

Report to Council

25th April 2018

By the Chief Executive

DECISION REQUIRED

Not Exempt



**Horsham
District
Council**

Independent Remuneration Panel: Interim Report of the Panel and Appointment of Panel from November 2018

Executive Summary

When deciding the allowances payable to Members the Council is required to seek recommendations from an Independent Remuneration Panel. Although not obliged to follow those recommendations the Council must have regard to them. The Panel has undertaken an interim review following the recent Governance and Constitution Reviews and their findings and recommendations are set out in the attached report (Appendix A). A full schedule of current and recommended allowances is set out in Appendix B. Council is requested to consider the Panel's recommendations and decide on the level of Member allowances.

The current Panel was appointed for a four-year term of office from 3rd November 2014 (one member subsequently resigned leaving the Panel with the minimum membership of three) and, as that period will expire later this year, approval is also sought to advertise for applications from persons interested in serving on the Panel. The existing Panel members have all expressed an interest in continuing in post and will be considered alongside any new applicants.

Recommendations

Council is recommended:

- i) To note the interim report and recommendations of the Independent Remuneration Panel.
- ii) To decide:
 - (a) whether to amend the Members' Allowance Scheme for Horsham District Council having regard to the recommendations of the Independent Remuneration Panel; and
 - (b) if amendment of the scheme is agreed, the date from which it will be effective and the amendment of Part 6 of the Constitution accordingly.
- iii) To agree that vacancies for the Independent Remuneration Panel be advertised and that interested stakeholders also be invited to put forward candidates.
- iv) To agree that the short listing and interviewing of candidates be carried out by a panel comprising the Chairman, the Vice-Chairman and the Leader of the Council, who shall then make recommendations to appoint the Independent Remuneration Panel to the Council.

Reasons for Recommendations

- i) It is a legal requirement that the Council has regard to the recommendations of an Independent Remuneration Panel when agreeing the level of Allowances paid to Members.
- ii) It is a function of Full Council to agree the level of Member Allowances.
- iii) The Local Authorities (Members Allowances) Regulations 2003 require the Council to appoint an Independent Remuneration Panel at least every four years to review Members' allowances.

Background Papers: The Local Authorities (Members' Allowances) (England) Regulations 2003

Wards affected: All.

Contact: Lesley Morgan, Democratic Services Manager 01403 215123.

Background Information

1 Introduction and Background

- 1.1 The Council is required to agree a Member Allowance Scheme setting out the level of remuneration for Members. Under legislation (The Local Authorities (Members' Allowances) (England) Regulations 2003) the Scheme must set out the level of Basic Allowance payable to Councillors and may include a Special Responsibility Allowance for Members occupying particular positions within the Council Structure such as Committee Chairman and Cabinet responsibilities. The Scheme may also provide for other allowances such as Dependent Carer's Allowance and Travelling and Subsistence Allowance.
- 1.2 When agreeing the level of Member Allowances the Council must have regard to the recommendations of an Independent Remuneration Panel. Therefore the Council can agree the recommendations of the Panel in full, in part or it can devise its own level of Member Allowances as long as it has considered the recommendations of the Panel.

2 Details

- 2.1 The members of the Independent Remuneration Panel were appointed in 2014 and undertook an in depth review of Members' Allowances in 2014/15 which was accepted by the Council in September 2015.
- 2.2 Following the Council's recent Governance and Constitution Reviews, the Independent Remuneration Panel has undertaken an interim review to determine whether the current scheme of allowances remains appropriate. Their report, describing the process they followed and their recommendations in relation to Members' Allowances, is attached.
- 2.3 Once the level of Members' Allowances has been agreed, they remain in place until changed by further Council resolution.
- 2.4 The current Panel was appointed for a four-year term of office from 3rd November 2014. At that time the Panel comprised four members but one subsequently resigned leaving the Panel with the minimum statutory requirement of three members. As their term of office will expire later this year, approval is also sought to advertise for applications from persons interested in serving on the Panel.
- 2.5 All applications received will need to be considered, a shortlist drawn up and interviews held. It is suggested that this should be carried out by a panel comprising the Chairman, the Vice-Chairman and the Leader of the Council, who will then make recommendations to appoint the Independent Remuneration Panel to the Council.
- 2.6 The existing Panel members have all expressed an interest in continuing in post and it is proposed that they should be considered alongside any new applicants with a view to providing some continuity and retaining experience.

3 Next Steps

- 3.1 To decide whether to amend the Members' Allowance Scheme for Horsham District Council having regard to the report of the Independent Remuneration Panel.
- 3.2 If approved, to advertise the vacancies for the Independent Remuneration Panel.

4 Outcome of Consultations

- 4.1 The Panel have consulted with Members and Senior Officers in preparing their report. This consultation process is described in their report.

5 Other Courses of Action Considered but Rejected

- 5.1 None.

6 Resource Consequences

- 6.1 If Council agrees the recommendations in the Independent Remuneration Panel Report it will result in a saving of £1305 per annum.

7 Legal Consequences

- 7.1 It is a requirement for the Council under Regulation 20 of The Local Authorities (Members' Allowances) (England) Regulations 2003 to establish an independent remuneration panel to make recommendations in respect of the payment of Members' allowances.
- 7.2 Regulation 19 requires the Council to have regard to the recommendations made by the independent remuneration panel when agreeing or varying its Members' Allowance Scheme.

8 Risk Assessment

- 8.1 The Council must have a current approved Members' Allowance scheme in order for allowances to be claimed by and paid to both elected Members and co-optees.

9 Other Considerations

- 9.1 The proposal will have no specific impact in respect of Crime & Disorder; Human Rights; and Sustainability. With regard to Equality & Diversity, the payment of appropriate levels of allowances may attract a greater diversity of people to become Councillors.