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STATUTORY INSTRUMENTS

2003 No. 1021

**The Local Authorities (Members'
Allowances) (England) Regulations 2003**

PART 4

INDEPENDENT REMUNERATION PANELS

Application of this Part

18. Any reference in this Part to an authority, unless otherwise specified, shall be construed as a reference to a body of one of the following descriptions—

- (a) a district council;
- (b) a county council; and
- (c) a London borough council.

Duty to have regard to recommendations

19.—(1) Before an authority referred to in regulation 3(1)(a), (b), or (c) makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel.

(2) Before an authority referred to in regulation 3(1)(e), (f), (g), (h), (i) or (j) makes or amends a scheme that authority shall have regard to the recommendations made by any independent remuneration panels in relation to any authority of a description referred to in regulations 3(1)(a), (b) or (c) by which any of its members are nominated.

Independent remuneration panels

20.—(1) An independent remuneration panel shall be established in respect of each authority by one of the following means—

- (a) by an authority in which case that panel shall exercise the functions specified in regulation 21 in respect of that authority;
- (b) jointly by any authorities in which case that panel shall exercise the functions specified in regulation 21 in respect of the authorities which established it; or
- (c) by the Association of London Government in which case that panel shall exercise the functions specified in regulation 21 in respect of any London borough councils,

but there shall not be more than one panel which makes recommendations in respect of an authority.

(2) An independent remuneration panel shall consist of at least three members none of whom—

- (a) is also a member of an authority in respect of which it makes recommendations or is a member of a committee or sub-committee of such an authority; or

(b) is disqualified⁽¹⁾ from being or becoming a member of an authority.

(3) An authority may pay the expenses incurred by an independent remuneration panel established under paragraph (1)(a) or (1)(b) 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.

(4) The Association of London Government may pay the expenses incurred by an independent remuneration panel established under paragraph (1)(c) in carrying out its functions and may pay the members of the panel such allowances or expenses as it may determine.

Recommendations of panels

21.—(1) An independent remuneration panel shall produce a report in relation to the authority or authorities in respect of which it was established, making recommendations—

- (a) as to the responsibilities or duties in respect of which the following should be available—
 - (i) special responsibility allowance;
 - (ii) travelling and subsistence allowance; and
 - (iii) co-optees' allowance;
- (b) as to the amount of such allowances and as to the amount of basic allowance;
- (c) as to whether dependants' carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;
- (d) as to whether, in the event that 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) as to whether adjustments to the level of allowances 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) as to which members of an authority are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972; and
- (g) as to treating basic allowance 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.

(2) A copy of a report made under paragraph (1) shall be sent to each authority in respect of which recommendations have been made.

(3) An independent remuneration panel may make different recommendations in relation to each of the authorities for which it exercises functions.

Publicity for recommendations of panels

22.—(1) Once an authority receives a copy of a report made to it by an independent remuneration panel in accordance with regulation 21, it shall, as soon as reasonably practicable—

- (a) ensure that copies of that report are available for inspection by members of the public at the principal office of the authority, at all reasonable hours; and
- (b) publish in one or more newspapers circulating in its area, a notice which—
 - (i) states that it has received recommendations from an independent remuneration panel in respect of its scheme;

(1) See section 80 of the Local Government Act 1972 (c. 70) and section 79 and 83(11) of the Local Government Act 2000.

- (ii) describes the main features of that panel's recommendations and specifies the recommended amounts of each allowance mentioned in the report in respect of that authority;
- (iii) states that copies of the panel's report are available at the principal office of the authority for inspection by members of the public at such times as may be specified by the authority in the notice; and
- (iv) specifies the address of the principal office of the authority at which such copies are made available.

(2) An authority shall supply a copy of a report made by an independent remuneration panel in accordance with regulation 21 to any person who requests a copy and who pays to the authority such reasonable fee as the authority may determine.

Transitional provisions for independent remuneration panels

23. Notwithstanding regulation 33(1)(f), any independent remuneration panel established under the Local Authorities (Members' Allowances) (England) Regulations 2001⁽²⁾ shall continue in being and shall constitute an independent remuneration panel for the purposes of these Regulations as if it had been established under regulation 20, although where the composition of such a panel does not comply with these Regulations, the authority or authorities or other body by which it is established must ensure that the panel does so comply within four months of the date on which these Regulations come into force.