

CHESHIRE EAST COUNCIL

Constitution Committee

Date of Meeting: 29th January 2015
Report of: Head of Governance and Democratic Services
Subject/Title: Members Independent Remuneration Panel

1.0 Report Summary

- 1.1 This report asks the Committee to endorse proposed arrangements for the advertisement for, and appointment of, the new Members Allowances Independent Remuneration Panel.

2.0 Recommendation

- 2.1 The Committee is asked to agree:

- That a Members Allowances Independent Remuneration Panel be established to consist of 3 Members, with a four year term of office;
- That the Council seeks to recruit at least one Panel member with experience of the workings of local government (such as a former local government officer, a person with past experience of being a panel member for another authority, or an individual with particular expertise), with expressions of interest also to be sought from the private and voluntary sector;
- That appointment of the Panel Members be made by the Constitution Committee (upon the recommendation of the Head of Governance and Democratic Services);
- That the Chairman of the Panel be appointed by the Constitution Committee;
- That the Council establish a robust, streamlined and transparent process for the operation of the Members Allowances Independent Remuneration Panel;
- That consideration be given to making future provision for the Members Allowances Scheme to be adjusted on an annual basis, by reference to an index which could be applied for a period of up to four years;

- That Panel members be recompensed for expenses, as per past practice;
- That an allowance be paid to the Chairman of the Panel (on the basis that work load is expected to be no more than 3-4 days, within the four year term of office) at an appropriate rate, to be determined by the Head of Governance and Democratic Services, based upon that paid by comparator local authorities.

3.0 Reasons for Recommendations

- 3.1 With regard to the number of Panel members, it is suggested that no more than three members need to be appointed and that the term of office should be four years from the date of appointment.
- 3.2 The report recommends that the Council seeks to recruit at least one Panel member with experience of the workings of local government. This could be a former local government officer, a person with past experience of being a Panel member for another authority, or an individual with particular expertise. Expressions of interest could also be sought from the private and voluntary sectors.
- 3.3 It is suggested that the appointment of the Panel Members, and the appointment of the Chairman of the Panel be made by the Constitution Committee (upon the recommendation of the Head of Governance and Democratic Services). This will avoid any potential difficulties which could be caused by the Panel itself being required to appoint its own Chairman.
- 3.4 The report recommends that a robust, streamlined and transparent process should be adopted for the operation of the Independent Remuneration Panel. A comprehensive and far reaching review has recently been implemented, and will apply to the 2015/16 Scheme of Allowances. There is no necessity for a report of the Independent Remuneration Panel to be produced on an annual basis. In order to achieve this, consideration could be given to making future provision for the Members Allowances Scheme to be adjusted on an annual basis, by reference to an index. Where the only change made to a scheme in any year is that effected by an annual adjustment, the scheme shall not be deemed to be amended and, therefore, in those cases does not need to be reviewed/agreed by Full Council. An index can be applied for a period of up to four years. This option would need to be considered by the Independent Remuneration Panel.
- 3.5 The authority can determine expenses and allowances to be paid to Independent Remuneration Panel members. The work of a Panel would not normally be expected to be more than 3-4 days work within their four year term of appointment. Past practice has been to recompense Panel members for expenses incurred and it is recommended that this practice continues. Duties of the Chairman extend, beyond attending meetings, to writing and presenting the Panel's report to the Council. In order to appropriately

recompense this additional activity and responsibility, and to ensure that the right calibre of person is attracted to the role, it is recommended that an allowance be made payable to the Chairman. Having compared the practice of other local authorities who have adopted this approach, an allowance of £500 per day is suggested (on the basis that that work load is expected to be no more than 3-4 days, within the four year term of office).

4.0 Wards Affected

4.1 None

5.0 Local Ward Members

5.1 None

6.0 Policy Implications

6.1 None

7.0 Financial Implications

7.1 The authority will be required to meet the cost of Panel expenses and the Chairman's Allowance. This will be met from existing budget provision.

8.0 Legal Implications

8.1 The Members Allowances Regulations 2003 require that a Members Allowances Independent Remuneration Panel is established and maintained.

9.0 Risk Management

9.1 No risks have been identified.

10.0 Background and Options

10.1 The Members Allowances Regulations 2003 require that a Members Allowances Independent Remuneration Panel is established and maintained.

10.2 Before an authority makes or amends a scheme of allowances (before the beginning of each year), the authority must have regard to the recommendations made by the Independent Remuneration Panel.

10.3 The scheme of Members Allowances covers the payment of basic allowance, special responsibility allowance, dependent carer's allowance, travel and subsistence allowance and co-optees allowance.

10.4 The existing Members Allowances Independent Remuneration Panel Members retire in February 2015. Five members were originally appointed for a 4 year term of office in 2009.

- 10.5 The Regulations provide that a Members Allowances Independent Remuneration Panel shall consist of at least three members (none of whom is a member of the local authority; committee or sub committee of the authority; or is disqualified from becoming a member).

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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