

CHESHIRE FIRE AUTHORITY

MEETING OF : GOVERNANCE AND CONSTITUTION COMMITTEE
DATE : 8TH FEBRUARY 2017
REPORT OF : HEAD OF LEGAL AND DEMOCRATIC SERVICES
AUTHOR : ANDREW LEADBETTER

SUBJECT : MEMBERS' ALLOWANCES SCHEME

Purpose of Report

1. To provide Members with information about the review of the Members' Allowances Scheme to allow them to make a recommendation to the Fire Authority about the Scheme and allowances payable for 2017-18 and beyond.

Recommended: That Members

- [1] consider the recommendations from the review of the Members' Allowances Scheme set out in Appendix 1; and
- [2] finalise a Members' Allowances Scheme for 2017-18 onwards, based on the draft set out in Appendix 2 for consideration by the Fire Authority.

Background

The Law

2. The provisions governing Members' allowances are contained in the Local Authorities (Members' Allowances) (England) Regulations 2003 [the Regulations].
3. The Regulations do apply to the Fire Authority, but not all elements.

Part 2 of the Regulations prescribes the allowances that may be paid and rules relating to such allowances.

Part 3 of the Regulations sets out the requirements for Members' allowances schemes, e.g. the application of indexation for annual adjustments to schemes.

Part 4 of the Regulations is concerned with the role of the independent remuneration panel [IRP]. Local authorities (e.g. district, county and London boroughs) must have regards to recommendations of an IRP before they make or amend their scheme. A fire authority has a different obligation: it must have regards to the recommendations made by the IRPs of local authorities that appoint its Members (i.e. the constituent authorities). By virtue of this distinction it is clear that the Fire Authority is not required to have its own IRP.

The Most Recent Review

4. The Fire Authority's Members' Allowance Scheme [MAS] was reviewed with the assistance of an IRP which was formed at the behest of the Fire Authority and reported during February 2013 and February 2014. The IRP was made up of a member from each of the constituent authorities' panels.
5. The process that was followed was quite involved and took a considerable amount of officer time. However, ultimately it did not lead to any fundamental changes to the MAS. It was this that led officers to question the benefits of having an IRP.

Latest Decisions by Governance and Constitution Committee

6. This committee considered the MAS in July 2015. The report culminated in Members deciding to: delay a review until late 2016 (to take effect for municipal year 2017-18); instruct officers to pursue alternatives to the engagement of an IRP, but with the proviso that an 'independent element' must be retained in any review of the MAS.
7. In October 2016 this committee considered a further report and agreed the following process for the review of the MAS:
 - a) Collate information from other authorities on allowances and increases over the past few years to provide a comparison;
 - b) 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);
 - c) Secure the support of one of the members of an IRP operated by a constituent authority;
 - d) Present the comparative data and any other relevant information to the IRP member for consideration; and
 - e) Prepare a report for the Committee following guidance from the IRP member.
8. Officers have concluded the review with the assistance of Mandy Ramsden, a member of Cheshire East's Independent Remuneration Panel [IRP member].

Information

9. In order to carry out the review of the MAS the following information was collated:
 - a) Roles/Responsibilities of Fire Authority Members (including details of additional duties attached to specific roles);
 - b) Members' attendance;
 - c) Reports from the 2013/14 review;
 - d) Copies of the four constituent authorities' schemes; and
 - e) Comparative Data with the Fire Authority's Audit Family Group and other combined fire authorities

10. This information was reviewed by the IRP member in January 2017 and she made the recommendations/observations contained in Appendix 1 to this report.
11. A draft MAS for 2017-18 and beyond has been prepared and is contained in Appendix 2 to this report.
12. Members will be provided with the comparative data referred to in paragraph 9 e) at the meeting.

Financial Implications

13. Annual increases based on an index like the NJC can be funded from the Authority's existing budget for Members' allowances.

Legal Implications

14. The Fire Authority is required to have a scheme to cover its Members' allowances. It is not bound to have an independent remuneration panel. However, it is required to have regard to any recommendations made by the panels of the constituent authorities.

Equality and Diversity Implications

15. There are no equality and diversity implications.

Environmental Implications

16. There are no environmental implications.

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