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INDEPENDENT REMUNERATION PANEL

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Executive Summary:

The Local Authorities (Members' Allowances) (England) Regulations 2003 require councils to establish and maintain an Independent Remuneration Panel. The purpose of this panel is to make recommendations to the authority about the allowances to be paid to elected members. Council must have regard to this advice.

The Council's existing scheme was approved by Council in 2009 and the Panel's most recent work was in 2010 when it was tasked with reviewing the Special Responsibility Allowances.

The Regulations require the Council to convene its Panel and make recommendations in relation to allowances received by Councillors and some co-opted members by April 2014. This report seeks approval to delegate authority to the Chief Executive to take steps as necessary to recruit and appoint a new Panel which will carry out a comprehensive review of allowances, which will include basic allowances, special responsibility allowances, childcare and dependent carer's allowance and travelling and subsistence allowance.

1. Recommendation(s)

- 1.1 That the Chief Executive be granted delegated authority to take steps as necessary, following consultation with the Group Leaders, to recruit and appoint an Independent Remuneration Panel to carry out a comprehensive review of Members' allowances.
- 1.2 That the Panel be convened for a term of 4 years.
- 1.3 That the Chief Executive be delegated authority to agree the level of payments / expenses to be paid to the Chair and members of the Independent Remuneration Panel.

2. Issues

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 make it a requirement to establish and maintain an Independent Remuneration Panel and for the Council to adopt a Scheme of Allowances for the forthcoming year by 1 April each year. The appointment of the Panel is a matter for the Council, but in order to ensure that the Panel is convened to meet the above timeframe, it is recommended that the Chief Executive be given delegated authority to appoint the Panel.
- 2.2 A full review of the Council's scheme of allowances has not been carried out since 2009. It is anticipated that the Panel, once convened, will meet in

February with a view to making its recommendations to the Council by April 2014. With all out elections scheduled for May 2014 this is an opportune time to review the scheme of allowances.

2.3 Mr Don Latham, an experienced Panel chair, has been identified to chair the Panel and his appointment is supported by the Group Leaders. Mr Latham has agreed to chair the Panel.

2.4 An Independent Remuneration Panel shall consist of at least three members. As a result of public advertisement and a direct approach to potential candidates, a number of persons have been identified as potential Panel members. Mr John Moffoot (former Assistant Director [Democratic Services]), Ms Julie Mills (Principal at MK College), and Ruth Stone (Director of Community Action:MK) have agreed to be part of the Panel, subject to formal appointment. Confirmation of the availability is still being sought from a further candidate.

3. Options

3.1 As an alternative to the Chief Executive being delegated authority to appoint a panel, the Council could establish a group of Members, on a proportional basis, to make the appointment. However, this would involve considerable delay which could jeopardise the Council's ability to meet the statutory timescale, of adopting a scheme by 1 April for 2014/15.

4. Implications

4.1 Policy

None.

4.2 Resources and Risk

The Council is permitted by the 2003 Regulations to pay allowances to the Independent Panel members, but it anticipated that these would be relatively modest and can be contained within existing budgets.

N	Capital	Y	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

None.

4.4 Legal

The Local Authorities (Members' Allowances) (England) Regulations 2003 make it a requirement to establish and maintain an Independent Remuneration Panel and for the Council to adopt a Scheme of Allowances for the forthcoming year by 1 April each year.

In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council must as soon as practicable after the making or amendment of its Scheme make arrangements for its publication, describing

the main features of that Scheme alongside the recommendations of its Independent Review Panel.

4.5 Other Implications

Guidance provides that in appointing its panel, a local authority should consider candidates' knowledge of local government and the way it works although lack of familiarity with the functions of councils should not be a bar to appointment.

A local authority should also give very serious consideration not only to ensuring the independence of its independent remuneration panel, but also the public perception of this independence. To maintain the credibility of its panel a local authority will need to consider the extent to which some, if not all, of its panel members are recognisable members of the local community. Political appointments and appointments which are made through friendship or any other personal association of any members of the council should always be avoided.

The panel will be required to make recommendations to the Council whenever the Council decides to, within the limits of the law, either revoke or amend its current scheme. The Council will need to consider the term of office of members of the panel

Y	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

Background Papers: Milton Keynes Scheme of Allowances 2013/14