

For publication

Review of members' allowances: arrangements for the independent remuneration panel

Meeting: Cabinet

Date: 1 October, 2019

Cabinet portfolio: Governance

Report by: Senior Democratic and Scrutiny Officer

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1.0 Purpose of report

1.1 To enable Cabinet to consider issues to be raised with the Independent Remuneration Panel (IRP) on the forthcoming review of member allowances in accordance with the protocol on arrangements for consulting on the review.

2.0 Recommendations

2.1 That the arrangements for consulting members on the review of the members' allowances scheme in line with the agreed Protocol be noted.

2.2 That members consider whether it wishes to raise any further issues with the IRP.

3.0 Members interests (code of conduct)

- 3.1 Under the Council's Members Code of Conduct introduced under the Localism Act 2011, the receipt of members allowances is not a Disclosable Pecuniary Interest. Members are free to debate and decide the allowance scheme despite it being a matter which affects their financial wellbeing.
- 3.2 This is because members' allowances are not a disclosable pecuniary interest under the legislation: members are not employed by the council nor carry on their office, trade, profession or vocation for profit or gain. Legislation specifically provides for the members allowances scheme to be adopted and amended by Full Council, having regard to the recommendations of the IRP.
- 3.3 Therefore members do not need to disclose an interest nor are they prevented from taking part in the meeting.

4.0 Background

- 4.1 The Local Authorities (Members Allowances) (England) Regulations 2003 require the Council each year to make a scheme of members' allowances having regard to the recommendations of the IRP. The scheme must be approved before 1 April each year. A copy of the current scheme is attached at Appendix A.
- 4.2 A report recommending approval for membership of the IRP for 2019-2023 was submitted to Standards and Audit Committee on 25 September, 2019.

5.0 Arrangements for the IRP

- 5.1 Under the Local Authorities (Members Allowances) (England) Regulations 2003, an authority may pay the expenses incurred by an IRP in carrying out its functions and may pay the

members of the panel such allowances or expenses as the authority decides.

- 5.2 It is proposed that existing arrangements for payment of a reasonable allowance to the IRP members for their time, as agreed in 2015, should continue. The allowance paid in respect of the most recent review was calculated based on a daily rate of £525. During the last review in 2015/16, a total of £4,244.71 was paid in expenses to the IRP members.

6.0 Protocol for consultation

- 6.1 At the meeting of Council on 28 September, 2011 members approved a written protocol for the IRP to consider member representations to the Panel at times of future reviews of members' allowances scheme. A copy of the protocol is attached at Appendix B.

- 6.2 In summary, the protocol provides that:

6.2.1 Consultees can make written representations and, if appropriate, oral representations to the IRP about any aspects of the Council's members' allowances scheme;

6.2.2 Any comments made to it will be considered by the IRP before finalising their report.

6.2.3 The Chair of the IRP may discuss matters further with the Leader of the Council, the Leader of the Opposition and the Monitoring Officer if appropriate.

- 6.3 A meeting of the IRP has been arranged for 21 October, 2019 and all consultees will be invited to submit written comments and indicate if they wish to make oral comments to the Panel. The deadline for them to do so is 14 October, 2019.

- 6.4 The protocol also provides that a report shall be submitted to Cabinet in advance of the IRP meeting to enable any relevant issues to be raised.

6.5 The following preliminary issues have been raised:

6.5.1 SRA for Deputy Leader of the Opposition.

7.0 Risk management

7.1 Risk management will be considered in the report to Full Council with the recommendations of the IRP.

8.0 Financial implications

8.1 There will be a small financial expenditure in respect of a daily rate payable to each of the IRP members. This expenditure will depend on the detail of the scoping of the IRP review. It is anticipated that this cost can be met from within existing budgets.

8.2 Decisions on the review of the members' allowances scheme will be considered by Full Council after the final report and recommendations of the IRP are received.

9.0 Alternative options

9.1 This report is to advise Cabinet of a Protocol previously adopted and to provide an opportunity for Cabinet to consider raising any additional issues with the IRP.

10.0 Recommendations

10.1 That the arrangements for consulting members on the review of the members' allowances scheme in line with the agreed Protocol be noted.

10.2 That members consider whether it wishes to raise any further issues with the IRP.

11.0 Reasons for recommendations

- 11.1 To improve the quality and transparency of the Independent Remuneration Panel and its work.

| Glossary of Terms | |
|--------------------------|--------------------------------|
| IRP | Independent Remuneration Panel |

Decision information

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|---|------------------------------------|
| Key decision number | N/A |
| Wards affected | All wards |
| Links to Council Plan priorities | Providing value for money services |

Document information

| | |
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| Report author | Contact number/email |
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| Background documents These are unpublished works which have been relied on to a material extent when the report was prepared. <i>This must be made available to the public for up to 4 years.</i> | |
| Appendices to the report | |
| Appendix 1 | Current members' allowances scheme |
| Appendix 2 | Protocol for consulting members |