

# North Yorkshire County Council

## Executive

16 January 2018

### Report on the Independent Remuneration Panel

#### Report of the Assistant Chief Executive (Legal and Democratic Services)

<b>1.0</b>	<b>Purpose of report</b>
1.1	The Executive is asked to consider reviewing level of allowance to be paid to members of the Independent Remuneration Panel.

#### **2.0 Background**

- 2.1 In accordance with Regulations under the Local Government Act 2000, the Council established an Independent Remuneration Panel (IRP) in 2001 to review Councillors' allowances.
- 2.2 The Regulations provide that a Council shall establish an IRP of at least 3 members who are independent of the Council and therefore cannot be a Councillor of the County Council. Regulation 20 of The Local Authorities (Members' Allowances)(England) Regulations 2003 provides that a Council can pay allowances and expenses incurred to the Panel Members. The current IRP consists of 1 Chair of the Panel and 3 Panel Members.
- 2.3 The Executive agreed the initial annual payment on the 12<sup>th</sup> February 2002 for the IRP as £500 for the Chair and £350 for the remaining Panel Members. The current level of payment is £600 for the Chair and £450 for Panel Members. As the Executive have not formally reviewed the level of arrangements for over 15 years after the IRPs have been established, it is considered appropriate to reconsider the level of allowance.
- 2.4 The IRP operates within a framework set down by legislation. The IRP play an important role in providing independent recommendations on the appropriate allowances for Elected Councillors which can fairly consider value for money to the taxpayer whilst ensuring there is fair remuneration for the roles and that individual schemes of allowance remain relevant to current roles of Councillors. Each year the Panel produces an Annual Report which sets out the type and levels of payment that they consider to be appropriate to members and co-opted members. This requires a number of meetings, reviewing large amounts of data, consultations during the year and numerous correspondence between the Panel members. The workload for the Panel is not insignificant and a large amount of evidence is considered in producing the annual report to full Council. The workload and the depth of the reviews have increased significantly over the past years as the Members seek more evidence and analysis to come up with their recommendations.

- 2.4 The Council has been fortunate to have a team of Panel Members with the appropriate expertise and dedication to the role. However it is getting more difficult to recruit new Panel Members when a vacancy arises and also to appropriately compensate the existing Panel members for the work that is undertaken.
- 2.5 There is not a uniformity to the approach of payments to IRP members across the Country and therefore it is a matter of local choice by each Council in how members of the Panel are re-imbursed. The range of payments across comparative Councils differ with a variety of approaches being taken, including:
- (i) only paying expenses
  - (ii) paying an hourly rate or a daily rate
  - (ii) paying an allowance per meeting attended
  - (iii) paying an annual allowance up to £2,500 for the Chair and £2,000 for a Panel Member.
- 2.6 It is considered that the annual allowance has worked well previously as it allows certainty over the budget and ensures a fair compensation for the work involved. Also, if and when a vacancy arises, it allows applicants to know how much allowance is associated with the role. Therefore it is proposed to increase the annual allowance for the Chair to £770 and for an ordinary Panel member to £590.
- 2.7 Also considering the large geography of North Yorkshire and the increase in cost in travel since 2002 when the allowances were first introduced, it is proposed to allow Panel Members to claim mileage expenses to attend meetings at County Hall. This is not considered to be a significant cost as a large majority of communications is done over e-mail and telephone.
- 2.6 The total increase annual cost of the allowances for this proposal is circa £600 (plus the cost of travel expenses which is not considered to be significant) which will be met from the Members' Services Budget.

### **3.0 Recommendation**

- 3.1 That the Executive approve the revised level of allowance for the Chairman of the Panel to £770 and for other Panel Members to be £590 and to allow claims for travel expenses to County Hall for formally approved meetings.

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Background documents - Report to Executive on 12 February 2002