

Report To:	COUNCIL	Date:	25 JULY 2019
Heading:	APPOINTMENT OF THE INDEPENDENT REMUNERATION PANEL		
Portfolio Holder:	NOT APPLICABLE		
Ward/s:	ALL		
Key Decision:	NO		
Subject to Call-In:	NO		

Purpose of Report

The purpose of this report is to agree the appointment of the Independent Remuneration Panel to conduct a review of the Members' Allowances Scheme, and agree the timeline for completing the review.

Recommendation(s)

Council is recommended:

- a. To approve the appointment of Dr Declan Hall as Chair, and Mark Cawar, (Voluntary Sector Representative), and Paula Watkinson (Business Sector Representative) as Lay Members of the Independent Remuneration Panel for a four-year term, and delegate authority to the Chief Executive to agree the fees and expenses as set out in this report
- b. To approve the timeline as indicated in the report for the Independent Remuneration Panel to conduct a review of the Members' Allowances Scheme, and the terms of reference set out in Appendix A
- c. To approve the role descriptors for the Chairman and Lay Members of the Independent Remuneration Panel as set out in Appendix B and Appendix C

Reasons for Recommendation(s)

To ensure that a review of the Members' Allowances Scheme is carried out in accordance with the requirements of the Local Authorities (Members' Allowances) Regulations Act 2003.

Alternative Options Considered

No alternative options are considered to be appropriate other than to comply with the Local Authorities (Members' Allowances) Regulations 2003.

Detailed Information

The Council approved the existing Members' Allowances Scheme in July 2016, following consideration of a report from the Independent Remuneration Panel in accordance with the requirements prescribed by the Local Authorities (Members' Allowances) Regulations 2003. The Independent Remuneration Panel comprised of Dr Declan Hall (of the University of Birmingham, an academic specialising in members' allowances), Janet Richardson (of Ashfield Voluntary Action), and Martin Rigley (a local businessman with wider business connections across Ashfield and the Local Enterprise Partnership).

Whilst the current Panel's term of office does not expire until April 2020, a number of factors have resulted in the need to reappoint the Panel at an earlier stage.

- The voluntary representative no longer being in post with Ashfield Voluntary Action
- A potential conflict of interest with the business representative in relation to Ashfield District Council
- Earlier Panel reappointment will lead to recommendations being made in time for consideration and potential implementation for the next municipal year

Dr Declan Hall, who has sat on the Independent Remuneration Panel on numerous occasions, specialises in members' allowances and was considered an appropriate candidate for the role of Chair for the Panel. His appointment ensures academic expertise and continuity. In addition, two new laypersons from the business and voluntary sector have been contacted in accordance with the Regulations, and have indicated a willingness to participate in the next Independent Remuneration Panel review.

The proposed two new Panel Members can give a fresh, laypersons view to the review whilst having a local connection.

Business Sector Representative – Paula Watkinson

Paula Watkinson is a local business director at Ashfield Effluent Services Ltd, a company providing expert advice and services on all aspects of sewage treatment and waste management. She has held this position for 22 years, prior to this she was a Store Manager at Tesco's. She is passionate about Ashfield, local people and employment and also supports local causes including homelessness.

Voluntary Sector Representative – Mark Cawar

Mark Cawar is a Company Director for Feather Partnership, a company that helps organisations through the challenges of introducing new technology and improving existing services, technology and processes. He is also an active Member of the Rotary Club working on numerous local initiatives such as school greenhouse builds, litter picks, community tea parties and fund raising events.

The prospective Lay Members will receive out-of-pocket expenses only, and the Chair of the Panel will receive a fixed fee (approximately £3,000 plus expenses) to be agreed with the Chief Executive.

It is recommended that the Panel be appointed for a four-year term to maintain consistency should the Panel need to be re-called to undertake any further review work.

The Members' Allowances Scheme is index linked and adjusted annually, but this can only be relied upon for a period of 4 years before another review of the Scheme has to be carried out. As a consequence, Council is asked to consider and agree the following timeline to enable the Panel to produce its report and recommendations to the Council meeting in February 2020:

- Scoping report/timeline agreed by Council 25 July 2019
- Panel meets and conducts its review over 2 days (week commencing 21 October 2019)
- Panel submits its report and recommendations to the Chief Executive by January 2020
- Council considers the Independent Remuneration Panel report and recommendations in February 2020 and agrees an updated Members' Allowances Scheme for implementation from the start of the next municipal year in May 2020.

During the course of the review, the Panel will be asked to make recommendations on:

- The level of the basic allowance payable to all Councillors
- Special responsibility allowances payable to those Members holding positions of particular responsibility
- Any co-optee allowances
- Travel and subsistence allowances
- Childcare/dependent carer's allowances
- Equipment allowances

As part of the review process, the Panel will seek evidence from Members via questionnaires. The Panel will also interview a cross-section of Members, as well as the Chief Executive, Monitoring Officer, S151 Officer and other relevant officers. Other local authorities identified as suitable comparators will also be used for benchmarking purposes.

Proposed terms of reference for the Independent Remuneration Panel are set out in Appendix A. Proposed role descriptors for the Chair and Lay Members of the Panel are set out in Appendix B and C.

Implications

Corporate Plan:

This report is presented in accordance with the Corporate Plan Priority: Organisational Improvement. Ensuring effective community leadership through good governance, transparency, accountability, and appropriate behaviours.

Legal:

The Council is obligated to comply with the requirements prescribed in the Local Authorities (Members' Allowances) (England) Regulations 2003, and arrange to adopt a revised Allowances Scheme following recommendations from the Independent Remuneration Panel within four years of the previous review.

Finance:

The costs of the Panel undertaking a review of the allowances scheme over 2 days during October 2019, include travel and subsistence and a Chairs fee and is estimated to be approximately £3,000. This will be accommodated within Member Services budget.

Budget Area	Implication
General Fund – Revenue Budget	As above.
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Risk:

Risk	Mitigation
There has been some changes in circumstances of the current Independent Remuneration Panel resulting in it being necessary to review current appointments. Also, the Council is obligated to comply with the requirements prescribed in the Local Authorities (Members' Allowances) (England) Regulations 2003, and arrange to adopt a revised Allowances Scheme following recommendations from the Independent Remuneration Panel by no later than July 2020.	Appointment of a new Panel to meet the 2020 timeline of reviewing Members allowances.

Human Resources:

There are no HR implications arising from this report.

Equalities:

The recommendations of the Independent Remuneration Panel on the level and scope of Members' Allowances must be fully compliant with equalities legislation, particularly in regard to childcare and dependent carer's provision.

Other Implications:

There are no other implications arising from this report.

Reason(s) for Urgency

None.

Reason(s) for Exemption

None.

Background Papers

- Local Authorities (Members' Allowances) (England) Regulations 2003
- Report to Council, *Report of the Independent Remuneration Panel on the Review of Ashfield District Council's Members' Allowance Scheme*, 21 July, 2016.

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