

CHESHIRE FIRE AUTHORITY

**MEETING OF : GOVERNANCE AND CONSTITUTION COMMITTEE
DATE : 5th OCTOBER 2016
REPORT OF : HEAD OF LEGAL AND DEMOCRATIC SERVICES
AUTHOR : ANDREW LEADBETTER**

SUBJECT : MEMBERS' ALLOWANCES SCHEME

Purpose of Report

1. To agree the process and timeline for the next review of the Fire Authority's Members' Allowances Scheme.

Recommended: That Members

- [1] Agree that the review of the Members' Allowance Scheme commences in November 2016 with the final report to be submitted to the Fire Authority meeting in February 2017 (to take effect from 1st April 2017); and
- [2] Agree that the process outlined in paragraph 12 be followed to facilitate the review.

Background

3. Since 2003 (when Regulations were made by the Government) the Fire Authority has been required to have a Members' Allowance Scheme (Scheme). An interim Scheme made in 2003 was produced by a small group consisting of officers, a Member of the County Council and an independent member from the Fire Authority's Standards Committee. Subsequently, an Independent Remuneration Panel (IRP) was convened to make recommendations about the Scheme.
4. The Authority has continued to engage an IRP to review its Scheme. On the last occasion the IRP carried out its review over an extended period (meeting late 2012/early 2013 and reconvening late 2013). This meant that the outcome of the IRP's review was reported in two stages (part in February 2013, taking effect 2013-2014 and part in February 2014, taking effect 2014-15 and continuing to apply). The IRP was formed by 'recruiting' a member from each of the IRPs of the constituent authorities.
5. When the Fire Authority approved the current Scheme it noted 'that the next comprehensive review of the Members' Allowance Scheme is scheduled for 2016-17...'
6. This Committee is responsible for arranging for the review of members' allowances and making recommendations to the Fire Authority and considered a report from the Head of Legal and Democratic Services at

its meeting on 15 July 2015 in respect of the arrangements and timing of the next review. The Committee agreed the following:

- [1] a delay of the review of the Members' Allowance Scheme to 2016 (which would take effect from 2017-18) be agreed; and
 - [2] alternatives to the engagement of an independent remuneration panel to carry out the next review be pursued by officers, ensuring an independent element is retained in any review
7. This report provides a brief summary of the relevant legislation, information on the previous review and the proposed arrangements for the forthcoming review for consideration.

Information

Law Relating to Members' Allowances

8. The Local Authorities (Members' Allowances) (England) Regulations 2013, as amended (the Regulations), contain the legal requirements relating to members' allowances schemes. Appendix 1 to this report provides a brief summary of the Regulations.
9. Whilst most of the Regulations apply to the Fire Authority it is not required to have an Independent Remuneration Panel. However, Regulation 19(2) states that, 'Before an authority makes or amends a scheme that authority shall have regard to the recommendations made by any independent remuneration panels in relation to any authority by which any of its members are nominated'.

Independent Remuneration Panel

10. There is no legal requirement for the Fire Authority to have an IRP. Other fire authorities do not have one. Servicing an IRP is time-consuming. The last review involved the IRP meeting on 7 occasions over an eighteen-month period. The work required to support the review equated to an average of approximately 4-5 hours per meeting. Whilst the review was undoubtedly comprehensive a large proportion of the Scheme was, ultimately, not altered.
11. When considering the previous report Members stated that they felt that the IRP provided them with assurance that the review was open and transparent. However they acknowledged, as the last review by the IRP was very comprehensive, it may be possible to progress the upcoming review without an IRP. They did expect there to be a level of independent input into the review.

Proposal for Upcoming Review

12. It is proposed to carry out the review as follows:
- (i) Collate information from other authorities on allowances and increases over the past few years to provide a comparison;

- (ii) Check the schemes operated by the constituent authorities and establish whether any elements should inform the review (to comply with the 'have regard to' requirement in the regulations);
- (iii) Secure the support of one of the members of an IRP operated by a constituent authority;
- (iv) Present the comparative data and any other relevant information to the IRP member for consideration; and
- (v) Prepare a report for the Committee following guidance from the IRP member.

Financial Implications

- 13. The annual increases applied to Members' allowances can be contained within the Authority's budget.

Legal Implications

- 14. The law on Members' allowances is explained in the report. The Fire Authority is not covered by the same responsibilities that apply to a local authority.

Equality and Diversity Implications

- 15. None.

Environmental Implications

- 16. None.

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