

**Bolsover District Council**

**Meeting of Council on 2<sup>nd</sup> August 2023**

**Independent Remuneration Panel**

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| <b>Classification</b> | This report is Public                                      |
| <b>Report By</b>      | Jim Fieldsend, Director of Governance & Monitoring Officer |

**PURPOSE/SUMMARY OF REPORT**

- To accept the appointment of the Independent Remuneration Panel.
  - To authorise the recommended payment to the members of the Independent Remuneration Panel.
  - To receive and consider the recommendation of the Independent Remuneration Panel.
  - To approve the future scope of the Independent Remuneration Panel.
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**REPORT DETAILS**

**Background**

- 1.1 In accordance with The Local Authorities (Members' Allowances) (England) Regulation 2003 (the Regulations) a local authority must establish a scheme in order to pay its Members the following allowances:
- A basic allowance.
  - Special responsibility allowances.
  - Dependent carers' allowance.
  - Travelling & subsistence allowances.
- 1.2 The scheme can also provide for a mechanism for an annual adjustment by reference to a specific index. If a scheme contains such an index, it must be reviewed every four years.
- 1.3 Before a local authority adopts or makes changes to its allowance scheme it is required to set up an Independent Remuneration Panel of at least 3 people. The role of the panel is to provide recommendations on the scheme and the local authority must have regard to those recommendations when making or amending the scheme.
- 1.4 The last time the Council's scheme was reviewed was in 2017. Since then, there have been no proposed changes. In addition, there is no mechanism for annually adjusting the allowances. Consequently, there has been no need to request an Independent Remuneration Panel to undertake a review. However the Leader of the Council has proposed that a new role of Junior Executive Member is created

which may benefit from the payment of a Special Responsibility Allowance. In addition the Council could pay its board members of the Dragonfly companies an allowance. Before the Council can agree to these payments being added to the Members Allowance scheme it must establish a new panel. The Panel will make recommendations and the Council must consider those recommendations before making changes to the scheme.

## **2 Details of Proposal or Information**

### To establish an Independent Remuneration Panel

- 2.1 Following the Leader's proposal to create the new Junior Executive Member role for approval at Council on 2<sup>nd</sup> August it was felt necessary for Council to consider an appropriate Special Responsibility Allowance at the same time. This required the establishment of an Independent Remuneration Panel which Council could retrospectively approve at its meeting on 2<sup>nd</sup> August.
- 2.2 Members of the panel need to be truly independent of the Council and requests were made of the Independent Persons at North East Derbyshire District Council. This followed a reciprocal request by North East asking Bolsover's Independent Persons and its co-opted member of Standards Committee to form their Independent Remuneration Panel.
- 2.3 Officers therefore approached North East Derbyshire's Independent Persons who are Amanda Orchard, Graham Hudson and David Richardson to form the panel. All three agreed to form Bolsover District Council's Independent Remuneration Panel.
- 2.4 The panel has already met and provided recommendations in relation to the Junior Executive Panel this is detailed below.

### The scope of the panel

- 2.5 It is proposed that the panel should be asked to consider and make recommendations on the following:
  - Whether the Junior Executive Members role should receive a special responsibility allowance and if so the amount of the allowance.
  - Whether a board member of Dragonfly Development Limited and Dragonfly Management (Bolsover) Limited should receive a Special Responsibility Allowance.
  - A review of the scheme as a whole.

### Allowances payable to the Independent Remuneration Panel

- 2.6 The Regulations allow for the Council to pay the panel an allowance as it sees fit. In light of the amount of work that a panel member is expected to undertake it would appear reasonable to agree to such an allowance. It is proposed that the panel are paid £100 per meeting. This is in line with what other councils pay.

## 2.7 Junior Executive Member

The Panel were asked to consider whether the Junior Executive Member should receive a special responsibility allowance and if so, how much that should be. The Panel considered all information provided to it and has recommended that a Junior Executive Member should receive a special responsibility allowance and that the allowance should be £2445.36 per year, being 50% of an Executive Member allowance. A copy of the Panel's full report is attached as **Appendix 1**.

## 3 Reasons for Recommendation

- 3.1 To enable the Council to review and make changes to its Members Allowance Scheme.

## 4 Alternative Options and Reasons for Rejection

- 4.1 Not to appoint an Independent Remuneration Panel. This is rejected as it is not possible to make changes to a Members Allowance Scheme without considering the recommendation of an Independent Remuneration Panel

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## RECOMMENDATION(S)

1. To agree to the appointment of the Independent Remuneration Panel to undertake a review of the Council's Members' Allowance Scheme.
2. To agree the scope of the Independent Remuneration Panel as set out in the report.
3. To consider the attached report of the Independent Remuneration Panel and decide whether the role of Junior Executive Member should receive a Special Responsibility Allowance and if so, what that allowance should be.
4. To agree the payment an allowances to the members of the Independent Remuneration Panel as set out in the report.

### IMPLICATIONS.

**Finance and Risk:**      Yes       No

**Details:** By including an allowance for the Junior Executive Members the total cost of the Members Allowance Scheme will increase by £12,226.80. This is based on there being five Junior Executive Members, none of whom already receive a special responsibility allowance. Payment of an allowance to the members of the Independent Remuneration Panel will also result in an increase in costs over and above what is already included in the Medium-Term Financial Plan.

On behalf of the Section 151 Officer

**Legal (including Data Protection):**      Yes       No

**Details:** In accordance with The Local Authorities (Members' Allowances) (England) Regulation 2003 the Council must consider the recommendation of its Independent Remuneration Panel before making changes to the Members' Allowance Scheme.

On behalf of the Solicitor to the Council

**Environment:**      Yes       No

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment

**Details:** There are no environmental implications contained within this report.

**Staffing:**      Yes       No

**Details:** There are no staffing implications contained within this report.

On behalf of the Head of Paid Service

## DECISION INFORMATION

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| <b>Is the decision a Key Decision?</b><br>A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:<br><br><b>Revenue - £75,000</b> <input type="checkbox"/> <b>Capital - £150,000</b> <input type="checkbox"/><br><input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i> | No |
| <b>Is the decision subject to Call-In?</b><br><i>(Only Key Decisions are subject to Call-In)</i>  | No |

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| <b>District Wards Significantly Affected</b>   | None         |
| <b>Consultation:</b><br><b>Leader / Deputy Leader</b> <input type="checkbox"/> <b>Executive</b> <input type="checkbox"/><br><b>SLT</b> <input type="checkbox"/> <b>Relevant Service Manager</b> <input type="checkbox"/><br><b>Members</b> <input type="checkbox"/> <b>Public</b> <input type="checkbox"/> <b>Other</b> <input type="checkbox"/> | Details: N/A |

**Links to Council Ambition: Customers, Economy and Environment.**

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| <b>DOCUMENT INFORMATION</b> |  |
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| <b>Appendix No</b> | <b>Title</b>                                 |
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| 1                  | Report of the Independent Remuneration Panel |
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| <b>Background Papers</b> |
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*(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive, you must provide copies of the background papers).*

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