



Report of the Chief Democratic Services Officer

General Purposes Committee

Date: 18th May 2010

Subject: Responding to recommendations of the Independent Remuneration Panel

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose of this report

1.1 This report has been brought forward at the request of the Labour Group. It asks General Purposes Committee to consider recommending to Council that the Constitution be amended with respect to how recommendations of the Council's Independent Remuneration Panel are taken into account when varying the Members' Allowances Scheme.

2.0 Background information

2.1 It is a function of Full Council to make, amend, or revoke a Members' Allowances Scheme.

2.2 Local Authorities are required to establish and maintain an Independent Remuneration Panel.¹ This Panel has the function of providing the Council with advice on its Members' Allowances Scheme, and the nature and level of allowances to be paid to elected members. The Council must have regard to this advice when reviewing and amending its Scheme.

2.3 In establishing these arrangements it was the approach of Government to enable the Council to determine the amounts to be payable to elected members, having regard to local circumstances but sharpening accountability by the appointment of a local Panel whose members are required to be independent of the Council.

2.4 Some local authorities have gone further by entering into a commitment to accept, as a matter of course, all of the recommendations from their respective Independent Remuneration Panels. Others, including Leeds, have retained discretion to accept, amend or reject such recommendations as they consider appropriate.

¹ Regulation 20 of the Local Authorities (Members' Allowances)(England) Regulations 2003 as amended

2.5 In practice, the Council has only rarely done other than to accept in full the recommendations of its Panel. Most recently, the Council has, in effect, exercised this discretion by setting a budget for 2010/11 which explicitly assumes that the October 2010 inflation award (which is integral to the Scheme) should be foregone.

3.0 Main issues

3.1 The current arrangements comply with all relevant legislative requirements in allowing full Council the final discretion in varying its Members' Allowances Scheme. In practice, this discretion has only rarely been exercised.

3.2 A constitutional change so as bind the Council to an automatic acceptance of the Panel's recommendations may be considered beneficial in terms of demonstrating impartiality although, clearly, it would limit the Council's discretion.

4.0 Implications for Council policy and governance

4.1 There are no implications for Council policy. The implications for governance are as detailed in this report.

5.0 Legal and resource implications

5.1 There are no legal or resource implications.

6.0 Conclusions

6.1 This Committee may like to consider whether it would wish to recommend varying the Council's Constitution by inserting the following footnote to Section 3, Part 2A of the Constitution, pertaining to the function of Full Council with regard to the Members' Allowances Scheme.

"Acting in accordance with the recommendations of the Independent Remuneration Panel save in wholly exceptional circumstances"

7.0 Recommendation

7.1 General Purposes is asked to consider recommending Council to amend the Constitution as detailed in this report.