

Formation of the Independent Remuneration Panel	
Executive Summary	The purpose of this report is to advise members of the need to refresh and convene a meeting of the Independent Remuneration Panel to review the North Norfolk District Council Members' Scheme of Allowances, in accordance with the requirements of the Local authorities (Members' Allowances) Regulations 2003.
Options considered	Not applicable – there is a statutory requirement to review Members' allowances every four years.
Consultation(s)	Neighbouring authorities were consulted regarding the make-up of their Independent Remuneration Panels, with the possibility of sharing panel members and supporting information, where possible.
Recommendations	<p>It is recommended that:</p> <p>(1) Full Council approves the convening of the Independent Remuneration Panel.</p> <p>(2) Full Council approves the Terms of Reference for the Independent Remuneration Panel (section 3.6)</p> <p>(3) Any representations that Members wish the Independent Remuneration Panel to take into consideration should be made in writing through the Group Leaders, to the Democratic Services Manager</p> <p>(4) The Independent Remuneration Panel reports its findings and recommendations to Full Council by December 2023, at the latest.</p> <p>(5) Full Council resolves to delegate to the Democratic Services Manager the appointment of the individual members to the Independent Remuneration Panel.</p> <p>(6) Payment for Panel members will be at the rate paid to co-opted members of committees - £118.10 per meeting, plus travel (if required)</p>
Reasons for recommendations	To comply with the statutory requirements regarding the review and then setting of Members' allowances and to ensure that the Council is in line with neighbouring, similar sized authorities.

Wards affected	All wards
Cabinet member(s)	Cllr T Adams, Leader
Contact Officer	Emma.denny@north-norfolk.gov.uk

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	The item is not exempt
Details of any previous decision(s) on this matter	Full Council approved changes to the Scheme of Members' Allowances in February 2020.

1. Purpose of the report

North Norfolk District Council Members' Scheme of Allowances is now due for review. An Independent Remuneration Panel must be convened to undertake that review and report its findings and recommendations to Full Council. The Council is required to have due regard to the report of the Independent Remuneration Panel in determining any amendments to the current Scheme. The revised Scheme should be adopted from May 2024. This report sets out the requirements and the terms of reference of the Panel.

2. Introduction & Background

- 2.1 The Local Authorities (Members Allowances) (England) Regulations 2003 require each Council to establish and maintain an Independent Remuneration Panel (IRP) and to undertake a review of its members' allowances scheme at least every four years. The Council implemented its current Scheme in May 2020 following a review undertaken by its IRP. The regulations require each council to have regard to the recommendations of its IRP prior to amending, revoking or replacing its members' allowances scheme.
- 2.2 The 2003 Regulations require the panel to comprise at least three members, who cannot be elected councillors of any local authority, anyone who would be disqualified from being an elected member of a local authority or co-opted members of the Council's own committees.

3. Proposals and Options

- 3.1 Before the IRP can be convened, it is necessary to review the membership of the Panel. It is intended to use the same panel as used in 2019, with the exception of one member who has stood down. The Panel that has been selected sits as the IRP for some other local authorities across East Anglia and is experienced in carrying out such reviews. Once, membership is confirmed, details will be provided to the Group Leaders.
- 3.3 The IRP will also need to have adequate administrative and technical support to inform the review. It is suggested this is fulfilled by the Democratic Services Manager, with input from the Monitoring Officer when required.
- 3.4 Members may wish to make representations to the IRP on issues relating to the Scheme of Allowances. Should this be the case, it is recommended that such representations should be made in writing through the Group Leaders who would then be asked to submit them to the Democratic Services Manager. The Democratic Services Manager will ensure that Group Leaders

are kept informed of submission deadlines and the meeting schedule of the Panel. Previous panels have requested to meet with the Group Leaders.

- 3.5 For the first time the Panel will be asked to consider recommending a suitable allowance for parish and town councils, should they wish to introduce an allowance for their members. Statutory guidance requires that the second tier Authority's IRP should set any such allowance and following a request from a town council in 2022, it was agreed that the Panel would be requested to do so when next convened.

3.6 **Terms of Reference**

The Regulations provide that the IRP can make recommendations to the Council on the following matters:

- a) The amount of basic allowance which should be payable equally to each elected Member.
- b) The roles and responsibilities for which a special responsibility allowance should be payable and the amount of each such allowance.
- c) Travelling and subsistence.
- d) Co-optees' allowance.
- e) Whether an allowance in respect of expenses of arranging for the care of children and dependants should be included and, if appropriate, the amount of allowance and means by which it is determined.
- f) Backdating of allowances to the beginning of a financial year in which the scheme is amended.
- g) Annual adjustments of allowances.
- h) Which Members are to be eligible for contributory membership of the Local Government Pension Scheme.
- i) Whether basic allowance or Special Responsibility Allowance are eligible.

- 3.7 To limit travel time and to allow for flexibility, it is proposed that the Panel meets remotely.

4. **Financial and Resource Implications**

- 4.1 The financial implications of the review of the Members' Scheme of Allowances are currently unknown. It will be a matter for the Council to determine any additional costs or savings in relation to the Scheme when the final report is considered and decisions taken on the adoption of any recommended changes. To ensure that any changes can be included in the Budget for 2024 onwards, the recommendations of the Panel will be brought to Full Council as soon as possible.

- 4.2 There are resource implications for the Democratic Services Team as considerable support is required for the Panel. The holding of remote meetings will reduce this to some extent.

Comments from the S151 Officer:

The S151 Officer (or member of the Finance team on their behalf) will complete this section.

5. Legal Implications

Highlight any legal implications or concerns arising from your report.

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. They will outline any legal advice provided.

6. Risks

- 6.1 The main risk associated with the review of the Members' Scheme of Allowances is reputational in nature. When Members consider the findings and recommendations of the Independent Remuneration Panel, there will be a need to evaluate them in the context of the prevailing circumstances. While Members are required to have due regard to the report of the Independent Remuneration Panel, it still a matter for the Council to decide whether it adopts the associated recommendations in full or part.

7. Net ZeroTarget

- 7.1 The IRP considers the level of payments for travel and subsistence. They may wish to look at offering an enhanced rate for electric vehicles to encourage use as well as car sharing payments and incentives to use public transport.

8. Equality, Diversity & Inclusion

- 8.1 There are a limited number of equality and diversity implications associated with the review of the Members' Scheme of Allowances, the principal issue being any decisions relating to the Carers' Allowance.

9. Community Safety issues

- 9.1 Not applicable

10. Conclusion and Recommendations

- 10.1 North Norfolk District Council Members' Scheme of Allowances is now due for review. An Independent Remuneration Panel must be convened to undertake that review and report its findings and recommendations to Full Council. The Council is required to have due regard to the report of the Independent Remuneration Panel in determining any amendments to the current Scheme. The revised Scheme should be adopted from May 2024.

Recommendations:

It is recommended that:

- (1) Full Council approves the convening of the Independent Remuneration Panel.
- (2) Full Council approves the Terms of Reference for the Independent Remuneration Panel (section 3.6)
- (3) Any representations that Members wish the Independent Remuneration Panel to take into consideration should be made in writing through the Group Leaders, to the Democratic Services Manager
- (4) The Independent Remuneration Panel reports its findings and recommendations to Full Council by December 2023, at the latest.
- (5) Full Council resolves to delegate to the Democratic Services Manager the appointment of the individual members to the Independent Remuneration Panel.
- (6) Payment for Panel members will be at the rate paid to co-opted members of committees - £118.10 per meeting, plus travel (if required)