

AT A MEETING of the MEMBERS' ALLOWANCES SCHEME PANEL of the County Council held at The Castle, Winchester on 28 January, 2010.

PRESENT

Councillors: T.K. Thornber, CBE (Chairman); R.J. Ellis; K. House; M. Kemp-Gee; R. McIntosh; Sam Payne; R. Perry; Jenny Radley.

The following officers were in attendance:

Mrs. B. Beardwell	-	Head of Governance
Mr. K. Ridout	-	Senior Business Manager, BAMS
Mrs. A. Hibbert	-	Group Manager, Budgeting, County Treasurer's Department

1 **DECLARATIONS OF INTEREST**

Members were mindful that, where they believed that they had a personal or personal prejudicial interest in any matter to be considered at the meeting, they should, normally at the time of the debate, declare their interest and, having regard to the circumstances described in Paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with Paragraph 12 of the Code.

Councillors M. Kemp-Gee and R. McIntosh declared a personal and prejudicial interest in item 4 regarding the Members' Allowance Scheme. In relation to Councillor M. Kemp-Gee, this concerned the SRA for Chairman of the Pension Fund Panel, the position which he currently held. With regard to Councillor R. McIntosh, this concerned the SRA for Chairman of the Regulatory Committee, the position which he currently held. (Minute 3 refers).

2 **CHAIRMAN'S COMMUNICATIONS**

The Chairman reported that it was usually the practice and policy of the County Council for Members to align any increases in their basic and special responsibility allowances to whatever was negotiated for staff by the Joint National Negotiating Mechanism. However, this was not always the case as the Council on some occasions in former years had approved either no increase at all to Members or a lower increase than that awarded to staff. There were also examples where the Independent Remuneration Panel (IRP) recommended increases, had not been acted upon by the Council. For example as part of the 2009/10 Members' Allowance Scheme the IRP recommended that the **SRA's for the Leader and Cabinet Members be increased by 6% and 4% respectively** per annum over a period of 4 years from April, 2009 to bring them in line with other similar sized councils for similar responsibilities. However, **the Leader and all Cabinet Members** had

decided not to accept the increase in that year or in 2010/11. It was made clear that no decisions had as yet been made by the Council on the latest IRP recommendations concerning amendments to the Members Allowance Scheme 2009/10 or on the Members Allowance Scheme 2010/11.

3 AMENDMENTS TO MEMBERS' ALLOWANCE SCHEME 2009/10 AND MEMBERS' ALLOWANCES SCHEME 2010/11

The Panel considered the report of the Chief Executive (Item 4 in the Minute Book) about proposed amendments to the Members' Allowance Scheme 2009/10 and concerning the Members' Allowance Scheme 2010/11.

By virtue of the Members' Allowances Regulations, before the County Council can make or amend a Members' Allowance Scheme, it is required to have regard to any recommendations made in relation to it by an Independent Remuneration Panel. In this regard, the Members' Allowance Panel had, as part of the Chief Executive's report, the Minutes of the IRP meeting of 27th November, 2009 (Appendix A to the report), together with the recommendations it had made.

The Head of Governance reported that consideration of amendments to the Members' Allowance Scheme 2009/10 was required as a consequence of the following appointments and changes to Members' responsibilities following the County Council elections in May, 2009:-

- (i) Appointment of Assistant to Executive Member for Children's Services (Education) and Chairman of Education Advisory Panel.
- (ii) Appointment of Assistant to Executive Member for Children's Services (Safeguarding) and Chairman of Children and Families Advisory Panel.
- (iii) Chairman and Vice-Chairman of Audit Committee.
- (iv) Chairman and Vice-Chairman of Pension Fund Panel.

To assist the Panel, they had as Appendix B, Appendix C, Appendix D and Appendix E to the report, the job descriptions and other relevant information in respect of these posts. They also had a copy of the statutory guidance Appendix F to the report which supported the premise of appointment of one or more elected members to assist the Executive Lead Member for Children's Services due to the broad nature of the role and responsibilities of that position. Finally, in addition to the job descriptions for the new posts, the Panel had the presentation made by Councillor P. Edgar and written communication by Councillor M. Kemp-Gee as the Assistant to Executive Member for Children's Services (Education) and Chairman of the Pension Fund

Panel respectively. (Appendix A1 and A2 to the Independent Remuneration Panel Minutes of 27 November, 2009).

Prior to any discussion, Councillors M. Kemp-Gee and R. McIntosh, declared a personal and prejudicial interest in this item and the SRA's for Chairman of the Pension Fund Panel and Chairman of the Regulatory Committee respectively. Whilst legally not required to do so, both members agreed to take no further part in the meeting and left the room.

The recommendations of the Independent Remuneration Panel in relation to amendments to the Members' Allowance Scheme 2009/10 and on the Members' Allowance Scheme 2010/11 are set out below, together with the Members' Allowance Panel's views and conclusions on each of them.

A. IRP Recommendations on Amendments to Members' Allowance Scheme 2009/10

- (a) **That an appropriate SRA(s) for the posts of Assistant to Executive Member for Children's Services (Education) and Chairman of the Education Advisory Panel, and Assistant to Executive Member for Children's Services (Safeguarding) and Chairman of Children and Families be considered at a later date by the Independent Remuneration Panel to be appointed by the County Council on 18th February, 2010.**

The Head of Governance advised that in order for any SRA to be paid for these posts, as part of the existing Members' Allowance Scheme, they needed to be considered by the Members' Allowances Panel now, as any amendment to the existing Members Allowance Scheme must take place in the current year and a decision would therefore need to be made by the County Council on 18th February 2010. In recognition of their expected workload and responsibilities, the Chairman proposed a SRA for the two assistant posts which was half that received by an Executive Member of the County Council (currently £17,379 per annum). It was noted that the Executive Member for Children and Families post no longer existed following the May 2009 elections. It was also noted that in November, 2009, the Cabinet had been strengthened by a new appointment of Executive Member for Communities. In view of this further appointment, an alternative view expressed at the meeting was that the Council should not pay SRAs to the two new Assistant Executive Member for Children's Services posts.

- (b) **That the Chairman of Audit Committee and Chairman of Pension Fund Panel both receive a SRA of £5,793 per annum backdated to June, 2009, but that the SRA for the Chairman of the Pension Fund Panel should be reviewed for further years in the event of the work of the Pension Fund Panel increasing as anticipated.**

The Members' Allowance Panel supported the IRP recommendation in this case, recognising that the terms of reference of Audit Committee are broadly similar to the previous terms of reference of the former Governance Committee. An SRA of £5,793 was payable to the Chairman of the former Governance Committee (but not taken as the Chairman was the Leader). An SRA of £1,449 was payable to the Vice-Chairman of the former Governance Committee.

- (c) **That, based on the IRP 2008 report and its recommendation to discontinue all SRAs to Vice-Chairman of Committees, no SRAs be paid to the Vice-Chairman of the Audit Committee or the Vice-Chairman of the Pension Fund Panel, and the County Council be asked to reconsider and introduce this IRP recommendation as soon as possible.**

The Members' Allowance Panel did not support this IRP recommendation. They noted that this matter had previously been considered by Governance Committee on 3 November, 2008 and not supported for the reasons set out in the report to the Governance Committee. This view had been endorsed by the County Council at its meeting on 20 January, 2008.

- (d) **That, if any SRA were payable to the Vice-Chairman of the Standards Committee, the amount should be 25% of the SRA paid to the Chairman of the Standards Committee, in line with the County Council's practice in respect of payment of SRA's to Vice-Chairmen of Committees.**

The Members' Allowance Panel were reminded that, since 16 July, 2009, the post of Vice-Chairman of Standards Committee had been occupied by Mr. R. Ellis, an Independent Member of the Standards Committee, in accordance with guidance issued by the Standards Board. Mr. Ellis was currently paid an Independent Member Allowance of £675 pa plus a SRA of £1449 pa as Vice-Chairman of Standards Committee. This amount had previously been payable to the Vice-Chairman when this position was occupied by a member of the County

Council. Whilst this allowance was greater than the 25% of the Chairman's SRA normally paid to Vice-Chairmen of Committees, the Standards Committee was unusual in that a great proportion of its work was carried out by sub-committees which must by law be chaired by an independent member. As a result, Members of the Panel considered an SRA of £1449 per annum was appropriate, bearing in mind the responsibilities of the Vice-Chairman who is regularly required to chair such Sub-Committees.

B. IRP Recommendations on Members Allowance Scheme 2010/11

- (a) **That Basic Allowances and SRA's be frozen at existing rates from 1 April, 2010.**

The Chairman felt consideration of this should be deferred until any pay settlement for officers for the year 2010/11 had been determined. It was noted that the "Employers" side of the NJC had informed the trade unions that they would not be able to offer any increase in pay for 2010/11 but negotiations in relation to this were continuing. An alternative view was expressed that allowances be kept at existing rates.

- (b) **That the mileage rate for Members be reduced from 53.8 per mile to the HMRC rate (currently 40p per mile for the first 10,000 miles and 25p per mile thereafter) to take effect as soon as possible.**

The Employment in Hampshire Committee (EHCC) had recommended at its meeting on 3 November, 2009 that Officers and Members mileage rates should be aligned to the lower HMRC rates. The Panel noted that the unions were currently consulting members on the original mileage proposal and that a further alternative proposal had been made based on feedback from one of the unions during consultation. Members felt it appropriate to await the outcome of negotiations but that any changes to mileage rates for officers should apply equally to Members.

- (c) **That the SRA for Chairman of the Regulatory Committee (currently £11,586 per annum) be aligned to the SRA for Chairman of the Health Overview and Scrutiny Committee (currently £14,337 per annum and be backdated to 1 April, 2009).**

The Members' Allowance Panel noted that this recommendation was a repeat of a recommendation in

the IRP report of 2008, when the IRP evaluated the role as equal to the role of Chairman of the Health Overview and Scrutiny Committee. The Panel supported the earlier view expressed by the Governance Committee on 3 November, 2008, endorsed by the Council on 20 November 2008, when it had determined that the role of the Chairman of the Regulatory Committee was similar to that of Select Committees, and therefore felt that there should be no change to the SRA for the Chairman of the Regulatory Committee.

- (d) **That a new SRA be introduced for Chairmen of the River Hamble Harbour Board of £5,793 per annum.**

This was also a repeat of the IRP report of 2008 recommendation upon which the County Council, at its meeting on 20 November, 2008, had determined that no SRA should be payable for this post, but that the matter should be reviewed at a later date in line with other similar arrangements. The Members' Allowance Panel supported the Council's earlier decision on this.

- (e) **That the new IRP appointed by County Council on 18 February, 2010 be asked to consider an appropriate SRA for the Chairmen of HATS.**

This was not supported by the Members' Allowance Panel who were mindful that, when the new HATS Teams were appointed by the County Council on 19th November, 2009, it was felt that the posts of Chairman and Vice-Chairman of HATS teams would not be eligible for any form of SRA, since the work of the Chairman and Vice-Chairman of the HATS teams was within the remit of local members normal duties.

- (f) **That the SRA paid to the Chairman of the Pension Fund Panel be reviewed in future years if the work of the Pension Fund Panel increased as anticipated.**

The Member Allowances Panel supported this recommendation recognising that it was anticipated that the work of the Pension Fund Panel was likely to increase significantly in forthcoming years.

Accordingly, the **MEMBERS' ALLOWANCES PANEL RECOMMENDED** to the **COUNTY COUNCIL** that approval be given to amend the existing Members Allowance Scheme 2009/10 and to a new Members Allowance Scheme for 2010/11 as follows:-

A. Amendments to Existing Members' Allowance Scheme 2009/10

- (a) That the Council should determine whether the posts of Assistant to Executive Member for Children's Services (Education) and Chairman of Education Advisory Panel, and Assistant to Executive Member for Children's Services (Safeguarding) and Chairman of Children and Families, should receive an SRA and if so whether this should be equivalent to that of half of a Cabinet post, that is £8,689 per annum, backdated to June 2009.
- (b) That, the Chairman of the Audit Committee and Chairman of Pension Fund Panel both receive a SRA of £5,793 per annum backdated to June, 2009, but the SRA for Chairman of the Pension Fund Panel should be reviewed for further years in the event of the work of the Pension Fund Panel increasing as anticipated.
- (c) That the IRP proposal for no SRAs to be paid to Vice-Chairmen of all committees be rejected and the Vice-Chairman of the Audit Committee and Pension Fund Panel both receive a SRA of £1,449 per annum backdated to June, 2009.
- (d) That the IRP recommendation for any SRA payable to the Vice-Chairman of the Standards Committee being 25% of the SRA paid to the Chairman of the Standards Committee be rejected, and that an SRA of £1,449, together with an Independent Members basic allowance of £675 per annum, continue to be paid in respect of this particular Vice-Chairman's position, in recognition of the unusual responsibilities of the post.

B. Members' Allowance Scheme 2010/11

- (a) That the Council determine whether there should be any change in respect of Basic Allowances and SRAs for the year 2010-2011, either at its meeting on 18 February 2010, or alternatively whether such allowances should be paid at existing rates, and reviewed at a later date once details of the outcome of the pay settlement for Officers was known.
- (b) That the decision of the Employment in Hampshire Committee (EHCC) in respect of mileage rates for Officers on 3 November 2009 be noted, and that the Council should determine at its meeting on 18 February 2010 whether mileage rates for Members should be

aligned to HMRC rates, or whether mileage rates for Members should continue to be capped at existing rates, and reviewed at a later date once the outcome of the decision in respect of mileage rates for Officers was known.

- (c) That the IRP recommendation to align the SRA for Chairman of the Regulatory Committee with the SRA of the Health and Overview Scrutiny Committee be rejected.
- (d) That the IRP recommendation to introduce a new SRA for Chairman of the River Hamble Harbour Board of £5,793 per annum be rejected.
- (e) That the IRP recommendation for the new IRP appointed by County Council on 18 February, 2010 to consider an appropriate SRA for the Chairman of HATS be rejected.
- (f) That any SRA paid to the Chairman of the Pension Fund Panel be reviewed in future years if the work of the Pension Fund Panel increases as anticipated.

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