



CONSTITUTION COMMITTEE – 18 MARCH 2002

REPORT OF THE CHIEF EXECUTIVE

**REPORT OF THE INDEPENDENT PANEL ON
MEMBERS' ALLOWANCES**

Purpose

1. The purpose of this report is to present the report of the Independent Panel on Members' Allowances and invite the Committee to make recommendations to the County Council on proposals for a new scheme of allowances in the light of the contents of that report.

Background

2. In April 2001 the Government approved a new framework for members' allowances which included the following requirements.
 - Each local authority is required to establish and maintain an Independent Remuneration Panel with the function of providing the local authority with advice on its scheme and the amounts to be paid. Local authorities must have regard to this advice.
 - Local authorities must include in their scheme of allowances a basic allowance, payable to all members and may include provision for the payment of special responsibility allowances. There is no provision for the payment of attendance allowance. Authorities can now also allow the inclusion of a childcare and dependants carers allowance within an allowances scheme.
 - The approval of a members allowances scheme has to be determined by the full Council and cannot be delegated to the Cabinet or a committee.
 - From 4th May, 2001 Local Authorities have been under a duty to have regard to the recommendations of an Independent Remuneration Panel when paying allowances.
 - A scheme for members allowances may be amended at any time but may only be revoked at the end of the year, i.e. 31st March, or in circumstances where the local authority is adopting a new constitution or changing the form of its executive arrangements. A further scheme must be available to replace the revoked scheme.

3. At its meeting on 26th September, 2001 the Constitution Committee considered a report on the final guidance issued by the Government on Members' Allowances and particularly the need to establish an Independent Remuneration Panel to put forward recommendations on the matter. The Committee authorised the Chief Executive to take the necessary steps to establish an Independent Panel to advise the County Council on Members' Allowances.
4. All Members have had the opportunity to submit their views on the matter to the Panel.
5. The Independent Panel has now concluded its work on the current review and a copy of its report is attached as Appendix A.

Resources Implications

6. The 2002/03 budget provision for allowances, including the allocation from the inflation contingency, is £588,000. This leaves a shortfall of approximately £24,000 on the total cost of £612,240, if all members claim. It should be possible to contain the additional cost within the overall budget for Other Items which includes the provision for members' expenses.
7. The County Treasurer has been consulted on this report and his comments incorporated.

Equal Opportunities Implications

8. The Panel is recommending the establishment within the scheme of a Carers and Dependants Carers' Allowance.

Recommendation

9. The Committee is asked to determine what recommendations it wishes to put forward to the County Council in response to the report of the Independent Panel on Members' Allowances.

Background Papers

Report of the Independent Panel – see Appendix A attached.

Circulation Under Sensitive Issues Procedure

None.

Officer to Contact

David Pitt ☎ 0116 265 6034.