

## **Report to the Cabinet**

**Report reference: C/018/2005-06.**

**Date of meeting: 11 July 2005.**



**Portfolio: People First.**

**Subject: Member Remuneration Scheme.**

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### **Decisions Required:**

**(1) To consider whether to commission the Independent Remuneration Panel to examine the Council's current Member Remuneration Scheme in relation to the following:**

- (a) Licensing Committee;**
- (b) Overview and Scrutiny - New Structure; and**
- (c) Cabinet.**

**(2) That, if any or all of the reviews set out under (1) above are to be commissioned, the Independent Remuneration Panel be asked to report back to the Council in time for their recommendations to be taken into account in formulating the 2006/07 budget.**

### **Report:**

1. Group Leaders have recently been discussing the Member Remuneration Scheme adopted by the Council. The scheme falls into three parts:
  - (a) the basic allowance, which must be paid on an equal basis to all members of the Council;
  - (b) the Special Responsibility Allowance, which is payable to those members who hold positions within the authority judged to incur additional responsibility or workload; and
  - (c) travelling/subsistence allowances.
2. Three main issues arose in relation to the current Remuneration Scheme. These are dealt with in turn below.

### **Licensing Committee:**

3. The Council has responded to the new Government Legislation concerning licensing by discontinuing the former Licensing Panel and replacing it with a new Licensing Committee which will operate largely through small Sub-Committees charged with

adjudicating on licensing applications. This arose from the transfer of additional licensing functions to the Council. Some of these functions will be dealt with under delegated authority by the Head of Environmental Services whilst others will be dealt with by Members. The Independent Remuneration Panel has briefly looked at this question before but at the time insufficient detail was available from the Government to make a proper judgement of any increases in responsibilities and workloads.

#### **Overview and Scrutiny:**

4. The present remuneration scheme is based on three Overview and Scrutiny Committees supported by three Policy Working Groups. This structure has now been discontinued and replaced by a single Overview and Scrutiny Committee which manages the Overview and Scrutiny Work Programme as well as carrying out its own investigations and reviews. The Committee is supported by several Scrutiny Panels. Some of these are Standing Panels as they are performing functions which will recur each year whilst others, known as "Task and Finish Panels", are set up from time to time to carry out specific tasks within an agreed timescale and then disband.
5. The Independent Remuneration Panel has not been advised formally of these changes but as Special Responsibility Allowances were payable to the three Overview and Scrutiny Chairmen and three Chairmen of the Policy Working Groups there appears to be a case for reviewing how the new structure will be reflected in terms of remuneration. The role of the Chairman of that Committee will be important to the process.

#### **Cabinet:**

6. Since the Remuneration Scheme was approved, the number of Portfolio Holders serving on the Cabinet has reduced to nine. Changes in the Portfolios have also been made. For instance, Corporate Support Services and the ICT Portfolios have been combined together whilst other changes of a more detailed nature have taken place in other Portfolios. The Independent Remuneration Panel has previously looked at the question of Special Responsibility Allowance for Cabinet members. Opinions were divided among Members at the time as to whether this should be reviewed but this was when there were 10 Cabinet members. However, if the Cabinet so wishes, the reduction in the number of seats on the Cabinet could be a reason to look at this question again.
7. Under the Local Government Act 2000, the Council may only agree or amend a Remuneration Scheme on the recommendation of an Independent Remuneration Panel. It is suggested that if any of the three reviews discussed above (or any other proposals) are to be pursued, they should be referred in the first instance to the Independent Remuneration Panel for discussion. The reporting route would be to the full Council meeting and this should be timed in relation to the preparation of the 2006/07 budget.
8. It should be stressed that the question of implementing the Remuneration Scheme remains the responsibility of the Council, not the Panel.

#### **Statement in support of recommended action:**

9. This report is brought forward following informal discussions by Group Leaders concerning the need to review the Remuneration Scheme.

**Other options considered and rejected:**

10. The following options arise:

- (a) To take no action;
- (b) To commission a review of the Remuneration Scheme based on the three issues raised in this report plus any others of concern to Members; or
- (c) To restrict the review to priority matters only.

**Consultation undertaken:**

11. Group Leaders and the Monitoring Officer.

**Resource implications:**

**Budget Provision:** Budget provision in 2005/06 totals £219,730; for 2004/05, the budget set was £182,390 and actual expenditure £173,751.48.

**Personnel:** Existing resources.

**Land:** N/A.

**Community Plan/BVPP Ref:** N/A.

**Relevant statutory powers:** Part V of the Local Government Act 2000.

**Background Papers:** Epping Forest District Council - Remuneration Scheme.

**Environmental/Human Rights Act/Crime and Disorder Act Implications:** Nil.

**Key Decision Reference (if required):** N/A.