

Report To: Council – 23rd June 2010

By: Democratic Services Officers from Bromsgrove, Malvern Hills, Redditch, Worcester City, Wychavon and Wyre Forest Councils

Title: Independent Remuneration Panel for Worcestershire District Councils	Ward Councillor/s All
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Background Papers: None

1. Summary

1.1. This report outlines proposals to establish a joint Independent Remuneration Panel to serve the 6 District Councils within Worcestershire.

2. Recommendations

- 2.1. That the current Independent Remuneration Panel for Malvern Hills District, Worcester City and Wychavon Councils be appointed as the Joint Independent Remuneration Panel for Bromsgrove, Malvern Hills District, Redditch Borough, Worcester City, Wychavon District and Wyre Forest District Councils;
- 2.2. That one Councillor from each participating authority be appointed to a Joint Committee to review and agree the terms of reference of the Panel, the operating arrangements and other relevant details.

3. Implications & Impact

3.1. Council Priorities and Community Plan Themes

Successful - delivering excellent and value for money services

3.2. Resource Implications

- financial implications - we estimate the costs of the Panel will be met within existing budgets.
- staffing implications – by rotating support for the Panel there should be no staffing implications except in the period that a particular authority is administering it.

- risks – if the Panel is not established there is a risk that some of the District Councils will not be able to take independent advice on their allowances in time for budget discussions. The Panel will have a tight timescale to report to this year and if there is a delay in establishing it there is a risk that it cannot complete its work in time.
- Legal – the proposals comply with relevant legislation.
- property – none.

3.3 Diversity Impact Assessment

Not required.

4. Background

- 4.1. The Local Government Act 2000 established a requirement for an Independent Remuneration Panel (IRP) to review and recommend allowances for Councillors. The Panel can also be used to do similar work for Parish Councils.
- 4.2. Officers from each authority in Worcestershire have been discussing potential areas for achieving savings and efficiencies in legal and democratic services. As part of these discussions, it has been suggested that we consider appointing a single Independent Remuneration Panel for the Worcestershire District Councils. The Panel would consider and make recommendations on the level of allowances for Councillors on each Council and would be the remuneration panel for the Parish Councils in each area.
- 4.3. Malvern Hills, Worcester and Wychavon have shared a Panel since 2001. The other 3 Districts have used individual Panels but in some cases they have vacancies on them. It is therefore opportune to consider establishing a Panel for all the Districts.
- 4.4. The Officers have discussed whether to ask the County Council's Independent Panel to take in the work for all Councils in Worcestershire. They have discounted this option for a number of reasons including workload and the differences in responsibilities between County and District Councillors.
- 4.4 The advantages of sharing a Panel are:
 - Efficiencies in servicing and recruiting to one Panel rather than duplicating work across each authority;
 - Sharing costs associated with the Panel's work;
 - One Panel can develop expertise in the way Local Government works across Worcestershire and apply a consistent approach across all the Councils.
- 4.5 The potential disadvantages of a shared Panel include:

- Heavy workload meaning it is unable to make timely recommendations;
 - Not sufficiently aware of each Council's individual circumstances leading to recommendations which do not appear credible.
- 4.6 We have experience of a shared Panel within the County and this has generally worked well. The key to achieving credible recommendations within timescale is for the members of the Panel to be selected carefully and having good support from each participating authority. We envisage that a Joint Committee of Councillors would be used to select members of the IRP. Each Council will be expected to provide appropriate officer input to support the Panel and to act as conduit for consultation, research and information purposes. This will not generally require any additional commitment to that already provided by each authority.
- 4.7 The current shared Panel has rotated responsibility for arranging and co-ordinating meetings and agendas between the three participating authorities. We suggest that this approach continues with each participant providing such support for 2 years at a time.
- 4.8 The Panel would not produce one single scheme applicable to all participating authorities, but would review and report to each authority separately, taking into account their own circumstances and operating arrangements. In practice however, the Panel will carry out consistent research across all authorities as well as benchmarking against the national picture.
- 4.9 Usually Councils require a report from the Panel in December each year in order to consider recommendations as part of the budget process. In view of this we suggest that the current Panel for South Worcestershire is invited to become the IRP for the Worcestershire Districts, starting work immediately.
- 4.10 The current Panel has 5 members, who are due to retire by rotation. We suggest that members of the Panel are recruited from the additional Districts' areas as vacancies occur. The first vacancy is due to arise in December 2010.
- 4.11 If the Council agrees to the proposal, we recommend that one Councillor is appointed to a joint Committee delegated authority to review and agree the Terms of reference for the IRP, the operating arrangements and other relevant details.
- 4.12 Currently there are different arrangements for payment of Panel members and costs involved in advertising schemes. We estimate the direct costs of supporting a Joint Panel will be less than currently incurred overall, excluding advertising costs which are likely to remain the responsibility of each authority.