



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

COUNCIL

WEDNESDAY, 23 MARCH 2022

Report of the Director - Legal and Democratic Services

Remuneration of the Independent Remuneration Panel

1. Purpose

- 1.1 To seek approval from the Council to set the level of remuneration to be paid to members of the Independent Remuneration Panel.

2. Information and Analysis

- 2.1 The Council is required to establish an Independent Remuneration Panel (IRP) under the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to provide advice and recommendations to the Council on its Members' Allowances Scheme and amounts to be paid under it.
- 2.2 By virtue of regulation 20 (3), the Council may pay the expenses incurred by the IRP in carrying out its functions and may pay the members of the panel such allowances or expenses as it may determine. The Local Government Councillors and civic dignitaries in England: ODPM guidance: Part One: members' allowances does not indicate what level of allowance should be paid but confirms "These allowances are a matter for the local authority to determine".
- 2.3 Currently members of the IRP are entitled to receive £125 per meeting (plus expenses). This is conditional upon the panel member attending the meeting. The Chair is also entitled to an additional £250 chair's allowance. All payments are made following the submission of a claim from the Panel member.

2.4 The current process is not as efficient as possible and it is therefore proposed that the Council moves to a fixed fee arrangement payable in equal monthly instalments. This will enable the administrative burden of submitting and processing individual claims to be removed and the process of making payments to be streamlined.

2.5 It is important that the fee is set at an appropriate level to reflect the responsible nature of the role of the IRP, but that is a justifiable payment from public funds. This year the IRP met on 4 occasions (virtually) and prior to the Covid-19 pandemic, the IRP also met on 4 occasions during 2018/19. It is reasonable to expect that on average the IRP will meet in the region of 4 times a year. It is proposed that:

(a) The allowance paid to IRP members be set at £600 per annum payable in equal monthly instalments and that this sum would include attendance at meetings, reading time and expenses in order to avoid the need for a separate claim;

(b) The Chair should continue to be paid an additional allowance of £250 to recognise the additional responsibilities of the role; and

(c) Payments shall be made in equal monthly instalments.

2.6 At its meeting of 3 March 2022, the Governance, Ethics and Standards Committee resolved to support the proposals made in this report. As per the constitution, the GES Committee must be consulted on proposals relating to remuneration of the IRP.

3. Consultation

3.1 Not applicable

4. Alternative Options Considered

4.1 To maintain the status quo and continue to make the current payments to the IRP members. However this would result in the continuation of the administrative burden of submitting and processing individual claims.

5. Implications

5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

6.1 None identified

7. Appendices

7.1 Appendix 1 – Implications

8. Recommendation(s)

To approve that:

- a) Independent Remuneration Panel members are paid a fixed-fee of £600 per annum;
- b) The Chair of the IRP is paid an additional chair's allowance of £250 per annum; and
- c) The allowances payable to the Independent Remuneration Panel are payable in 12 monthly instalments from 1st April 2022.

9. Reasons for Recommendation(s)

9.1 To ensure that the IRP is appropriately remunerated and the process for payment is efficient and streamlined.

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Implications

Financial

- 1.1 Payment of the allowances for the IRP members can be accommodated within existing resources.

Legal

- 2.1 As set out in the report.

Human Resources

- 3.1 The members of the IRP are not employees and there is no contract of employment, therefore, there are no HR considerations.

Information Technology

- 4.1 None.

Equalities Impact

- 5.1 Members of the IRP will be entitled to the fixed fee irrespective of any protected characteristics.

Corporate objectives and priorities for change

- 6.1 None.

Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 Currently the £125 payment is conditional upon the panel member attending a meeting. Moving to a fixed fee arrangement creates a small risk that a panel member will receive a payment notwithstanding the fact they have not attended a meeting. Conversely, if additional meetings are attended, the panel member will not be entitled to an increased payment under a fixed fee arrangement.