

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Council

Date: 3rd December 2018

REPORT TITLE: Independent Remuneration Panel
PORTFOLIO: Chief Executive
HEAD OF SERVICE: Andy O'Brien
CONTACT OFFICER: Andrea Davies Ext. No. x1306
WARD(S) AFFECTED: all

1. Purpose of the Report

- 1.1. The Council is requested to appoint the members of the Independent Remuneration Panel and to agree its terms of reference.

2. Background

- 2.1. The Council is required to undertake a review of its Members' Allowances scheme by its Independent Remuneration Panel under the 4 year rule. The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) (the '2003 Regulations') require all local authorities to establish and maintain a Panel that must be convened to provide advice on Members' allowances before a Council changes or amends its allowances scheme. Council is being asked to authorise the commencement of the review.
- 2.2. An Independent Remuneration Panel produced its first report on a Review of Members Allowances in November 2002. This was followed by further reviews in respect of Pensions, Travel and Subsistence and Co-optees Allowances (July 2003) and Pensions and Licensing Panel Members' Allowances (February 2004), a fourth report (May 2007), a fifth report (March 2011) and supplementary report on a review of special responsibility allowances for the Chairmen of the Audit Committee and of the Relevant and Better Value Scrutiny Committee. The sixth report was produced in March 2015.

3. **Contribution to Corporate Priorities**

- 3.1. VFM07 - Review Payment of Fees for the Independent Remuneration Panel (March 2019)

4. **Report**

- 4.1. Dr Declan Hall (consultant) chaired the panel in 2014/15 with three other lay members (Mr Andrew Gentles, Mr John Jackson OBE, JP and Mr Paul Laffey).
- 4.2. It is proposed that Dr Hall fulfils the role he has previously undertaken as Chairman, to lead in the review of the Member's Allowances, in accordance with the Independent Remuneration Panel Terms of Reference.
- 4.3. In order to comply with the statutory regulations the Council is formally requested to appoint the three laypersons to the Panel. These are as follows: Mr Paul Laffey, Mr Simon Chapman and Mr Shaid Hussain.
- 4.4. Council is also requested to formally approve the terms of reference for the Panel which are also set out in the recommendations.

5. **Financial Considerations**

This section has been approved by the following member of the Financial Management Unit: [Anya Murray]

- 5.1. The main financial issues arising from this Report are as follows:

Revenue	2018/19	2019/20	2020/21
Cost of review plus expenses of panel members	-	£5,000 approx	-

This amount is already in the MTFs budget 2019/20.

6. **Risk Assessment and Management**

- 6.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 6.2. **Positive** (Opportunities/Benefits):
- 6.2.1. The Council will be complying with the consolidated regulations for Local Authority Allowances and will be advised by independent people.
- 6.3. **Negative** (Threats):
- 6.3.1. Non-compliance with statutory regulation.

6.4. The risks do not need to be entered in the Risk Register.

7. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:
[Angela Wakefield]*

7.1. There are no significant legal issues arising from this Report.

8. **Equalities and Health**

8.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.

9. **Human Rights**

9.1.1. There are no Human Rights issues arising from this Report.

10. **Sustainability** (including climate change and change adaptation measures)

10.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

11. **Recommendation(s)**

- 1) That the Council appoint the following three lay members, Mr Paul Laffey, Mr Simon Chapman and Mr Shaid Hussain to serve on the Independent Remuneration Panel;
- 2) That Dr Declan Hall be appointed as Chairman to serve on the Independent Remuneration Panel and make recommendations to the Council on Members Allowances.
- 3) That Council agree to pay the Members of the Panel any expenses and fees incurred by them in carrying out their duties;
- 4) That the Panel be given the following terms and reference:
 - To make recommendations on the allowances currently payable under the Council's Members' Allowances Scheme;
 - To make recommendations on any other allowances which the panel considers should be payable under the scheme;
 - To assess the success of the measures introduced in 2015 on member attendance and make any further recommendations;
 - To make recommendations on any other matters on which the panel considers it necessary to make recommendations;

- The scheme should be transparent, economic, efficient and effective to administer and easy to explain and justify to the local communities in the borough.

12. **Background Papers**

- 12.1. First Report on a Review of Members Allowances (November 2002)
- 12.2. Supplementary report on Review of Pensions, Travel and Subsistence and Co-optees Allowances (July 2003)
- 12.3. Supplementary report on Pensions and Licensing Panel Members' Allowances (February 2007)
- 12.4. Fourth Report on a Review of Members Allowances (May 2007)
- 12.5. Fifth Report on a Review of Members Allowances (March 2011)
- 12.6. Supplementary Review of a review of special responsibility allowances for the Chairmen of the Audit Committee and of the Relevant and Better Value Scrutiny Committee (May 2013)
- 12.7. Sixth Report on a Review of Members Allowances (March 2015)

13. **Appendices**

- 13.1. None