

Independent Remuneration Panel

Report of the Clerk to the Fire Authority

For further information about this report please contact Anthea Lowe, Clerk to the Fire Authority, on 01952 383219.

1 Executive Summary

This report seeks approval to commence the Independent Remuneration Panel process which considers the matter of Member Allowances. It also seeks delegated authority to the Clerk to the Fire Authority to take all steps needed to implement the Independent Remuneration Panel before reporting back to the Fire Authority for further consideration.

2 Recommendations

It is recommended that the Fire Authority:

- a) Note the contents of this report;
- b) Approve the convening of an Independent Remuneration Panel; and
- c) Delegates authority to the Clerk to the Fire Authority to take all necessary steps to implement the Independent Remuneration Panel and report to the Fire Authority for further consideration.

3 Background

On 1 May 2003, the Local Authorities (Members' Allowances) (England) 2003 ("the Regulations") came into force. These Regulations required local authorities to establish a scheme of allowances. The Regulations set out that this also applies to Combined Fire Authorities which replaced the existing practice of constituent authorities making payment of allowances to Members for their fire authority duties.

The Regulations require authorities to have regard to recommendations made by an Independent Remuneration Panel before adopting a Remuneration Scheme. Every authority is required, by law, to pay a basic allowance to its members. Each authority must also consider which roles, if any, should be paid a special responsibility allowances – this is typically roles such as Committee Chairs or special roles within the authority.

The Fire Authority last adopted the recommendations made by an Independent Remuneration Panel in 2020 and those recommendations took effect from 2021/22. At that time, the recommendations included provision for indexation of allowances based upon the National Joint Council's annual pay reviews with any change applied automatically.

The Regulations set out that annual indexation can only be applied for a maximum period of four years without further recommendations from an Independent Remuneration Panel. As it is now more than four years since the Fire Authority updated its Allowance Scheme based upon the recommendations of an Independent Remuneration Panel, approval is sought to convene an independent Panel to consider the matter of allowances for the Fire Authority.

It should be noted that, whilst it is necessary to have regard to the recommendations of an Independent Remuneration Panel when the Fire Authority sets its member allowances, the Fire Authority remains free to reach its own decision on the matter.

4 Proposals

It is proposed that the Fire Authority convenes an Independent Remuneration Panel made up of three individuals who are independent of the Fire Authority. It is proposed that those individuals are drawn from the business and voluntary sector within Shropshire, Telford & Wrekin.

The process for the Independent Remuneration Panel will include members of the Fire Authority being invited to make representations to the panel regarding their roles and responsibilities. The panel will prepare a report for consideration by the Fire Authority before any changes are made to the current Allowance Scheme.

When undertaking its work, the Independent Remuneration Panel will consider:

- The level of basic allowance – the allowance that the Authority is required to pay to all members - to be paid to members of the Fire Authority;
- The roles that should attract a special responsibility allowance (if any);
- The level of special responsibility allowances (if any) to be paid;
- Whether or not any indexation should be applied to allowances and, if so, how such indexation will be calculated;
- The level of any subsistence or travel allowances to be paid (if any);
- Whether or not any changes to the allowance scheme should be backdated.

It is proposed that authority is delegated to the Clerk to the Fire Authority to manage the Independent Remuneration Panel process which will include the convening of the Panel, securing the Panel members, the administrative arrangements associated with the process and ensuring that a report is provided to a future meeting of the Fire Authority for consideration.

5 Conclusions

Members are asked to consider the contents of this report, agree to convene an Independent Remuneration Panel and delegate authority to the Clerk to the Fire Authority to manage the panel process.

6 Capacity

The Clerk to the Fire Authority is secured from Telford & Wrekin Council under the provision of a Service Level Agreement (SLA). The SLA provides for a period of 2 days per week of Clerk and Monitoring Officer provision. The work required to deliver the proposals within this report will be delivered under the terms of the SLA.

7 Fire Alliance / Collaboration / Partnership Working

Given the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003, there is no opportunity for collaboration in respect of these proposals.

8 Financial Implications

As set out above, the work of the Clerk and Monitoring Officer is secured through the terms of an SLA with Telford & Wrekin Council. This work will be accommodated within the terms of that SLA.

It is possible that the recommendations made by the Independent Remuneration Panel will have a financial impact and, in the event that this proves to be the case, this will be set out in the subsequent report to the Fire Authority.

9 Legal Comment

Under the Local Authorities (Members' Allowances) (England) Regulations 2003, the Fire Authority is required to establish, and maintain, a scheme to provide for the payment of a basic allowance to each of its Members. That scheme may also provide for the payment of special responsibility allowances and travel and subsistence allowances.

For the purpose of indexation of such allowances, it is necessary to have regard to the recommendations of an Independent Remuneration Panel which can only be relied upon for a maximum period of four years.

10 HMICFRS Areas For Improvement, Cause of Concern, External Audit Recommendations

Whilst there are no relevant HMICFRS matters or external audit recommendations directly relevant to the contents of this report, the proposals contained within this report are related to matters regarding governance in so much as the provision of allowances supports the securing of members to serve on the Fire Authority.

11 Equality Impact Assessment

There are no equality or diversity implications arising from this report. An e-EQIA is not, therefore, required.

12 Appendices

There are no appendices attached to this report.

13 Background Papers

There are no background papers associated with this report.