

INDEPENDENT REMUNERATION PANEL

TERMS OF REFERENCE

1. Background

1.1 The principal legislation/guidance governing modern day member allowances is: -

- the Local Government and Housing Act, 1989 Section 18 (as amended by the Local Government Act, 2000) - the underlying authority for basic, special responsibility and child and dependent carers' allowances
- the Local Government (Members Allowances) Regulations 2003
- Government Guidance issued at the time of the 2003 consolidated Regulations;

1.2 Under the provisions of this legislation, local authorities are required to make a Scheme of Allowances and can exercise local discretion as to the amounts to be paid under their Scheme. Local authorities must also establish and maintain an independent Panel to make recommendations to the council on allowances matters. Local authorities must have regard to the recommendations of its Independent Panel in determining allowances matters.

1.3 The following chart summarises the legal provisions relating to individual types of allowance. It includes the list of duties for which allowances are payable.

Mandatory	Optional			
Basic Allowance	Special Responsibility Allowance	Dependent Carers' Allowance	Travelling and Subsistence Allowance	Co-optees Allowance
There must be a basic allowance and it must be the same amount for every member. The level of allowance must be set each year. The basic allowance must be payable pro-rata. The Scheme may withhold pro-rata a portion of basic allowance covering a period of suspension or partial suspension	The Scheme may provide SRAs to members in one or more of the following categories: a. Leader or deputy Leader of a political group; b. Executive member; c. Chairman of a committee, sub committee, joint committee or sub committee of a joint committee; d. Representative of the LA at another body's meeting; e. Member of a committee or sub committee that meets frequently or sits for lengthy periods;	Payable to cover expenses in arranging care for dependents as a result of: a. Attending official committee, sub committee meetings and attending other bodies as authority rep. b. Attending meetings authorised by the authority, a committee, sub committee of joint committee; c. Attending meetings of an authority association the authority is a member of; d. Attending executive meetings;	Payable for motorised and non-motorised travel in connection with duties specified in the scheme and within one or more of the following categories: a. Attending official committee, sub committee meetings and attending other bodies as authority rep. b. Attending meetings authorised by the authority, a committee, sub committee of joint committee; c. Attending meetings of an authority association the authority is a member of;	Payable for attendance at conferences and meetings. If the member is chair of an overview and scrutiny committee with delegated education functions, the co-opted allowance must be at least equal to any SRA payable to any other committee or sub committee chair. Co-optees Allowance applies to members of an authority's committees and sub committees who are not members of the authority.

	<p>f. Spokesperson of a political group on a committee or sub committee;</p> <p>g. Member of an adoption panel;</p> <p>h. Member of a committee or sub committee with any licensing responsibilities;</p> <p>i. Carrying out any other activity involving time and effort equal to or greater than any of the above.</p> <p>The level of SRA can be variable.</p> <p>If the authority does pay any SRAs then if there is an opposition group, at least one opposition member must receive an SRA under category a. or f. above</p>	<p>e. Performance of duties requiring member presence under section 135 of LGA 1972;</p> <p>f. Performance of any duty involving official inspection or authorisation of inspection of premises;</p> <p>g. Performance of any duty relating to arrangements for pupil attendance at non-maintained special schools;</p> <p>h. Any other duty involving discharge of functions of the authority or any of its committees and sub committees.</p>	<p>d. Attending executive meetings;</p> <p>e. Performance of duties requiring member presence under section 135 of LGA 1972;</p> <p>f. Performance of any duty involving official inspection or authorisation of inspection of premises;</p> <p>g. Performance of any duty relating to arrangements for pupil attendance at non-maintained special schools;</p> <p>h. Any other duty involving discharge of functions of the authority or any of its committees and sub committees.</p> <p>All committee or sub committee members are counted as authority members.</p> <p>The Authority includes waste disposal authorities and joint boards on which any relevant body in category a. to h. is represented.</p>	
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2. Scope of Review

- 2.1 The Independent Remuneration Panel (IRP) are asked to review members allowances as they have not been reviewed since 2018 and where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme. This review will also focus on each of the allowances paid to members to ensure that both Babergh and Mid Suffolk are paying the appropriate allowances.
- 2.2 The Panel (as stated in Government Guidance) is to make recommendations to both the local authorities on:
- the level of basic allowance;
 - which duties or responsibilities should lead to the payment of special responsibility allowances and the amount of such allowances;
 - the duties for which travelling, and subsistence allowances can be paid and the amount of those allowances;
 - the level of co-optees' (or non-councillor) allowance (an example of a non-councillor would be the independent members appointed to serve on a Council's Standards Committee);

- whether the Scheme of Allowances for expenses of councillors in arranging child care or dependent relative care is sufficient;
- whether there should be any backdating of an allowance to the start of the financial year, in the event of any change to allowances mid-year;
- the nature of any index by which allowances are updated annually and for how long any such an index should apply;

(NB councillors are no longer eligible to join the Local Government Pension Scheme – effective April 2014).

2.3 It is proposed that the two reviews are run concurrently.

Author Jan Robinson

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