

REPORT TO	DATE OF MEETING
Council	22 July 2015

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Independent Remuneration Panel	N/A	Martin O'Loughlin	11

SUMMARY AND LINK TO CORPORATE PRIORITIES

To consider the appointment of an Independent Remuneration Panel to review and make recommendations on the Council's Scheme of Members' Allowances as required by the Local Authorities (Members' Allowances) (England) Regulations 2003.

This links to the Council's corporate priority of being an efficient, effective and exceptional council.

RECOMMENDATIONS

1. That this Council establish an Independent Remuneration Panel to make recommendations on amendments to the Council's Scheme of Members' Allowances.
2. That Peter Hyett - Former Group Finance Director of UCLAN, Anne Selby - Chief Executive, The Wildlife Trust (Lancashire, Manchester and Merseyside), Julie Thornhill - General Manager, Waitrose Regional Distribution Centre (Leyland) and Ian Wood, BAE Systems' Samlesbury Site Director be appointed to be members of the Independent Remuneration Panel.
3. That the Terms of Reference of the Panel be as set out in the report.

DETAILS AND REASONING

In 2014/15 the Local Government Boundary Committee undertook a review of the Council's electoral arrangements which resulted in a change to wards and a reduction in the total number of councillors.

The Governance Committee, as part of its review of the impact of the constitution on the reduction of councillors from 55 to 50, recommended that the Independent Remuneration Panel be re-established in accordance with the Local Authorities (Member Allowances) (England) Regulations 2003 to review member remuneration in the light of changes to councillor numbers.

Under the Local Authorities (Members Allowances) (England) Regulations 2003, each authority is required to decide its Scheme of Members' Allowances and the amounts which should be paid to members of the Council. Such amounts are in the main made up of Special Responsibility Allowances (SRA's) and a basic allowance.

Under the above Regulations the Council has to have regard to the recommendations of an Independent Panel before it can make or amend a Scheme.

The present Scheme of Members' Allowances was made after the first Independent Remuneration Panel's recommendations were submitted to the Council on 3 July 2002 and came into force on 5 May 2003.

In December 2007 a new Independent Panel was established to formulate and recommend to the Council a revised Scheme of allowances for elected members that would reflect their duties and responsibilities under the Council's Constitution. The Panel's report, which included its recommendations, was considered by the Council at its meeting on 10 September 2008. However the Council was unable to agree a way forward at that time and has since not made any substantial amendments to the Scheme. Consequently members' basic allowances have not been increased since May 2003 a period of 12 years.

Since that time the Chief Executive has approached Peter Hyett (former Group Finance Director of UCLAN), Anne Selby (Chief Executive, The Wildlife Trust (Lancashire, Manchester and Merseyside)), Julie Thornhill (General Manager, Waitrose Regional Distribution Centre (Leyland)) and Ian Wood, (BAE Systems' Sarnesbury Site Director) who have agreed to be members of the Independent Remuneration Panel.

TERMS OF REFERENCE

To propose a scheme of members' allowances that is simple to operate and easy to understand by the public, and in particular to make recommendations on the following:

1. The amount of basic allowance which should be paid to members of the council.
2. The duties in respect of which members should receive a special responsibility allowance, and the amount of such an allowance.
3. The amount of travelling and subsistence allowance and whether the scheme should include allowances for arranging the care of members' children or dependants, and the amount.
4. Any other relevant elements of the scheme.
5. When the scheme should be reviewed.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	The establishment of the Panel in itself has no financial implications however any recommendations may have financial implications and these will be addressed when the Panel presents its findings in the future.
LEGAL	The Local Authorities (Members Allowances) (England) Regulations 2003 require the establishment of an Independent Panel before amendments can be made to the Scheme of Members' Allowances.
RISK	The full risk assessment forms part of the background papers to this report. The main points for consideration are summarised here:-

THE IMPACT ON EQUALITY	The Panel, in its deliberations, will take full account of any impact on equality in making its recommendations.
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OTHER (see below)	
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<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

Risk Assessment