

## **Appendix 4 – Terms of reference for Independent Remuneration Panel for Somerset Council**

### **1. Function**

Under the Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities must establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the Local Authority about the allowances to be paid to Members.

### **2. Role and Responsibilities**

2.1 The Independent Remuneration Panel ("IRP") shall advise and make its recommendations to Somerset County Council until 31/3/23 and then subsequently to the new Somerset Council (a new unitary council established by the Somerset Structural Changes Order 2022 involving the reorganisation of the existing County Council and four district councils in Somerset).

2.2 The Independent Remuneration Panel ("IRP") shall through the form of a report to Somerset County Council :

- (i) recommend to Council a Members' Allowances Scheme for implementation from 1<sup>st</sup> April 2023 for the new Somerset Council, which sets out recommendations for :-
  - the amount of basic allowance that should be payable to elected members;
  - the roles, responsibilities and duties for which special responsibility allowances should be paid and the amounts for such allowances;
  - whether travelling and subsistence allowances should be paid and if so, the duties to which they should apply and the amount;
  - whether childcare and dependent carers' allowances should be paid and if so, the duties to which they should apply and the amount of these allowances and the means by which they are determined;
  - whether a basic allowance should be paid to co-opted members and if so, the amount;
  - whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated as permitted in law;
  - whether any annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should apply.

(ii) on a four yearly basis, or if otherwise requested, propose recommendations as to any required amendments to the Members' Allowances Scheme in relation to the following matters:

- the amount of basic allowance that should be payable to elected members;
- the roles, responsibilities and duties for which special responsibility allowances should be paid and the amounts for such allowances;
- whether travelling and subsistence allowances should be paid and if so, the duties to which they should apply and the amount;
- whether childcare and dependent carers' allowances should be paid and if so, the duties to which they should apply and the amount of these allowances and the means by which they are determined;
- whether a basic allowance should be paid to co-opted members and if so, the amount;
- whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated as permitted in law;
- whether any annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should apply.

**2.2** In making its recommendations at paragraphs 2.1 (i) and (ii) above, the IRP shall undertake a full review of the Members' Allowance Scheme as well as obtaining the views of officers and members of the Council to which it relates and having regard to the following general principles:

- that members undertake their council work for the sake of public service and not private gain;
- the varying demands placed upon members, dependent upon their roles and responsibilities;
- the need to fairly and equitably compensate members, so far as the panel thinks appropriate, for the time and effort they can reasonably be expected to devote to their work as a member of the council;
- the need for the scheme to be economic, efficient to administer and effective;
- the requirement for their report and recommended changes to the scheme of allowances to be easy to understand and adequately justifiable to the electorate;
- That recommendations should confirm with existing legislation and anticipate likely future legislation so far as possible

The Panel will also have regards to comparative data on the allowances paid by other similar local authorities.

**2.3** The IRP shall be required in reporting its recommendations to include guidance on what is to be encompassed by each relevant allowance so as to ensure that the Members' Allowance Scheme is consistently applied.

### **3. Panel Membership and Appointment**

**3.1** The ("IRP") shall be comprised of 5 members of the public ("IRP Members").

**3.2** IRP Members will be sought via advert in accordance with the Council's standard recruitment arrangements. Recruitment should be by public advertisement and direct approach to appropriate business and community/voluntary sector organisations who command local respect and public confidence and would be able to nominate persons who should have the necessary skills, integrity, independence and who are recognisable members of the local business and voluntary/community sectors within their respective areas.

**3.3** As part of this a person specification shall be drawn up to ensure that candidates who are appointed:

- are able to demonstrate a high degree of personal integrity;
- are not members of any local authority and are not disqualified from being or becoming a member of a local authority;
- have, if possible the appropriate level of skill, knowledge and understanding of setting remunerations;
- have the necessary time and commitment for the role;
- Are not affiliated to any political party – candidates must disclose the extent of their connections to a political party and whether these are such as to risk the effective discharge of the IRP's functions were the candidate to be appointed;
- A knowledge of local government is preferable however a lack of familiarity will not be a bar to appointment.

**3.4** IRP Members will be shortlisted, interviewed and appointed by the Monitoring Officer, in consultation with political group leaders.

**3.5** The term of office of IRP Members will be three years in the first instance and a Panel Member may be reappointed for a further consecutive 3 year term. A Panel member shall not serve more than two terms – 6 years in total. The Council or its Constitution & Governance Committee may remove an IRP Member in circumstances where:

- the IRP Member is disqualified from being a member of an authority or is found guilty of any conduct which brings the office into disrepute e.g. being found guilty of a criminal offence, an act of dishonesty or other serious misconduct; or
- the IRP Member is considered to have demonstrated a serious lack of diligence or incompetence; or
- the IRP Member becomes an elected or co-opted member (or an employee) of the authority.

**3.6** The IRP shall:

- appoint its own Chair at the first meeting of each municipal year;
- require a quorum of 3 at all meetings;
- meet a minimum of once per municipal year with additional meetings convened as necessary;
- Otherwise devise its own rules for the conduct of meetings in consultation with the Council's Monitoring Officer providing that they are consistent with legislative requirements and general good governance requirements.

#### **4. Panel allowances**

In order to avoid any perception of personal gain involved with membership of the IRP, only travel and subsistence allowances will be paid to IRP Members, at the rate approved by the Council annually within the limits determined by the Secretary of State. No other allowances will be paid to IRP Members.

#### **5. Lead officer and support arrangements for the Panel**

The Council's Monitoring Officer will be the lead officer and principal contact officer for the IRP. Democratic Services will provide support to the Panel.