


Agenda Item No:	<b>14</b>	
Committee:	<b>Council</b>	
Date:	<b>23rd May 2019</b>	
Report Title:	<b>Members' Allowances Scheme Review Scope</b>	

## **1. PURPOSE/SUMMARY**

- 1.1. For Council to agree the scope and terms of reference for the forthcoming review of the Member Allowances Scheme by an Independent Remuneration Panel.

## **2. KEY ISSUES**

- 2.1. The Local Authorities (Member Allowances) (England) Regulations 2003 require Councils to make a scheme of Member Allowances and establish an Independent Remuneration Panel to make recommendations to the Council about the scheme.
- 2.2. The Regulations require that a scheme of allowances must include a basic allowance, payable to all members, and may include provision for the payment of special responsibility allowances as well as childcare and dependent carers' allowances.
- 2.3. The Local Government Act 1972 stipulates the provision of the payment of travel and subsistence allowances. Expenses for the Chairman and Vice-Chairman of the Council also fall under this Act.
- 2.4. The current Member Allowances scheme was implemented following a review by the Independent Remuneration Panel in November 2015. A review must be completed at least every 4 years therefore a new scheme must be made by November 2019.
- 2.5. The Council is under a duty to have regard to the recommendations of an Independent Remuneration Panel when agreeing its Members Allowances Scheme. The Independent Remuneration Panel will make its recommendations to Full Council following the recruitment of the panel and full Member consultation

## **3. RECOMMENDATIONS**

It is recommended that Council:

- 3.1. agree the scope of the Member Allowances Scheme review as set out within the report
- 3.2. To delegate the process for the appointment and selection of the Independent Remuneration Panel to the Monitoring Officer and Head of Legal and Customer Services in consultation with Group Leaders.

<b>Wards Affected</b>	All
<b>Forward Pan Reference</b>	N/A
<b>Portfolio Holder(s)</b>	N/A
<b>Report Originator(s)</b>	<p>Carol Pilson - Corporate Director and Monitoring Officer  <a href="mailto:cpilson@fenland.gov.uk">cpilson@fenland.gov.uk</a>  01354 622360</p> <p>Anna Goodall - Head of Governance and Legal Services  <a href="mailto:agoodall@fenland.gov.uk">agoodall@fenland.gov.uk</a>  01354 622357</p>
<b>Contact Officer(s)</b>	<p>Paul Medd – Chief Executive  Carol Pilson - Corporate Director and Monitoring Officer  Anna Goodall - Head of Governance and Legal Services</p>
<b>Background papers</b>	<p>Constitution  The Local Authorities (Member Allowances) (England) Regulations 2003</p>

#### 4. THE INDEPENDENT REMUNERATION PANEL

- 4.1. The Regulations require that an Independent Remuneration Panel must have at least three appointed individuals.
- 4.2. The members of the Independent Remuneration Panel cannot be elected members of any local authority or anyone who would be disqualified from being an elected member of a local authority.
- 4.3. The Regulations do not specify how or who a Council should appoint to an Independent Remuneration Panel, however the guidance is clear that Councils may wish to advertise for candidates in local papers or may wish to ask particular stakeholders such as the voluntary sector or local business community to participate.
- 4.4. Previous FDC Independent Remuneration Panels have included representation from local voluntary organisations, local church groups, and local businesses as well as members of the public.
- 4.5. The appointment process for the Independent Remuneration Panel must ensure the resulting membership of the review panel is independent and free from party political connections and able to discharge the functions of the panel.
- 4.6. The Regulations provide that the Council is able to pay allowances and travel expenses to panel members which should be determined before panel members are appointed.

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- 4.7. It is recommended that the Independent Remuneration Panel fulfils the minimum requirement of three appointed individuals, one of whom will become the nominated Chairman for the review.
  - 4.8. It is suggested the District Council advertise for candidates in the local press in addition to making a direct approach to the Cambridgeshire Community and Voluntary Service and to the Chamber of Commerce to invite applications.
  - 4.9. It is recommended that the process for appointment and final selection of the Independent Remuneration Panel is delegated to the Monitoring Officer and Head of Legal and Governance in consultation with Group Leaders.

## **5. THE REVIEW**

- 5.1. Once appointed, it is suggested that the Independent Remuneration Panel be given the following general Terms of Reference, which are based upon the regulations subject to the views of Members:
  - 5.1.1. To make recommendations as to the amount of Basic Allowance that should be payable to all elected members of the District Council;
  - 5.1.2. To make recommendations about the roles and responsibilities for which a Special Responsibility Allowance should be payable and the amount of each such allowance
  - 5.1.3. To make recommendations regarding the approved duties for which travelling and subsistence allowances can be paid and the amount of these allowances;
  - 5.1.4. To make recommendations as to the amount of the co-optees' allowance;
  - 5.1.5. To make recommendations regarding allowances in respect of the expenses incurred in arranging for the care of children and dependents, the amount of this allowance and the means for determination
  - 5.1.6. To determine whether any allowance should be backdated to the beginning of the new term of office for Members, in the event of a new/amended scheme being adopted;
  - 5.1.7. To determine any other issue covered by the 2003 Regulations including whether annual adjustments should be made to allowance levels by means of an index and, if so, for how long such a measure should last, up to a maximum period of 4 years;
  - 5.1.8. To make recommendations regarding the remuneration of the Independent Person and Deputy Independent Person;
  - 5.1.9. To report any recommendations to Council as soon as is reasonably practicable following recruitment of the Panel, member engagement and completion of the review, no later than November 2019;
  - 5.1.10. To review the current provision of IT equipment and related sundries (eg. paper, ink, toners) to Councillors
  - 5.1.11. To compare and contrast schemes in existence at other Councils.
  - 5.1.12. To review the general wording of the scheme to ensure it is sufficiently clear to those who are required to use it and process claims.
  - 5.1.13. To review the claim form Members use to ensure it is sufficiently clear to those who are required to use it and process claims.
- 5.2. Following completion of the review, the Monitoring Officer will prepare a revised Scheme of Allowances reflecting the recommendations made for consideration and approval by Full Council alongside the report of the Independent Panel.

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## 6. **PUBLICITY**

- 6.1. The Regulations place certain duties on local authorities in connection with publicising the recommendations made by their Independent Remuneration Panel. The Council will follow the guidance in ensuring the regulations are met in relation to publicity which includes publicising the report of the panel, the scheme of allowances and the sums paid to each member on an annual basis.
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