

MEETING:	COUNCIL
DATE:	23 NOVEMBER 2012
TITLE OF REPORT:	REPORT OF THE INDEPENDENT REMUNERATION PANEL
REPORT BY:	ASSISTANT DIRECTOR LAW, GOVERNANCE AND RESILIENCE

1 Classification

Open

2 Wards Affected

County-wide

3 Purpose

To consider the recommendations of the Council's Independent Remuneration Panel on the Councillors Allowances Scheme.

4 Recommendation(s)

THAT:

- (a) the Independent Remuneration Panel be thanked for its report;**
- (b) the Council consider and have regard to the following recommendations of the Independent Remuneration Panel as set out in the Panel's appended report:**
 - 1 The level of allowance paid to the Chairmen of the two Overview Scrutiny Committees be set at Band 2, and that this rate should be reviewed not later than 2015;**
 - 2 An allowance be paid to the Vice-Chairmen of the two Overview Scrutiny Committees and that this be set at Band 4, subject to the Vice Chairmen chairing at least 50% of the Task and Finish Groups held by that Committee. An allowance should otherwise be set for Vice-Chairmen at Band 5. These rates should be reviewed in 2015;**
 - 3 That an allowance of £500 be paid to Chairmen of special Scrutiny Task and Finish Groups appointed by the relevant Overview and Scrutiny Committee subject to appropriate criteria being met. The number of payments should be reviewed at the end of 12 months;**
 - 4 That a separate allowance be paid to the Deputy Leader of the Council, and that this should be set at 60% of the Leader's allowance, an**

amount of £16,763. Only one special responsibility allowance should be paid to any one Member, and the rate of the allowance for the Deputy Leader of the Council should be reviewed in 2015;

- 5 That Her Majesty's Revenue and Customs Service rates be paid regardless of the fuel type used by a vehicle and that these rates should be reviewed by Herefordshire Council before 2016;**
- 6 That, where practicable, Members requiring overnight accommodation utilise three star accommodation or equivalent, evidenced by receipts. If no suitable accommodation is available, Members may, with approval of the Monitoring Officer, book accommodation to the value of £120 per night, evidenced by receipts;**
- 7 That no allowance be recommended for the Chairmen of the Rural and the Urban Forums. However, the activities of both Forums should be reviewed by the Panel in December 2013; and;**

(c) The new Allowances Scheme should take effect from 23 November 2012.

5 Alternative Options

- 5.1 The Council can decide to accept the Panel's recommendations in full, or in part, or determine such allowances scheme as it sees fit, subject to possible referral back to the Panel in relation to any matters on which the Panel has not made a recommendation.

6 Reasons for Recommendations

- 6.1 To comply with the requirement that, under the Local Authorities (Members' Allowances) (England) Regulations 2003, before amending its Councillors' Allowances Scheme the Council must have regard to the recommendations made in relation to it by an independent remuneration panel.

7 Introduction and Background

- 7.1 The Council is required to establish and maintain an Independent Remuneration Panel to advise on a Scheme of Allowances for Members and any proposed amendments. The Council is required to publish details of the Panel's recommendations and the main features of any Scheme that the Council adopts.
- 7.2 The report of the Independent Remuneration Panel is attached at appendix 1. The report to the Panel on which it based its recommendations is attached at appendix 2.

8 Key Considerations

- The Panel was asked to consider the implications of changes to the Council's Overview and Scrutiny arrangements and whether, in consequence, an allowance should be paid to Chairmen and Vice Chairmen of the General Overview and Scrutiny Committee and the Health and Social Care Overview and Scrutiny Committee which had replaced the single Overview and Scrutiny Committee appointed by Council in May 2011.
- Whether, in light of the new Scrutiny arrangements, a sum of £500 should be payable to a

Chairman of special Task and Finish Review Groups, commissioned by the two Committees. Payment would be identified at the outset as part of the scoping of the review and be subject to the scope of the review being agreed by the relevant Overview and Scrutiny Committee; the timescale being met and the quality of the review meeting the expectations of the Committee. A maximum of six reviews a year would be commissioned between the two Committees.

- The Panel was asked to consider whether a separate allowance be paid to the Deputy Leader of the Council.
- Whether Members driving electric vehicles should be entitled to claim the same mileage rate as those driving cars fuelled by petrol or diesel.
- The Panel was asked to consider a proposal that the subsistence allowance for Councillors for overnight accommodation should be altered.

9 Community Impact

- 9.1 Consideration of Members Allowances needs to take account of the current financial climate. The IRP Members are independent of the Council and represent the wider interests of the county.

10 Financial Implications

10. The budget for Members' Allowances for 2012/13 is £629,840 made up of £366,494 for the basic allowance and £218,580 for Special Responsibility Allowances. There is an additional budget of £44,770 for National Insurance payments.
- 10.2 The recommendations are that expenditure on any additional Special Responsibility Allowances will be contained within existing budgets.

11 Legal Implications

- 11.1 In order to comply with the Local Authorities (Members' Allowances) (England) Regulations 2003, it is necessary for Council the Panel's review of the Allowances Scheme at its Annual meeting in May 2011.

12 Risk Management

- 12.1 Not complying with appropriate legal requirements could have a detrimental impact on the Council's reputation

13 Consultees

- 13.1 Political Group Leaders as at October 2012.

14 Appendices

Appendix 1 – Report of the Independent Remuneration Panel

Appendix 2 – Report to the Independent Remuneration Panel on 31 October 2012 on which it based its recommendations

15 Background Papers

- None identified.