

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	5 DECEMBER 2016	9
REVIEW OF HONORARIA PAYMENT TO STANDARDS INDEPENDENT PERSONS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

Fylde Borough Council and Blackpool Council have each appointed an Independent Remuneration Panel (IRP) to advise on the adoption of a scheme of members' allowances and any individual allowances within the Scheme for their respective authority.

Both Panels were asked to meet jointly to consider the remuneration for Independent Persons, as there was a shared arrangement between the two authorities in that a pool of three Independent Persons worked across the authorities, in respect of allegations of misconduct for members.

The Joint Meeting took place on 22 September 2016.

RECOMMENDATIONS

Council is recommended to:

1. Consider the recommendations of the Independent Remuneration Panel for Independent Persons and set the honoraria payment at £700, per Independent Person per annum effective from 1 April 2017/18; and
2. Approve the proposal that the remuneration should be included in the Members Allowances Scheme of both Councils and that a review of the allowance should be considered after a period of three years (alongside a review of other allowances within the Scheme), unless circumstances require a review in the meantime.

SUMMARY OF PREVIOUS DECISIONS

11 April 2016 – Appointment of Independent Persons for a three year term and the inclusion of the new area of responsibility as a designated independent person for chief officers.

3 December 2012 – Approval of honoraria payment as part of members allowance scheme. Honoraria payment agreed to be shared between Fylde and Blackpool Councils as part of shared arrangement of independent persons.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

Background

1. In considering the role of Independent Person, the Panel noted that the role had arisen out of the Localism Act 2011 as a means of providing an independent view in relation to complaints of member misconduct. Statutorily, the role of the Independent Person would come into play when the Monitoring Officer referred a matter for investigation, at which point he/she was obliged to seek the views of an Independent Person, as well as the member subject of the complaint having recourse to an Independent Person for their views.
2. In view of the requirements of the Act, the Panel was aware that a pool of three Independent Persons had been appointed to work across Fylde Borough Council and Blackpool Council in this respect. The Panel also noted the expectations from both authorities that the Independent Persons would undertake training as part of this role.
3. Panel members were aware that following the appointment of the original 'pool' of Independent Persons, both Councils (following recommendations from their respective Independent Remuneration panels) had set an honoraria payment of £500 per annum (plus travel/subsistence expenses). This was in 2012 and the honoraria amount had not been reviewed since that time.

Considerations

4. The Panel then considered how the role of Independent Person had worked in practice. Both Monitoring Officers (MOs) felt that contributions from Independent Persons were above and beyond that set out in legislation. For example, both MOs had sought the assistance of the Independent Person in the majority of complaints received, even if the complaint had not been referred for investigation, as it was felt that that was important in that it gave an added element of independence and assurance to the complaints process. Fylde Borough Council had also used an Independent Person as part of the informal resolution of a complaint which had had beneficial results.
5. It was also clear that the Independent Persons were proactive in undertaking their role. As well as taking part in training, they had regularly attended network events, attended Standards Committee meetings, Parish Council meetings and had taken part in workshops to review the Code of Conduct and consider the new responsibilities as 'Designated Independent Persons' (DIP).
6. The Panel went on to consider the workload of the Independent Persons. Panel members noted that while the number of misconduct complaints at Blackpool remained relatively static, Fylde Borough Council had not witnessed a decrease in complaints, but local issues (e.g. fracking) and referrals in relation to Parish Councils had meant that complaints remained relatively frequent.
7. The Panel also noted that legislation introduced in July 2015 had increased the responsibility of the role to include that of 'Designated Independent Person' – i.e. to make recommendations to the respective Council in cases of disciplinary and dismissal of certain senior statutory officers

(The Head of Paid Service, the Monitoring Officer and the Chief Finance Officer). It was also noted that the legislation prohibited authorities from making any additional payment to the independent persons for these responsibilities.

Benchmarking Information

8. The Panel was provided with comparative information on allowances from authorities in the North West including district councils and unitary councils as well as a sample of allowances nationally. Panel members noted that although some authorities did not pay their independent members, the allowance paid from those authorities that had agreed to do so, ranged from £268 (district council example) to £1,716 (city council example), with many of the district councils paying an allowance of £500 per annum.
9. The Panel was mindful that the Independent Persons worked across both Fylde and Blackpool Councils and therefore felt that the allowance paid by a joint authority (£700) provided a useful comparator in this respect.

Treatment of Allowances

10. The Panel also considered the possibility of the remuneration of Independent Persons being included in the Members Allowances Scheme for both Councils. However, upon further discussion Panel members noted that the two schemes differed in that Blackpool's Members' Allowances Scheme was automatically uprated each year in line with the National Joint Council (NJC) staff pay award, whereas Fylde Borough Council's panel considered member allowances each year and did not apply an automatic uprate.
11. It was therefore felt by the Panel that although the remuneration for Independent Persons could be included in the Members' Allowances Schemes, it would be more appropriate and practical not to apply an uprate, but to review the allowance after a period of three years i.e. every fourth year, alongside a main review of the Members Allowances Scheme.

Conclusions

12. In making recommendations the Panel took into account the following factors:
 - the comparative information from authorities for Independent Persons
 - that the allowance had not been reviewed since 2012
 - that both Monitoring Officers regularly conferred with Independent Persons and in the majority of referrals
 - that Independent Persons were proactive in their role and involvement in standards matters.

IMPLICATIONS	
Finance	The provision for the cost of honoraria payments to standards independent persons included in the Members Allowances Scheme within the approved revenue budgets for 2017/18 is £700. The proposed increase in the level of payments as set out in this report would result in increased revenue costs of £350, per Independent Person per annum, which would be contained within existing approved revenue budgets.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	TEL	DATE	DOC ID
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LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		