

Shadow Council

Title of Report:	West Suffolk Council – Councillor Remuneration	
Report No:	COU/SA/18/004	
Report to and date:	Shadow Council	12 June 2018
Portfolio holder:	Ruth Bowman Portfolio Holder for Future Governance Tel: 01638 510896 Email: ruth.bowman@forest-heath.gov.uk	Carol Bull Portfolio Holder for Future Governance Tel: 01953 681513 Email: carol.bull@stedsbc.gov.uk
Lead officer:	Jennifer Eves Assistant Director, HR, Legal and Democratic Services Tel: 01284 757015 Email: Jennifer.eves@westsuffolk.gov.uk	
Purpose of report:	The West Suffolk Shadow Council is required to formulate proposals for members’ remuneration, in order for the West Suffolk Council to adopt once it begins to meet. This report sets out proposals as to how the members’ remuneration scheme will be developed.	
Recommendation:	<p>It is <u>RECOMMENDED</u> that the West Suffolk Shadow Council:</p> <ul style="list-style-type: none"> (1) agrees the process for appointing members of the West Suffolk Independent Remuneration Panel as set out in paragraph 4.1 of Report No: COU/SA/18/004; (2) nominates a Member who is not part of the majority group to serve on the Independent Person Selection Panel; and (3) agrees the terms of reference for the Independent Remuneration Panel in Appendix A to Report No: COU/SA/18/004. 	

Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<i>The decisions made as a result of this report will usually be published within 48 hours and cannot be actioned until five clear working days of the publication of the decision have elapsed. This item is included on the Decisions Plan.</i>			
Consultation:		This report has been subject to consultation with the Future Governance Steering Group. The group recognised the importance of ensuring that Councillors were consulted within the review process, and had opportunity to input their views to the Remuneration Panel. This will be discussed with the Remuneration Panel when determining their work programme.	
Alternative option(s):		Should proposals in this report be rejected, further options will be considered albeit this may imperil the ability to complete the review in order to make recommendations to West Suffolk Council	
Implications:			
Are there any financial implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any staffing implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any ICT implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any legal and/or policy implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any equality implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Failure to recommend a scheme would mean that Councillors cannot be remunerated to deliver their important roles	Low	Agreement of the proposals in this report would give sufficient time to adopt a scheme	Low
Ward(s) affected:		n/a	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		n/a	

Documents attached:	Appendix A: Proposed Terms of Reference for the Independent Remuneration Panel Appendix B: Person specification for Panel members Appendix C: Person specification for the Panel advisor
----------------------------	---

1. The context for a review of members' allowances

- 1.1 Our Business Case to become a single Council demonstrates how we expect a new Council will increase our ability to influence decision making, and strengthen our ability to deliver our strategic aims. As one of the largest district-tier Councils in the Country, we hope and expect to have a larger voice, with greater ability to work with central government, peers and local organisations.
- 1.2 In October 2017, both Forest Heath District Council and St Edmundsbury Borough Council agreed proposals for a future Council Size (number of Councillors) of 64 Members. The supporting case highlighted the need to continue to build on our Families and Communities Strategy, emphasising the role of Councillors as community leaders and enablers.
- 1.3 The future scheme of Members' allowances for West Suffolk will be set against this backdrop; but will also have to bear in mind the evolving nature of an entirely new Council, whereby committee and leadership roles subject to Special Responsibility Allowances are to be defined, and public expectations on the levels of remuneration that are appropriate for democratically elected individuals.

2. The Legislative Framework

- 2.1 The West Suffolk (Local Government Changes) Order 2018 requires the West Suffolk Shadow Council to formulate a scheme of Members allowances. This scheme will then be recommended to the new West Suffolk Council to adopt when it begins to meet after 1 April 2019.
- 2.2 As there are differences between the current scheme for Forest Heath and St Edmundsbury, it is not possible to simply adopt the existing allowances; a new scheme for West Suffolk will be required.
- 2.3 All Members allowances schemes must comply with the Local Authorities (Members' Allowances)(England) Regulations 2003. These regulations set out the type of allowances and expenses Members are entitled to, and the process for undertaking a review. They are supplemented by guidance issued by the (then) Office of the Deputy Prime Minister, which is reproduced here: <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim65960>

3. Independent Remuneration Panel

- 3.1 Before any scheme of allowances are adopted, the Council is required to form an Independent Panel. The Panel will prepare recommendations on the level of remuneration, allowances and expenses for Councillors. Their recommendations must be taken into account by the Council, although the Council is within their right to agree alternative proposals.
- 3.2 The independent panel must be convened of at least 3 Members, and the guidance highlighted above indicates that the appointment process must command public confidence, and both the process, and the panel, should not only be independent, but seen to be independent. Those who are

disqualified from being a Councillor cannot sit on the panel, and in addition it is suggested that those with existing, active political affiliations should also not sit on panels.

- 3.3 Whilst Forest Heath and St Edmundsbury have already jointly appointed an Independent Remuneration Panel until 2020, it is recommended that as a new Council, West Suffolk appoints its own remuneration panel to serve through to the next electoral term. This exceeds the normal 4 year term, but allows the panel to develop formative proposals, and then work alongside the new Council as it evolves to make suggestions and tweaks to the scheme. Current Panel members will be invited to apply.
- 3.4 The panel's work will be supported by officers of the Councils, who will offer appropriate training, briefing and support to the Panel Members. However, it is recognised that the current review may be particularly challenging, and with this in mind, it is also proposed to appoint an advisor to the panel who can act as a conduit between the Council Officers, Council Members and the panel. This is not unusual and is a role usually undertaken by someone with significant experience of local government, whether through having acted as a senior officer or Councillor in the past.
- 3.5 Proposed Terms of Reference for the Panel are attached at Appendix A; a person specification for Panel Members at Appendix B, and a person specification for the Advisor at Appendix C.

4. Process for appointing Panel Members

- 4.1 As above, the process for appointing panel members must be open, fair and seen to be independent. Practices in recommending and approving appointments vary. It is proposed to make appointments as follows:
 - a) Officers will advertise for panel members using a variety of means, including social media channels, via the website, contacting relevant organisations (local business / voluntary sector organisations) and issuing a press release
 - b) Officers will also seek an advisor at the same time, and whilst similar communication channels will be used, different relevant parties (e.g. LGA, associations) will be contacted
 - c) Applicants will be required to submit a CV and accompanying personal statement outlining why they wish to apply for the role and their relevant skills / attributes and experience
 - d) A selection panel to be formed, comprising the St Edmundsbury and Forest Heath Portfolio Holders for Future Governance; a Member who is not part of the majority groups of either Council; a Corporate Director of Forest Heath and St Edmundsbury; the Monitoring Officer, and the Council's Independent Persons (on the condition that they do not wish to be members of the Independent Remuneration Panel)
 - e) The Monitoring Officer and Corporate Director shall review and assess applications, and circulate recommended shortlisting proposals to the selection panel. They will then meet with shortlisted applicants and recommend up to 4 members and one advisor to the Shadow Council
 - f) The Shadow Council shall consider the recommendations and make the appointments.

5. Work of the Panel

- 5.1 It is proposed that the appointment process shall be concluded by September 2018, after which the Panel shall undertake their work between October 2018 and January 2019. Recommendations of the Panel shall be considered by the Shadow Council in February, and submitted for West Suffolk Council to consider in April or May 2019.
- 5.2 Should the Shadow Council feel unable to recommend a scheme to the new Council in February 2019, further work will be undertaken to ensure that a scheme can be adopted by West Suffolk Council.