

Constitution & Standards Committee

30th September 2021

REPORT TITLE:	Members' Allowances Scheme: Update
REPORT OF:	Director of Law and Governance

REPORT SUMMARY

The role of the Independent Remuneration Panel, under the Local Authorities (Members Allowances) (England) Regulations 2003, is to make recommendations to the Council as to the responsibilities or duties in respect of which allowances should be available and the amount of those allowances.

This report provides the Committee with an update in respect to the work of the Independent Remuneration Panel and requests the Committee to refer to Council for decision a proposed change to the Members Allowances Scheme to incorporate a Special Responsibility Allowance for the Independent Member of the Audit and Risk Committee.

This is not a key decision.

RECOMMENDATIONS

The Constitution and Standards Committee is recommended to:

1. Refer to Council for decision the Independent Remuneration Panel's recommendation to amend the Members Allowance Scheme to include a Special Responsibility Allowance for the Independent Member of the Audit and Risk Committee
2. Note the progress made to date by the Independent Remuneration Panel and request that a further update report, including any further recommendations made by the Panel, to be submitted to a future meeting of the Committee.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To enable the Constitution & Standards Committee to comment on the recommendations of the Independent Remuneration Panel prior to the submission of a final report to the Council Meeting for approval.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 All Councils are required to convene their Independent Remuneration Panel and seek its advice before they make any changes or amendments to their Allowances Scheme and they must have regard to the Panel's recommendations before setting a new or amended Allowances Scheme. As such, no other options have been considered and this report is intended to update the Committee on progress and outcomes of the Panel's deliberations.

3.0 BACKGROUND INFORMATION

31. Meetings of the Panel are convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all Local Authorities to set up and maintain an advisory Independent Remuneration Allowances Panel to review and provide advice on Members' allowances.
- 3.2 At the June 2021 meeting of the Constitution & Standards Committee, Members resolved to request the Head of Democratic and Member Services to make arrangements for the Independent Remuneration Panel to consider the following:-
- Special Responsibility Allowance for Vice Chairs
 - Special Responsibility Allowance for the Chair of the Decision Review Committee
 - The level of Special Responsibility Allowance for the Group Leaders who are not one of the three largest Groups
 - To review the Travel and Subsistence Scheme
 - The provision of a Special Responsibility Allowance for the Independent Member of the Audit & Risk Committee
- 3.3 At their first meeting in July 2021, the Panel agreed to approach this request in two distinct phases. They agreed in the first phase to review Special Responsibility Allowance for Vice Chairs, the level of Special Responsibility Allowance for the Group Leaders who are not one of the three largest Groups and the provision of a Special Responsibility Allowance for the Independent Member of the Audit & Risk Committee. They concluded that the remaining requests would be better dealt with later in the year after recommendations were made in respect to the above.

- 3.4 Thus far the Panel have met twice. On behalf of the Panel, the Head of Democratic & Members Services carried out a survey with those members who were Vice Chairs in 19/20 as well as the current Vice Chairs. The Panel also met with Councillors Gilchrist, Cleary and Cooke. Furthermore, research was undertaken nationally and locally in respect to remuneration for the Independent Member of the Audit & Risk Committee and a report was submitted to the Panel for consideration.
- 3.5 **Independent Member of the Audit & Risk Committee**
The Council revised the Terms of Reference for the Audit and Risk Management Committee in September 2020 in line with the Chartered Institute of Public Finance Accountants (CIPFA) updated best practice position statement publication, Audit Committees in Local Authorities and Police.
- 3.6 The revised terms of reference, at Section 13.1 (c) of the Constitution identified that “the Committee will include a person who is not a Member or officer of the Council who shall be a co-opted member of the Committee entitled to speak but not vote at meetings”.
- 3.7 The Independent Remuneration Panel concluded that they wished to recommend to Council that a Special Responsibility Allowance of £30 is paid to the Independent Member of the Audit and Risk Management Committee in line with the SRA provided for the co-opted Members on the Constitution & Standards Committee.
- 3.8 **Special Responsibility Allowance for Vice Chairs & the level of Special Responsibility Allowance for the Group Leaders who are not one of the three largest Groups**
- 3.9 The Independent Remuneration Panel will next meet on 30th September to consider these issues. A report will be submitted to a future meeting of the Constitution & Standards Committee incorporating any associated recommendations of the Panel.

4.0 FINANCIAL IMPLICATIONS

The recommendations contained within this report would not have a significant overall impact on the overall budget for Members Allowances and can be accommodated within the current budget provision.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must appoint an Independent Remuneration Panel to review its Scheme of Members' Allowances in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003.
- 5.2 Under the provisions of the 2003 Regulations, local authorities can exercise local discretion as to the amounts to be paid under their Scheme. Local Authorities must have regard to the recommendations of its Independent Panel in determining allowances matters although it is a decision for Members whether or not to adopt the recommendations detailed in the report.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no direct resource implications arising from this report.

7.0 RELEVANT RISKS

7.1 There are no risks arising from this report.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Head of Democratic and Member Services provided the Governance Working Group Members with an update when they met on 9th September 2021.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no direct environment or climate implications arising from this report.

11.0 COMMUNITY WEALTH BUILDING

11.1 There are no direct Community Wealth Building implications arising from the report.

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APPENDICES

BACKGROUND PAPERS

The Constitution
Notes of the Governance Working Group

SUBJECT HISTORY (last 3 years)

Council Meeting	Date