

Independent Remuneration Panel

Independent Remuneration Panel – Appointment of Panel Members and Agreement to Terms of Reference

1. Summary

The County Council is invited to agree a Panel to sit as the Independent Remuneration Panel and to agree Terms of Reference for the Independent Remuneration Panel and ultimately to approve a scheme of Members' Allowances for the period June 2015 to May 2019.

2. Statutory Requirements

Under the Local Authorities (Members' Allowances) (England) Regulations 2003, every relevant local authority is required to review its Members' Allowances Scheme. In doing so, local authorities are required to establish and maintain an Independent Remuneration Panel, whose function is to provide the local authority with advice and recommendations on its scheme, the amounts to be paid and whether such allowances should be pensionable.

Local Authorities must include in their scheme of allowances a basic allowance, payable to all members, and may include provision for the payment of special responsibility allowances and a dependents' carer's allowance. In addition, the 2003 Regulations allow for the inclusion of a travel and subsistence allowance and a co-optees' allowance, within the allowances scheme.

3. The Independent Remuneration Panel (IRP)

An Independent Remuneration Panel ("IRP") last met in 2009. A new Panel of three independent people is being recruited to undertake a review of the scheme.

It is proposed that the Chairman should have considerable experience in reviewing Members Allowances. Dr Declan Hall has indicated he would be willing to serve on the panel as the Chairman and would charge a daily rate of £650 plus travel and expenses which is regarded as fair and is affordable. The total amount will depend on the days worked but it is likely to be in the region of £3,500. Dr Declan Hall has extensive experience leading Independent Remuneration Panels reviewing member allowances and has served as Chairman for Panels across the country.

It is proposed that two other members be sought from representatives of the Essex business sector and from our residents. For this purpose, expressions of interest were sought from members of the Essex Chamber of Commerce and from our independent members used for Independent Statutory School Appeals Panels. A total of 11 applications were received and, of these, 7 people were interviewed by the Monitoring Officer and the Head of Democratic Services. All those interviewed

had the right type of experience and could bring skills and expertise to the panel. However, two candidates in particular were the strongest. These were Elaine Oddie and Mary Williamson. Both are now recommended to be appointed to the Panel. A summary of their relevant experience is given below in **Appendix 2**.

In recognition of the amount of time these members will spend undertaking this task it is proposed that they be paid a nominal sum of £500. No further expenses would be paid.

4. Declaration of Non-Disqualification

The Regulations stipulate (Part 4 para 20(2)) that no member of the IRP is to be:

- i) a member of, or a member of a committee or sub-committee of the Council; or
- ii) disqualified from becoming a member of a local authority i.e. was not an employee of the Council, not bankrupt, not convicted within the last 5 years).

The preferred candidates will be asked to confirm that the grounds for disqualification do not apply to them.

5. Terms of Reference for the Independent Remuneration Panel

It is a number of years since there has been a thorough review of the Council's scheme of allowances therefore it is seen as timely to check that the Scheme is still current and complies with up-to-date policies and that it properly recompenses councillors operating in a large, visionary local authority; bears comparison with other Councils; is completely transparent about what can or cannot be claimed; and is justifiable to the public when they become cynical about the issue generally. The panel will be asked to consider the remuneration paid to those representing other similar local authorities (in terms of size, location and budget) and other non-local authority public sector organisations, charities and public sector or private sector companies. The draft Terms of Reference are set out below in **Appendix 1**.

6. Recommended:

1. That Declan Hall be appointed to chair the new Independent Remuneration Panel;
2. That Elaine Oddie and Mary Williamson be appointed as independent members of the Independent Remuneration Panel;
3. That the Terms of Reference for the review of the Members Allowances Scheme by the Independent Remuneration Panel as set out in Appendix 1 be approved.

Draft Terms of Reference

Membership:

Organisation/ Role	Name
Chairman	Dr Declan Hall
Local resident	Mary Williamson
Local Business Representative	Elaine Oddie

Officer Support	Name
Director for Corporate Law and Assurance	Terry Osborne
Head of Democratic Services	Joanna Boaler
Council and Member Support Officer	Andy Gribben

Role

1. To review the County Council's Members' Allowances Scheme, taking in to account the roles and responsibilities of Members (both in the Council and in serving their communities) set out in the County Council's agreed role profiles and elsewhere.
2. To take account of comparative data on the remuneration paid by other comparable local authorities in terms of size, location and budget and other non-local authority public sector organisations, social enterprises, charities and public sector or private sector companies.
3. To hear representations from elected Members
4. To make recommendations to the Council on:
 - (a) the amount of Basic Allowance which should be paid to all Members;
 - (b) the responsibilities or duties for which Members should receive Special Responsibility Allowances and the amount of such allowances;
 - (c) the amount of the Childcare and Dependants' Carers' Allowances;
 - (d) Travelling and Subsistence Allowances;
 - (e) Independent and Co-opted members' allowances;

- (f) whether allowances should be index-linked and if so what the suitable index might be;
- (g) the timing of implementation of the recommendations; and
- (h) the provisions within the Member Allowance Scheme relating to meals when undertaking approved duties at County Hall.

Frequency of Meetings:

Meetings are likely to take place over 2 to 3 days, to commence after the Annual Council Meeting in May. The Panel will meet again as and when required for the purpose of further reviewing the allowance scheme if requested to do so by the Council.

Term of Office:

Four years from the date of their appointment.

Remuneration

That the Chairman be paid a fee of £650 per day plus reasonable travel and other expenses. The other two panel members will be paid a one off sum of £500 each.

Panel Members

Dr Declan Hall (Chairman) is an independent consultant who primarily works in Member Remuneration. He has over 20 years' experience working with local government across the UK, having worked as an academic at the Institute of Local Government, University of Birmingham and as part of remuneration panels across the Country. He has acted as Chairman of Southend and Thurrock, Northumberland, Manchester, Huntingdonshire, Bristol, Slough and Wales Independent Remuneration Panels to name a few.

Business Rep: Ms Elaine Oddie is a Chartered Accountant in Chelmsford and has been a member of the Board of Essex Chambers of Commerce for over 15 years and is currently its Chairman. She chaired Chelmsford Council's Standards Committee for five years and was a member of Chelmsford Council's Remuneration Panel in 2001/02 and is involved both as a Governor of Chelmsford College and the Chelmsford Twinning Association.

Essex resident: Ms Mary Williamson is an active resident based in Colchester Borough who sits on her local Parish Council, her local primary school Board of Governors and on Essex School Appeal Panels. Ms Williamson has served as Chairman of all three during her extensive time on each and has been asked to chair other panels over the years such as school closures and exclusion appeals. Her professional background was as a Further Education Lecturer at the Colchester Institute where she trained adults as teachers for many years.