

COUNCIL MEETING – 15 OCTOBER 2019

MEMBERS INDEPENDENT REMUNERATION PANEL

1.0 Purpose of Report

1.1 To enable Members to consider convening a Members Independent Remuneration Panel.

2.0 Background Information

2.1 The process for determining and setting Members' Allowances for local authorities is set out in the Local Authorities (Members' Allowances) (England) Regulations 2003. These Regulations set out the range of allowances that can be paid to Councillors and the requirement to have an Independent Remuneration Panel to make recommendations to the Council regarding Members' Allowances.

2.2 The current Members' Allowance Scheme was last approved by the Council on 6 February 2016, following consideration of a report of the Members Independent Remuneration Panel, which was established at that time. It is appropriate to consider Members' Allowances at the beginning of the life of the new Council, therefore, preparations have commenced in order to convene such a Panel.

2.3 The Panel must consist of at least three people whose purpose is to make recommendations about the allowances paid to elected members. The Council must "have regard" to the Panel's recommendations in setting its scheme. None of the panel members can be a member of the Council or one of its committees or of an authority in respect of which the Panel makes recommendations.

2.4 The basic role of the Panel is to make recommendations as to:

- the level of Basic Allowance for all Members
- the categories of special responsibility for which a Special Responsibility Allowance should be paid and the levels of those allowances
- as to whether Dependent Carers' allowance should be payable to Members and the amount of such an allowance
- travelling and subsistence allowances
- any annual increase

3.0 Proposals - Convening the Panel

3.1 There are no restrictions on eligibility for membership of the Independent Remuneration Panel other than those set out in paragraph 2.3 above. The Chairman on the Panel should have some knowledge of local government, the role of Councillors' and the relevant Members Allowances regulations, although support can be provided by the Council's officers to the Panel. It is usually the Chairman of the Panel who is tasked with drafting the final report. It is not a requirement that members of the Panel must live in the District although some local connection is often helpful.

- 3.2 At its meeting on 30 September 2019, the Councillors' Commission considered the proposed membership of the Panel and supported the Monitoring Officer's proposal that the Council's two Independent Persons, Paul Cox and Sarah Britton, be appointed. Both have indicated their willingness to support this process and it is considered that they would bring a good and appropriate mix of skills and experience required for the Panel.
- 3.3 In terms of the third Panel Member who would act as Chairman, it is suggested that it would be preferable to select someone with a local government finance background. The Commission recommended that the Monitoring Officer look to identify an appropriate Panel Member with these skills, ideally a retired senior local government officer who would be suitably qualified to act as Chair of the Panel.
- 3.4 The Commission also considered that it would be relevant to take into account the governance review, which commences on 14 October 2019. It was suggested that the commencement of the Panel's work should be determined once the recommendations from Phase 1 of the review are known, (i.e. review of the effectiveness of the current committee structure). The report from the first phase of the review is anticipated in November. This would help to avoid possible abortive work the Panel may undertake by looking at governance structures that may or may not be in place.
- 3.5 Typically, a Panel would need to meet 3 or 4 times over 2 to 3 days in order to review the current Members Allowances scheme; comparative schemes from similar local authorities; meet with a selection of Councillors; and consider any written representations.
- 3.6 In addition to expenses, the Council may pay the members of the Independent Remuneration Panel, and the Commission recommended that a fee of up to £2,000 be set for the Chairman of the Panel and an appropriate lower sum for the other two panel members to properly reflect the increased duties of the Chairman. It is suggested that the sum of £1,200 be approved as the fee for each of the other two panel members.

4.0 Equalities Implications

- 4.1 There are no equalities implications that arise from the establishment of the Independent Member Remuneration Panel, however the Panel will need to take into account any relevant equalities implications when undertaking its review of the Members Allowances Scheme.

5.0 Financial Implications-FIN19-20/5163

- 5.1 This report proposes that Members consider convening a Members' Independent Remuneration Panel and appropriate payment amounts for Panel members. If a Panel is convened and the Council pays Panel members in line with the recommendations of the Councillors' Commission meeting of 30 September 2019, it is forecasted that there would be spend of up to £5,000 in 2019-20 only. This would be paid for from the Corporate Change Management budget.

8.0 RECOMMENDATIONS that:

- (a) **the appointment of the Council's two Independent Persons onto the Members Independent Remuneration Panel be approved;**

- (b) the Monitoring Officer be given delegated authority, following consultation with the Leader of the Council, to appoint an appropriate Chairman of the Members Independent Remuneration Panel;**
- (c) the Council determine an appropriate payment for the Panel members, which will be financed from the Corporate Change Management budget; and**
- (d) the Monitoring Officer convene the Members Independent Remuneration Panel when appropriate to do so in view of the impending review of the Council's current governance arrangements.**

Background Papers

Local Authorities (Members' Allowances) (England) Regulations 2003.

For further information please contact Karen White on Ext 5240

Karen White
Director - Governance & Organisational Development