

Council



Report of the Head of Legal and Democratic

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To: COUNCIL

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Allowances for Independent Persons

Recommendations

That Council:

1. considers the recommendations of the Joint Independent Remuneration Panel;
2. agrees that an allowance of £1,768 per annum be paid to the independent member of the Joint Audit and Governance Committee with effect from the date of the appointment, the cost shared equally with South Oxfordshire District Council;
3. agrees that an allowance of £583 per annum be paid to each independent person appointed by the head of legal and democratic to assist in dealing with code of conduct matters, the cost shared equally with South Oxfordshire District Council, and to be backdated to 1 April 2023;
4. agrees that the allowances above be subject to annual increases in line with the increase in allowances paid to councillors; and
5. authorise the head of legal and democratic to update the councillors' allowances scheme to make reference to the allowances to independent persons set out above.

Purpose of Report

1. To consider the report and recommendations of the Independent Remuneration Panel on allowances for independent persons.

Background

2. The Local Government Act 2000 and Local Government (Members Allowances) (England) Regulations 2003 require the council to make a scheme of allowances payable to councillors and to make payments only in accordance with the adopted scheme. An independent remuneration panel must be established to review the councillors' allowances scheme and make recommendations on the level of allowances to be paid. Council is responsible for approving the councillors' allowances scheme. Council must have regard to, but is not bound by, the panel's

recommendations. The Council established a joint Independent Remuneration Panel with South Oxfordshire District Council for this purpose in 2020. Council adopted a councillors' allowances scheme in 2021. The scheme sets out allowances for elected district councillors but does not include allowances for any independent roles.

3. At its meeting on 7 December 2022 Council considered the recommendations of the Joint Audit and Governance Committee from its meeting on 15 November 2022 and resolved to appoint an independent person to that committee. The head of legal and democratic was authorised to make that appointment. Council also resolved to ask the Independent Remuneration Panel to consider an appropriate level of remuneration for the role of independent person to the Joint Audit and Governance Committee and an appropriate level of remuneration to the independent persons dealing with code of conduct matters.
4. An independent person is a non-councillor who is suitably qualified for the role and brings specialist knowledge, expertise and insight. They bring an independent view to the council, reinforcing political neutrality.

Panel report

5. In February 2023 the Independent Remuneration Panel met to consider the Council's December 2022 decision to:
 - ask the panel to consider an appropriate level of remuneration for the role of independent person to the Joint Audit and Governance Committee; and
 - ask the panel to consider an appropriate level of remuneration for the independent persons dealing with code of conduct matters if the panel consider that the roles should be remunerated.
6. Appended to this covering report is the report of the Independent Remuneration Panel. This details the reasons and rationale for the panel's recommendations.
7. The panel believes that both roles should be remunerated. The panel has recommended that:
 - the role of independent person to the Joint Audit and Governance Committee should receive an allowance of 50 per cent of the special responsibility allowance paid to the chair of the Joint Audit and Governance Committee. Therefore, from 1 April 2023 the allowance for the independent person on the Joint Audit and Governance Committee should be £1,768 per annum (50% of the chair's allowance of £3,535).
 - the independent persons dealing with code of conduct matters should each receive an allowance of 33 per cent of the allowance payable to the independent person on the Joint Audit and Governance Committee. Therefore, from 1 April 2023 the allowance for these independent persons dealing with code of conduct matters should be £583 per annum (33% of £1,768).

Failure to fulfil the independent role

8. Currently, these independent roles are not remunerated. If Council adopts the panel's recommendations the independent persons appointed to these roles will be paid an allowance, funded from the public purse. The holders of these roles must be held accountable to the council. If an independent member/person is not fulfilling their role to which they were appointed, and for which they are being paid an allowance by the council, the council should be able to remove that person from the

independent role and replace them. Detailed proposals will come forward as part of the constitution review.

Financial Implications

9. There will be one independent member of the Joint Audit and Governance Committee and there are currently six independent persons assisting the Monitoring Officer with code of conduct casework. The current budget does not include provision for the payment of these allowances. If the allowances are approved, officers will consider submitting an essential growth bid for the 2024/25 financial year. Payment of the allowances in 2023/24 will be met from either underspends in the current base budget or from contingency. The allowances paid will be shared equally with South Oxfordshire District Council. The allowance for the independent person on the Joint Audit and Governance Committee will be paid from the date of their appointment. This means that this council's share of the allowances will equate to a maximum of £884 in 2023/24 to the independent person on the Joint Audit and Governance Committee and £291.50 per annum to each independent person appointed to assist the council in code of conduct matters.
10. To follow normal practice, these allowances should be subject to annual increases in line with the increases of councillors' allowances, which are tied to increases in staff salaries.

Legal Implications

11. There is no legal requirement for the council to award allowances to the independent member of the Joint Audit and Governance Committee or to the independent persons assisting with code of conduct work. However, in the case of the former, the Chartered Institute of Public Finance and Accountancy recommends co-opting an independent person to the council's committee. Some councils have done this and are paying an allowance for this role. As such, Council chose to ask the panel to recommend suitable levels of remuneration.

Equality and diversity implications

12. The award of allowances to these independent roles may contribute to increasing the diversity and making these roles more accessible.

Climate and Ecological Emergencies Implications

13. There are no direct climate and ecological implications arising from this report.

Conclusion

14. The Independent Remuneration Panel undertook a review of allowances for independent persons at the request of Council. The panel has recommended that allowances are paid to the individuals appointed to these roles. The cost will be shared equally with South Oxfordshire District Council.

Appendices

- Appendix 1 – the Independent Remuneration Panel’s report, dated March 2023

Background papers

None