provide for the payment of a Special Responsibility Allowance to members holding certain positions within the council structure, for example, committee chairmen and cabinet members. The Scheme may also provide for other allowances such as a Dependent Carers' Allowance and a Travelling and Subsistence Allowance.
- 1.3 The last full review of the Scheme of Members' Allowances was concluded in April 2021. The next full review must be completed by April 2025. This is an interim review, as recommended by the IRP in its 2021 review.

2 Relevant Council policy

- 2.1 To adopt a Scheme of Members' Allowances to ensure statutory compliance. And, to have regard to the IRP's recommendations.

3 Details

- 3.1 When agreeing the level of Members' Allowances, councillors must have regard to the recommendations of the IRP. Councillors can agree either the recommendations of the IRP in full or part, or, devise their own level of Members' Allowances so long as they have had regard to the IRP's recommendations.
- 3.2 Alan Ladley, Martin Loates and Cinzia D'Amico are members of the IRP and have conducted an interim review pursuant to its recommendation to do so in its April 2021 full review.
- 3.3 The IRP's review and recommendations are contained in the appendix to this report and councillors are asked to note the same.
- 3.4 In addition, councillors are asked to approve the payment of an honorarium, in the sum of £500, to each of the IRP members. This honorarium is in consideration of the work undertaken by the IRP for both the February 2023 review and September 2023 interim review.

4 Next Steps

- 4.1 To note the IRP's recommendations.
- 4.2 To approve the payment of an honorarium to each of the members of the IRP.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

5.1 Not applicable.

6 Other Courses of Action Considered but Rejected

6.1 Not noting the IRP's recommendations nor considering the payment of an honorarium for the work undertaken by the IRP. These approaches were considered but rejected as councillors are required to consider the IRP's recommendations and it is considered fair and reasonable that the IRP receives a financial gesture for the work undertaken.

7 Resource Consequences

7.1 No resource consequences as a new scheme has not been recommended by the IRP.

7.2 An annual increase of 4.5% was built into the existing members' allowances scheme when setting the 2023/2024 budget.

7.3 Should the financial position change, pending the final outcome of the awaited staff pay award, we would need to return to Council to request further budget.

8 Legal Considerations and Implications

8.1 The legislative framework for Members' Allowances is contained in the Local Government and Housing Act 1989 ("the 1989 Act"), the Local Government Act 2000 ("the 2000 Act") and the Local Authorities (Members' Allowances) (England) Regulations 2003.

8.2 Local Authorities are required to establish and maintain an IRP (of at least three individuals) which will broadly provide the local authority with advice on its scheme and the value of allowances to be paid. Local Authorities must have regard to this advice.

8.3 Local Authorities must include in their scheme of allowances a basic allowance, payable to all members, and may include provision for the payment of special responsibility allowances and a dependants' carers' allowance.

8.4 Local Authorities can backdate allowances to the beginning of the financial year in which they are paid, subject to the recommendations of the IRP.

8.5 Local Authorities are required, as soon as reasonably practicable, after receiving a report from the IRP which sets out recommendations, to ensure that copies of the report are available for inspection at their principal office at all reasonable hours and publish a notice in at least one newspaper circulating in the area which (i) states the Local Authority has received recommendations about the scheme of allowances, (ii)

states that copies of the report are available for inspection, (iii) states the address of the principal office, and, (iv) describes the features of the IRP's recommendations including the amounts of allowances the IRP has recommended should be payable to elected members.

- 8.6 In addition, as soon as reasonably practicable after determining a scheme of Members' Allowances, Local Authorities must ensure that copies of the scheme are available for inspection at their principal offices at all reasonable hours and publish a notice in at least one newspaper circulating in its area which (i) states that the Local Authority has adopted a scheme of allowances and the period for which that scheme has effect, (ii) states that copies of the scheme are available for inspection, (iii) states the address of the principal office, (iv) describes the main features of the scheme including the amounts payable to elected members under the scheme, (v) states that in determining the scheme the Local Authority had regard to the recommendations of an IRP, and, (vi) describes the main features of the IRP's recommendations including the amounts of allowances the IRP has recommended should be payable to their elected members.

9 Risk Assessment

- 9.1 The Council must have a current approved Members' Allowances Scheme in order for allowances to be claimed by and paid to both elected Members and co-optees. The Council must have regard the IRP's recommendations.

10 Procurement implications

- 10.1 None.

11. Equalities and Human Rights implications / Public Sector Equality Duty

- 11.1 None.

12 Environmental Implications

- 12.1 None.

13 Other Considerations

- 13.1 None.