

Appendix 7 - Proposed Terms of Reference for the Independent Remuneration Panel on Member Allowances

NORTH YORKSHIRE COUNCIL INDEPENDENT REMUNERATION PANEL – TERMS OF REFERENCE

The Panel is convened under the Local Authorities (Members' Allowances) (England) Regulations 2003. These Regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to maintain an Independent Remuneration Panel to review and provide advice on Members' allowances. Before the Council makes or amends its allowances scheme, it must have regard to the Panel's recommendations.

North Yorkshire's Members Allowances Scheme is set out in its Constitution. The following key principles underpin the Scheme:

- (1) It is important to encourage individuals to be involved in the work of the Council. People of all backgrounds and ages should feel attracted to become Councillors if they so wish, and at the very least the allowance structure should put no barriers in their way.
- (2) The work of a Councillor requires commitment and – if the role is to be carried out well – a significant investment of time. Councillors have a wide ranging role varying from local issues to the national scene. It is the Government's intention that this should be reasonably and properly remunerated.
- (3) That said, we do not wish to see the Public Service ethos lost from our Council. A balance has to be struck between paying 'a rate for the job' and recognising the significant Public Service element that is rightfully a strong feature of our system of local government.
- (4) The cost of any scheme must give value for money.
- (5) Any system must be easily understood, transparent and ensure accountability to the electorate.

The Panel must consist of a minimum of three members and will normally be four in number. It is required to produce a report making recommendations as to the matters set out in Regulation 21. These matters include the amount of allowances, and the responsibilities or duties which attract a special responsibility allowance.

Terms of Reference

- (i) To consider any issues within its remit under the Regulations relating to Members' Allowances
- (ii) In undertaking the above, to require the Council to provide all relevant information, and to request representations from Members and officers as it considers appropriate
- (iii) To consider any other representations made to the Panel
- (iv) To provide an annual report with recommendations as to Members' Allowances in a timely manner
- (v) To carry out a full review of the responsibilities and duties attracting a special responsibility allowance at least once every four years
- (vi) If necessary to carry out ad hoc reviews of allowances
- (vii) Outside the statutory scheme, to consider if requested the allowances to be paid to Members serving on other bodies.