

Guildford Borough Council

Council Report

Date: 5 December 2023

Ward(s) affected: n/a

Report of Strategic Director: Transformation & Governance

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Report Status: Open

Review of Councillors' Allowances: Report of the Independent Remuneration Panel

1. Executive Summary

- 1.1 The Council appointed an Independent Remuneration Panel (IRP) – jointly with Waverley in October 2022 to review the existing scheme of councillors' allowances and make recommendations for a new scheme. On 2 November 2023, the IRP concluded its review and produced its report and recommendations (attached as **Appendix 1** to this report).
- 1.2 According to legislation, before the Council makes or amends a scheme of councillors' allowances it must have regard to the recommendations made by the IRP. The Council is invited to consider the IRP's recommendations for a new scheme of allowances, together with the recommendations of the Executive, prior to determining whether a new scheme of councillors' allowances should be brought into effect on 1 April 2024.
- 1.3 At its meeting on 23 November, the Executive considered this report and agreed the recommendations to Council as set out in paragraph 2 below. This will be the motion tabled at the Council meeting for debate.

2. Recommendation to Council:

That the Council:

- (1) defers consideration of the report of the Independent Remuneration Panel on the review of councillors' allowances for a period of 12 months;
- (2) retains the current scheme of allowances without indexation, which effectively freezes councillors' allowances at their current level for the 2024-25 financial year; and
- (3) thanks the Independent Remuneration Panel for their work.

3. Reason for Recommendation

- 3.1 In view of the Council's current financial position and the Council's determination to resolve those difficulties, now was not the right time to be increasing councillors' allowances.

4. Exemption from publication

- 4.1. None

5. Purpose of Report

- 5.1 To enable the Council to consider the report and recommendations of the Council's Independent Remuneration Panel (IRP) regarding their recent review of councillors' allowances.

6. Strategic Priorities

- 6.1 The appointment of an independent remuneration panel to review and make recommendations on the scheme of councillors' allowances demonstrates that the Council's work is publicly accountable and presented with openness and transparency.
- 6.2 The delivery of the IRP's review of the scheme of allowances supports the Council's strategic framework by ensuring payments to councillors are reflective of their roles and responsibilities. It will help to ensure allowances are set at a level that facilitates suitably

able, qualified, and representative people standing as candidates for Council (and their retention and development once elected).

7. Background

- 7.1 The current Scheme of Councillors' Allowances, contained within Part 6 of the Constitution, has been operating (with index-linked updates) since April 2020.
- 7.2 In October 2022, the Council complied with the requirements of Section 99 of the Local Government Act 2000 and The Local Authorities (Members' Allowances) (England) Regulations 2003, ("the 2003 Regulations") by appointing an independent remuneration panel, jointly with Waverley, comprising Vivienne Cameron, Dennis Frost and Gordon Manickam. Both councils agreed to appoint two further panel members, and in February 2023, Council formally approved the appointment of Rodney Bates and Paul Marcus to the panel.
- 7.3 The IRP was tasked with reviewing the existing scheme of allowances and making recommendations in respect of a new scheme. This review included the allowances payable to the Mayor and Deputy Mayor of Guildford under separate legislation¹ to meet the expenses of their offices.
- 7.4 The IRP conducted their review between September and October 2023 and have now produced their report and recommendations, a copy of which is attached as **Appendix 1**.
- 7.5 To comply with the requirements of the 2003 Regulations, details of the IRP's recommendations were published in the *Surrey Advertiser* and online on 17 November 2023. A copy of the IRP's report is also available for viewing on the Council's website².

8. Equality and Diversity Implications

- 8.1 A screening Equalities Impact Assessment (EIA) has taken place and the section below is drawn from that document.

¹ Sections 3 and 5 of the Local Government Act 1972

² <https://www.guildford.gov.uk/article/18872/Councillors-allowances>

- 8.2 The purpose of the scheme of allowances is to create a schedule of remuneration that will support and enable councillors to execute their roles across a range of governance duties and responsibilities. A successful scheme will enable any local person, regardless of their income and status, to be able to stand for election and fulfil the roles of office without experiencing the deterrent of financial disadvantage.
- 8.3 A successful scheme of allowances will assist in increasing the diversity of councillors, to better reflect the communities they represent and serve.
- 8.4 In addition, a scheme of allowances should encourage local democratic participation.

9. Financial Implications

- 9.1 If the IRP's recommendations are adopted, the following provision would need to be made in the 2024-25 revenue budget:

	£
Basic Allowance	411,792
Special Responsibility Allowances	131,542
Co-Optees' Allowance	2,574
Employer's National Insurance (est)	18,153
Travelling & Subsistence Allowance (est)	5,000
Dependants' Carers' Allowance (est)	2,500
Total:	571,561

10. Legal Implications

- 10.1 The allowances payable to councillors are matters for local determination. While the Council has a duty under the 2003 Regulations to have regard to recommendations made to it by the IRP before it makes or amends the scheme of allowances, it is not bound to follow those recommendations.

10.2 The Council is also required to publish a notice in the local press setting out the main features of the Panel's recommendations (which was placed in the *Surrey Advertiser* on 17 November 2023) and a further notice once the Council has adopted a new scheme of allowances.

10.3 Under paragraph 16 (iv) of the Council's adopted Code of Conduct for Councillors, there is no requirement for councillors to disclose any pecuniary interest in respect of business relating to the scheme of allowances.

11. Human Resource Implications

11.1 There are no significant human resource implications.

12. Climate Change/Sustainability Implications

12.1 There are no significant implications for climate change or sustainability.

13. Conclusion

13.1 Having received the IRP's report, the Council must now consider, and have regard to, the recommendations therein. The Council may agree a new scheme of councillors' allowances for implementation with effect from the beginning of the 2024-25 financial year. Alternatively, the Council may choose not to approve some, or all, of the IRP's recommendations and decide upon different levels of allowances for various councillor roles, or to freeze allowances at their current level and reconsider the IRP's recommendations at a later date.

13.2 Taking account of the recommendations in the IRP's report, officers have drafted a written scheme of allowances incorporating the various provisions required to be included (see **Appendix 2**).

13.3 Any new Scheme of Allowances, once adopted, will be included in Part 6 of the Council's Constitution and be available for viewing on the Council's website.

14. Background Papers

- The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended)
- New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances (July 2003)

15. Appendices

Appendix 1: The Independent Remuneration Panel's report (November 2023)

Appendix 2: Draft Scheme of Allowances 2024-25 based on the IRP's recommendations.