

INDEPENDENT REMUNERATION PANEL

BACKGROUND INFORMATION

Introduction

The 1989 Local Government and Housing Act requires North Somerset Council, along with all other local authorities, to establish and maintain a scheme for members' allowances. The basic provisions of the Act have been fleshed out in subsequent regulations. The 1991 Regulations provide that it is for each local authority to decide its scheme and the amounts to be paid under that scheme.

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. Local authorities must have regard to this advice. A panel must consist of at least three members.

The Regulations provide that a members' allowances scheme can provide for the following allowances to be payable to elected members of local authorities:

- basic allowance
- special responsibility allowance
- childcare and dependent carers' allowance
- travel and subsistence allowances
- conference and meetings allowance

North Somerset Council's existing scheme of members' allowances was approved by Council in March 2004. A copy of the scheme can be found in the Council's Constitution. The scheme was largely devised by an independent panel which had originally been appointed in 2001.

The Council has previously agreed to uprate allowances annually in accordance with an index based on the unitary authority average. The 2003 Regulations specify that where an authority has regard to an index for the purpose of annual adjustment of allowances, it must not rely on that index for more than four years before seeking a further recommendation from the independent panel. Therefore, unless a review takes place, members allowances will effectively be frozen after March 2008.

The Panel's most recent work was in 2006 when it was convened to consider the appropriate level of allowance payable to the Chairman of Council, following changes made to the role.

Recruitment Of A New Panel

Given that the current members of the Panel were appointed in 2001, it is considered necessary to now make new appointments. The Council has expressed its thanks to the current panel members for their contributions over the past six years.

The 2003 Regulations do not specify how a local authority may go about finding members of its remuneration panel. It is important that the process commands public confidence throughout all the communities in the local authority's area, and to achieve this, the appointments process should result in the membership of its independent remuneration panel being truly independent, well qualified to discharge the functions of the panel and representative of the diversity of the communities in the local authority's area.

In order to achieve a good mix of candidates for appointment, it is proposed to use a combination of advertising in the local press, together with inviting the putting forward of candidates, with the aim of appointing 4-5 persons to the panel. Interviews will be conducted by officers to assess the relevant skills and experience of candidates together with the necessary objectivity and absence of pre-conceived opinions.

When appointed, panel members will receive training to assist with their role.

Review Process

In broad terms, the review can be divided into three stages. All three stages are conducted by the independent panel:

Stage 1 – scoping of the review; setting of timescales and agreement to the evidence to be collected and how (eg receiving comparative data from a range of local authorities, obtaining guidance on national best practice, and securing evidence from current councillors regarding roles and work undertaken)

Stage 2 – evaluate evidence

Stage 3 – draw conclusions and prepare recommendations, to be considered by the Council.

Once the panel is established, the actual work of the review can be undertaken relatively quickly, depending on the panel's access to the necessary evidence. The guidance is that a period of 3 months' for all three stages should be sufficient.

The panel's recommendations are not binding on the Council, but the Council must be seen to give due consideration to the panel's work and should give reasons where it does not agree with a panel's recommendation.

Timetable And Support

In order to achieve the required completion date of March 2008, the following timetable is proposed:

August / September 2007	Advertising and inviting the putting forward of candidates
October	Interviews for and appointment to the panel
November	Training of the panel, and stage 1 of review
December 2007 – January 2008	Stages 2 & 3 of the review
February – March 2008	Consideration by the Council of the panel's recommendations (to be concluded by end March 2008, with implementation from May 2008)

The appointments process and review will be overseen by the Director of Finance and Resources with legal and administrative support to the panel provided by the Corporate Support Unit. In addition, Graham Russell, a regional expert on members' allowances, has been engaged to provide specialist assistance to the panel, with the remit of:

- overseeing the appointments process and ensuring it complies with legal requirements and best practice
- training the panel
- providing specialist advice to the panel during the period of the review