

Report of the Independent Remuneration Panel on Member Allowances to Council on 27 November 2014

Purpose

- 1 Further to a decision of Council on 25 September 2014, the Independent Remuneration Panel has been asked to review some aspects of the existing Scheme of Member Allowances. These are detailed below:-
 - (a) The introduction of an allowance for the independent member on the Audit Committee;
 - (b) Review the allowance paid to independent members/parish councillors who sit on the Hearing Sub-Committee of the Audit Committee.
- 2 The Panel was aware of the requirement to recommend an inflationary measure for uprating Member Allowances annually. This must be considered at least once every 4 years; the last time being in 2011. To avoid the need to meet again to possibly consider this as a single issue, the Panel has recommended an inflationary index measure for the next four years with effect from the 2015/16 financial year.

Panel Membership

- 3 Keith M Marriott (Chair)

Ranjan Talukder
Derek Morris
Edward Laud
Rosemary Young

Background

- 4 The Panel held meetings on 27 October and 5 November 2014 to consider the above mentioned issues. The Panel was made aware that as a consequence of the Localism Act 2011, the Council had to adopt a new Member Code of Conduct and put in place new arrangements for dealing with Code of Conduct complaints against Councillors at both Borough and Parish level. These new arrangements came into effect in July 2012. Since that time, the Standards Committee had met on only two occasions, once in 2013 and once in 2014, to receive the Annual Report of the Monitoring Officer on complaint handling activity and ethical governance issues. The Standards Committee Hearing Panel which considers complaints against Councillors had not met since 2012.
- 5 As a consequence of the limited formal activity of the Standards Committee, the Council had decided to transfer its functions to the Audit Committee and establish a Hearings Sub-Committee of the Audit Committee to hear complaints against councillors that could not be resolved informally. This Sub-Committee included the two co-opted Parish Council representatives and two co-opted Independent (non-councillor) representatives who previously sat on the Standards Committee. In practice, these co-opted members would not be required to attend Audit Committee meetings, the only exception would be the end of year meeting of the Audit Committee when the Monitoring Officer presented his annual report on complaint handling and ethical governance activity.

- 6 The Council had also agreed to the appointment of a non-voting co-opted Independent member (non-Councillor) to the Audit Committee with a financial background who understood the role of the Committee and the functions that it covered to bring an external robust challenge; this is in line with CIPFA best practice.

Evidence to support recommendations

- 7 The Panel considered the level of allowances paid by authorities in the region and in mayoral authorities for these positions and noted that there was no uniform approach. The Panel also considered oral submissions by officers who outlined the roles and expectations of these co-opted Members and clarified points raised by the Panel. In proposing the recommendations to Council detailed below the Panel had regard to the evidence presented and the following facts:-

- (a) The current member allowance scheme provides for co-opted members not specifically referred to in the scheme to be paid an allowance of £606 per annum;
- (b) The reduction in activity now required of co-opted members on the Audit Hearings Sub- Committee.

Recommendations

- 8 That Council consider amending its Member Allowances Scheme to provide for the following:-
- (a) the payment of an allowance of £606 per annum to the independent member on the Audit Committee to take immediate effect;
 - (b) the payment of an all-inclusive attendance per hearing allowance for each co-opted member on the Audit Hearings Sub-Committee at a rate of £150 per hearing;
 - (c) the payment of an all-inclusive attendance allowance of £50 for each co-opted member on the Audit Hearings Sub-Committee for attendance at the Audit Committee meeting that considers the Annual Report of the Monitoring Officer on complaint handling and ethical governance activity;
 - (d) (b) and (c) above to take effect from 1st April 2015; and
 - (e) the inflationary index for determining annual increases in Member Allowances be in line with the NJC pay award for Local Government employees.

Keith Marriott

Chair of the Independent Remuneration Panel on Member Allowances