

Crawley Borough Council

Report to Governance Committee

29 January 2020

Councillors' Allowances Independent Remuneration Panel 2020

Report of the Head of Legal, Democracy and HR – LDS/156

1. Purpose

- 1.1 To set out the justifications for an extension to the current Crawley Borough Council Councillors' Allowances Scheme (2016-2020), and to propose the establishment of a new Councillors' Allowances Independent Remuneration Panel (IRP).

2 Recommendations

- 2.1 That the Governance Committee:
- a) Requests that Full Council approves the extension of the current Councillors' Allowances Scheme to encompass the 2020/21 financial year.
 - b) Delegates to the Head of Legal, Democracy and HR, in conjunction with the Chair and Vice-Chair of the Governance Committee, the appointment of individuals to the Councillors' Allowances Independent Remuneration Panel.

3 Reasons for the Recommendations

- 3.1 To ensure that any changes to Councillors' Allowances correspond with annual budgetary timeframes, as supported by the Head of Corporate Finance.
- 3.2 To begin the appointment process for the proposed IRP, enabling the findings to be brought to Full Council in July 2020.

4 Background

- 4.1 The Council has a duty under the Local Authorities (Members' Allowances) (England) Regulations to establish and maintain an IRP of at least three appointees to make recommendations regarding the Councillors' Allowances Scheme (formerly "Members' Allowances Scheme"). In July 2015, the Full Council appointed an IRP for a four year term (2015-2019). A new IRP therefore needs to be established.
- 4.2 Under the Regulations, the IRP is to produce a report to the Full Council making recommendations on the payment of allowances to Councillors. The Council must have regard to the views of the IRP before amending its Scheme.
- 4.3 The current Scheme was agreed by the Full Council in April 2016 and covers the period 1 April 2016-31 March 2020.
- 4.4 Councillors' allowances are currently due to be reviewed with any changes implemented by 31 March 2020. However, a one year extension to the current Scheme is necessary to enable the Council to budget more efficiently for changes

made to the Scheme in the future, and to improve the quality of information being considered by the IRP.

- 4.5 It is to be noted that under the current Scheme, allowances alter each financial year in line with the Chief Officers' pay awards index. It is proposed that this will occur at the commencement of the 2020/21 financial year if an extension to the 2016-2020 Scheme is granted.

5 Rationale for Extension of Current Scheme/Setting of New Timeframes

- 5.1 With local government finances under pressure the ability to budget more efficiently is a necessity. The current timeframe sees the Scheme agreed in April, after the budget has been set for that financial year. Councillors' allowances therefore have to be estimated prior to this. The 2015/16 IRP led to notable changes to allowances, which were not forecast and therefore caused irregularity in the 2016/17 budget.
- 5.2 With support from the Head of Corporate Finance, it is proposed that producing the IRP's findings at an earlier stage in the budget setting process will allow for more effective financial planning. The IRP is thus to be established in the month of January or February every four years with a decision taken by the forthcoming July, for inclusion in the subsequent budget. The upcoming review would begin in January/February 2020, with a decision by July 2020, feeding into the 2021/22 budget. This would form the Councillors' Allowances Scheme for 1 April 2021-31 March 2025.
- 5.3 The extension would also allow the 2020 IRP appointees more time to study the updated Constitution, providing them with the most up-to-date information available to make comprehensive decisions regarding Councillors' Allowances.

6 Appointment of Individuals to the 2020 IRP

- 6.1 The 2015/16 IRP appointees were as follows: Alan Kennedy, Chair of Crawley Clinical Commissioning Group; Chief Inspector Dave Padwick, Sussex Police; Rachel Booles, Chief Executive, Crawley Community and Voluntary Service; and Jeremy Taylor, Chief Executive, Gatwick Diamond Business Association.
- 6.2 The Committee is asked to delegate the final selection of appointees to the IRP to the Head of Legal, Democracy and HR (in consultation with the Chair and Vice-Chair of the Governance Committee).
- 6.3 Proposed appointees are as follows:
- John Williams, Chief Executive, Crawley Community and Voluntary Service
 - Vicki Illingworth, Principal, Crawley College
 - Chris Maidment, Chair, Local Economic Action Group
 - Jeff Alexander, Chief Executive, Gatwick Diamond Business Association.
- Further suggestions by the Committee are welcome.

7 Implications

- 7.1 Financial implications:
- If the recommendation were to be carried, any potential changes to Councillors' Allowances would be required to be budgeted for in the 2021/22 budget.
 - If the recommendation were not to be carried and the status quo remain, the decisions of the IRP could lead to unbudgeted financial changes in 2021/22.

7.2 Legal implications:

- Regard must be had for the Local Authorities (Members' Allowances) (England) Regulations 2003.
- The Council's current Scheme, due to end on 31 March 2020, should begin to be reviewed before this date in order to comply with these regulations.

8 Background Papers

[Members' Allowances Scheme 1 April 2016 - 31 March 2020 \(2019/20\)](#)

[Local Authorities \(Members' Allowances\) \(England\) Regulations 2003](#)