



CONSTITUTION COMMITTEE – 13 MARCH 2003

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. The Council is unable to make any changes to its scheme of allowances, even by way of minor increases to take into account inflation, without the advice of the Panel. The effect of this is that, in practice, the Panel needs to meet at least annually.
4. The Independent Panel has been called together to undertake this year's annual review and a copy of its report is attached as Appendix A.

Resources Implications

5. It should be possible to contain the 3% increase proposed by the Independent Panel within the 2003/04 budget for general items. When the position on the Health Scrutiny function is clearer consideration will be given to the payment of allowances and their resources implications.
6. The Director of Resources has been consulted on this report and his comments incorporated.

Equal Opportunities Implications

7. The scheme incorporates a Carers and Dependants Carers' Allowance.

Recommendation

8. 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

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