

INDEPENDENT REMUNERATION PANEL (IRP) REVIEW OF MEMBERS' ALLOWANCES

Committee: Corporate Governance and Finance Committee

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[R66]

1.0 **ISSUE**

1.1 To consider arrangements for an Independent Remuneration Panel (IRP) review of Members Allowances.

2.0 **RECOMMENDATION(S)**

2.1 That the Democratic Services Manager be authorised to take all necessary actions to set up an IRP comprising of up to 5 Lay Members to conduct a review of Members' Allowances in the autumn/winter of the current year, with a view to making recommendations that can be considered as part of the Budget-setting process of the Council, to be implemented from April 2017 for a 4 year period with indexation.

2.2 That funding in the sum of £5,000 be allocated for the conducting of the review.

3.0 **BACKGROUND**

3.1 The Independent Remuneration Panel (IRP) last conducted a full review of Members Allowances in autumn/winter 2012 and a revised Members Allowances scheme was implemented with effect from 1 April 2013. Under Regulation 10(5) of the Local Authorities (Members' Allowances) (England) Regulations 2003, an authority cannot rely on any index for longer than a period of 4 years before seeking a further recommendation from the IRP. Therefore, an IRP will need to be convened in the autumn/winter of the current year to conduct a review and make recommendations to be implemented from 1 April 2017.

3.2 Under the Regulations, an IRP must comprise a minimum of 3 Lay People and the Council can determine the level of allowances and expenses it pays to IRP Members for carrying out such a review. In the past, the Council has paid an allowance to the ordinary IRP Members and a slightly higher level of allowance for the Chair to reflect their additional responsibilities and duties, together with travelling expenses. An allowance of £550 will be paid to the ordinary IRP Members and £650 to the Chair to reflect past practice and the level of work required. A Panel would be constituted over the summer with a view to it commencing its work in the early autumn of 2016. Whilst it is a

matter for the IRP to determine how it conducts the review and what recommendations it makes to the Council on the level of allowances, it is likely that the IRP would produce a Member questionnaire for individual Councillors to complete to assist in its assessment of the time commitment/responsibilities of backbench Councillors and those holding particular posts that receive Special Responsibility Allowances (SRAs). The IRP is also likely to want to interview a cross-section of Councillors with differing roles. The IRP then will produce a report containing recommendations on the different types of allowances/expenses, which is likely to be submitted to the December or January meeting of Corporate Governance and Finance Committee who will make recommendations to full Council in February 2017, in order to enable the proposed levels of allowances to be incorporated into the Budget-setting process for the Council. It is intended that the allowances be set for a 4 year period from 1 April 2017, with appropriate indexation each year.

- 3.3 One of the previous Lay Members who served on the IRP in 2012 has stated that he is willing to continue as a Panel Member for the 2016 review. Also, as a result of discussions with local Monitoring Officers who are conducting IRP reviews this year, one lay person who has served on Independent Remuneration Panels for Norfolk and Suffolk authorities has expressed an interest in undertaking a similar role for this Council. Neighbouring Councils within Cambridgeshire also could be approached. This would have the advantage of using lay people with knowledge and experience of the role. If the minimum requirement of 3 Lay Members is not achieved, more general recruitment will be undertaken.
- 3.4 A copy of the current Members Allowances Scheme is attached at Appendix 1, showing the level of Basic Allowance and Special Responsibility Allowances (SRAs) from 1 April 2016 increased in accordance with the indexation factor of 1% to reflect the recent Local Government Staff Pay Award.

4.0 ARGUMENTS/CONCLUSIONS

- 4.1 No further arguments other than those within the report.

5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 5.1 The costs of conducting an IRP review include advertising/recruitment costs; allowances paid to the IRP members; officer/member time in supporting the review; and the three statutory public notices that must be published in a local newspaper to advertise the findings of the Panel. It is estimated that a budget of £5,000 will be required for this, which will be funded from underspends elsewhere in the Council's current year revenue budget.
- 5.2 INRA not required.

6.0 APPENDICES

6.1 Appendix 1 - current Members Allowances Scheme

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Local Authorities (Members Allowances) (England) Regulations 2003 Statutory Guidance on Local Authority Allowances	Room 214B The Grange, Ely	Tracy Couper Democratic Services Manager (01353) 665555 E-mail: tracy.couper@eastcambs.gov.uk