
Report from Service Area: **Governance Service, Resources Directorate**

Responsible Officer: **Allison Mitchell, Head of Governance**

Wards affected: **All**

PART 1

1.1 Executive Summary:

Local authorities are required by the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") to establish and maintain an Independent Remuneration Panel ("the Panel"). The Panel makes recommendations on the level of basic and special responsibility allowances that are paid to Members along with recommendations on other associated matters. The Panel must comprise at least three Panel members, and meetings must therefore be attended by a minimum of three Panel members in order to be quorate.

North Tyneside Council's Independent Remuneration Panel (reappointed in September 2023) comprised three Panel members in accordance with the requirements above. However, in June 2024 the former Chair of the Independent Remuneration Panel, Mr John Anderson, advised the Authority of his resignation from the Panel. Mr Anderson has been thanked for his long and diligent service as a Panel member.

In order to fulfil the requirement to have a Panel consisting of at least three Panel members, it is now necessary to appoint a minimum of one additional Panel member. A recruitment exercise to identify suitable Panel members has been undertaken during the Summer of 2024. However, to enable greater resilience around the work of the Panel, and to ensure that meetings of the

Panel can always be quorate, it is proposed that the number of Panel members is increased to six members. This will allow a pool of trained Independent Remuneration Panel members to be called upon whenever required and ensure that the work of the Panel is not impeded by issues of quorum.

This report therefore proposes:

- That the existing Panel members who were reappointed in September 2023 for a period initially up to 31 March 2025, and who have indicated that they are content to continue in their roles beyond that original date, have their term of office as Panel members extended to 31 March 2027. This would mean that Mr Les Watson and Dr Rachid Zemouri are retained as Independent Remuneration Panel members until 31 March 2027 and hence provide valuable continuity to the Panel's work
- In addition, that the following persons are appointed as new Independent Remuneration Panel members for a period up to 31 March 2027:
 - Mr Alan Foster
 - Mr Alan Dick
 - Ms Lynda Atkinson
 - Mr Peter Topping
- That the Chair of each Panel meeting will be determined by the Panel members, at each meeting of the Panel.

1.2 Recommendation(s):

It is recommended that under the authority delegated to the Chief Executive under paragraph CE8 of the Officer Delegation Scheme (Version 23, May 2024):

- (a) the Chief Executive approves the extension of the term of office of existing Independent Remuneration Panel members, Mr Les Watson and Dr Rachid Zemouri, for a period up to 31 March 2027; thus confirming the appointment of these Panel members for that extended period;
- (b) the Chief Executive confirms the appointment of the following new members to the Independent Remuneration Panel for a period up to 31 March 2027:
 - Mr Alan Foster
 - Mr Alan Dick
 - Ms Lynda Atkinson
 - Mr Peter Topping

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 22 August 2024.

1.4 Council Plan and Policy Framework

This report ensures compliance with a statutory requirement which the Authority must adhere to. As such it supports all priorities set out in the Council Plan.

1.5 Information:

Background

- 1.5.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Regulations") require all local authorities in England to establish and maintain an Independent Remuneration Panel. The Independent Remuneration Panel must comprise of at least three members, none of whom can be an elected member of the Authority or an individual who would be disqualified from being or becoming a member of the Authority.

1.5.2 Regulation 21 of the Regulations requires the Independent Remuneration Panel to produce a report to the Authority making recommendations relating to the following:

- (a) The responsibilities or duties in respect of which the following allowances should be available:
 - Special Responsibility Allowance
 - Travelling and subsistence allowance
 - Co-optees' allowance
- (b) The amount of such allowances, and the amount of basic allowance
- (c) Whether dependants' carers allowance should be payable to Members of the Authority and the amount of such an allowance
- (d) Whether, if the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with Regulation 10(6)
- (e) Whether adjustments to an allowance may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed
- (f) Which members of the Authority are to be entitled to pensions in accordance with a scheme made under Section 7 of the Superannuation Act 1972
- (g) Whether to treat basic allowances or special responsibility allowance, or both, as amounts in respect of which such pensions are payable in accordance with a scheme made under section 7 of the Superannuation Act 1972.

1.5.3 The Authority has previously established (in accordance with the Regulations) an Independent Remuneration Panel comprising of three Panel members. In September 2023 the reappointment of Mr John Anderson CBE, Mr Les Watson and Dr Rachid Zemouri was approved by the Chief Executive under delegated powers for a period up to 31 March 2025. However, Mr Anderson's resignation from Panel in June 2024 meant that in order to ensure that the Panel can remain quorate, an additional Panel member must be appointed.

1.5.4 Following a recruitment exercise which took place in the Summer of 2024 it is recommended that Mr Alan Foster, Mr Alan Dick, Ms Lynda Atkinson and Mr Peter Topping are appointed as Panel members, alongside the existing members Mr Watson and Dr Zemouri, also for a period up to 31 March 2027.

1.5.5 The Authority may pay the expenses incurred by an Independent Remuneration Panel in carrying out its functions and may pay the members of the panel such allowances or expenses as the Authority or Authorities for which it makes recommendations may determine. Arrangements for the payment of allowances to the Independent Remuneration Panel members are set out in the Constitution.

1.6 Decision options:

The following decision options are available for consideration by the Chief Executive:

Option 1

The Chief Executive may choose to confirm the extension of the term of office of the two current Independent Remuneration Panel members, Mr Watson and Dr Zemouri, to 31 March 2027 as outlined above; and the appointment of four new Panel members (Mr Foster, Mr Dick, Ms Atkinson and Mr Topping), also to 31 March 2027.

Option 2

The Chief Executive may choose not to confirm the extension of the term of office of the two current Independent Remuneration Panel members, Mr Watson and Dr Zemouri, to 31 March 2027, or the appointment of the four new Panel members proposed.

Option 3

The Chief Executive may choose not to confirm the extension of the term of office of the two current Independent Remuneration Panel members, Mr Watson and Dr Zemouri, beyond the end of their current term of office (31 March 2025); and to appoint one additional new Panel member to comprise the Panel, with a term of office also ending on 31 March 2025 (to ensure that the requirement for three Panel members is fulfilled for the immediate term).

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

The current members of the Independent Remuneration Panel, Mr Watson and Dr Zemouri, have served diligently as Panel members and are content for their term of office to be extended beyond 31 March 2025 to 31 March 2027. This would allow the retention of their expertise and provide continuity for the work of the Panel. In addition, as explained in this report, the appointment of four additional Panel members with requisite skills will allow for added resilience around the work of the Panel and help to ensure that the requirement for a minimum of three Panel members can be maintained. It would be expedient, efficient and provide certainty to appoint the Panel for a period beyond the

immediate term and the proposed appointment to 31 March 2027 will allow the Authority to evaluate operation of the newly formed Panel during this period.

1.8 Appendices:

Appendix A:

North Tyneside Council Independent Remuneration Panel – Background Information issued to Prospective Panel Members, July 2024

1.9 Contact officers:

Allison Mitchell, Head of Governance tel (0191) 643 5720

1.10 Background information:

Local Authorities (Members' Allowances) (England) Regulations 2003:
[The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

North Tyneside Council, Officer Delegation Scheme Version 23 (May 2024), paragraph CE8:
<https://democracy.northtyneside.gov.uk/documents/s20260/OfficerDelegationScheme160524.docx.pdf>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Authority's Constitution sets out allowances that may be paid to members of the Independent Remuneration Panel. For 2023/24 an amount of £500 per Panel Member (per annum) has been agreed and this amount is codified in Version 28 of the Constitution (May 2024). This amount can be funded from existing budgets.

2.2 Legal

The legal implications are set out in the main body of this report.

Council has delegated authority to the Chief Executive (CE8 in the Officer Delegation Scheme) to confirm the appointment of members of the Independent Remuneration Panel as referred to in the body of the report.

2.3 Consultation/community engagement

There are no consultation / community engagement implications. The recommendation set out in this report allows the Authority to comply with a statutory requirement to establish and maintain an Independent Remuneration Panel.

2.4 Human rights

There are no human rights implications associated with this report.

2.5 Equalities and diversity

There are no equalities and diversity implications associated with this report.

2.6 Risk management

Appointment of Independent Remuneration Panel members mitigates what would otherwise be a risk of non-compliance with the requirements set out in the Local Authorities (Members' Allowances) (England) Regulations 2003.

2.7 Crime and disorder

There are no crime and disorder implications associated with this report.

2.8 Environment and sustainability

There are no environment and sustainability implications associated with this report.

PART 3 – SIGN OFF

- Chief Executive
- Director(s) of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer

- Interim Director of
Corporate Strategy and
Customer Service

