

Hampshire Fire and Rescue Authority

Human Resources Committee

12 October 2016

HFRA Members' Allowances Scheme

Report of the Clerk

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1 Summary

- 1.1 This report sets out proposals for a review of the HFRA Members' Allowances Scheme, in order to make recommendations for a scheme from April 2017.

2 Recommendation

- 2.1 That the HR Committee reviews the position of the Members' Allowances Scheme in light of the agreed changes to the Governance Structure of the Fire and Rescue Authority and recognises the impracticality of recommending changes before the new structure is operational and its impact can be properly assessed.
- 2.2 That the HR Committee **RECOMMEND** to the Full Authority that, having had regard to the recommendations of the relevant IRPs and to the Human Resources Committee, the Authority agrees to implement a Members' Allowances Scheme from 1 April 2017 to 31 March 2018, on the same terms as the 2016/17 Scheme, to be applied to the newly constituted Authority as set out at paragraph 4.8.

3 Statutory Requirements

- 3.1 The Local Authority (Members Allowances) (England) Regulations 2003 require local authorities, including fire and rescue authorities, to make a scheme providing for the payment to members of basic allowance and any other specified allowances the Authority intends to make in respect of each year commencing 1 April. The scheme must be made by the Authority before it comes into force. Under the provisions of the Members' Allowances Regulations, it is possible for the Fire and Rescue Authority to make a scheme for an annual adjustment of allowances to be ascertained by reference to an index specified by the Authority, for a maximum of four years.
- 3.2 Before making a scheme, county and district councils are required to have regard to the recommendations of an independent remuneration panel. The position is slightly different for fire and rescue authorities, who are required to

have regard to any recommendation of independent remuneration panels established by those authorities by whom its members are nominated. In this case, those authorities are Hampshire County Council, Portsmouth City Council and Southampton City Council. None of the IRPs from these Authorities have made any formal recommendations in the period since December 2015 when the HFRA Scheme was last considered.

4 Requirement and Options to Review the Current Members' Allowances Scheme

- 4.1 The current Members' Allowances Scheme was adopted by the HFRA in December 2015, for implementation in April 2016, for a one year period. The Scheme that was agreed was an extension of the 2010-15 Schemes. The current Scheme is attached at appendix 1 of this report.
- 4.2 At the meeting of the Fire Authority in December 2015, it was also resolved:

“That the Human Resources Committee be tasked with a full review of Members' Allowances, on conclusion of any governance review, to take into account any governance changes agreed by the Authority and make appropriate recommendations to the Authority for revisions to the Scheme”
- 4.3 At its December 2015 meeting, the Hampshire Fire and Rescue Authority commissioned a cross party, Member led Working Group to review its governance arrangements and framework. The aim of the work was to ensure that the Authority was in the best position to continue to lead Hampshire Fire and Rescue Service in delivering excellent quality services to the residents of Hampshire, whilst remaining resilient and responsive to change and challenges in the future.
- 4.4 The report of the Working Group was considered at the Authority's June 2016 meeting. A number of actions relating to engagement with the Police and Crime Commissioner (PCC), strategic integration with South Central Ambulance Service and improvements to the effectiveness of the Authority were agreed. The question of the inclusion of the PCC as a full member of the Fire Authority and of the future size and structure of the Authority were considered following the Working Group's analysis and it was agreed that stakeholders be consulted on these matters, prior to any decision by the Authority.
- 4.5 At its meeting on 7 September 2016, Hampshire Fire and Rescue Authority received a report on the outcomes of consultation with stakeholders on the future size and governance structure of the Authority. The Authority acknowledged the input from stakeholders and with that in mind, agreed to proceed with an application to the Secretary of State for necessary amendments to the Combination Order to permit the inclusion of the Police and Crime Commissioner (PCC) as a full member of the Fire Authority from the annual meeting in June 2017 or as soon as practicable thereafter.

- 4.6 The Authority also considered the overall size and governance structure of the Authority and, taking into account the input from stakeholders, agreed that option C, a reduction to 10 Councillors plus the PCC, was the most appropriate to lead the Service into the future. It was agreed that this should take effect from the annual meeting of the Authority in June 2017.
- 4.7 A review of the Members' Allowances Scheme would be on the basis of the projected role of Fire Authority Members in the new, smaller Fire Authority and revised structure of Committees, which is to take effect from the annual meeting in June 2017. It can be anticipated that the role of individual Members will change in light of the new structure, as will the role of Committee Chairmen and other positions for which a Special Responsibility Allowance is payable. However, whilst the details of the revised Authority structure are being established and prior to their implementation and bedding in, it will remain difficult to ascertain with any accuracy the extent of the impact on Members' roles.
- 4.8 It is therefore proposed that, in the circumstances, the HR Committee recommends to the Authority that the existing Scheme be fundamentally extended for a further year to March 2018, with the following updates:
- That upon a reduction to two Committees, the Chairman and Vice-Chairman's allowance applicable to Finance and General Purposes be applied to both of the new Committees.
 - That it be clarified and noted that due to changes to tax regulations affecting expenses paid to Members of Fire Authorities, expenses (travel, subsistence, and carers) will normally be claimed from the appointing Local Authority's Scheme.
- 4.9 This will allow for the new governance structure to take effect, to inform a more substantial review in the future by the newly constituted Authority and provide the Authority the opportunity to make appropriate decisions regarding Members' Allowances on the basis of the experience of the new governance arrangements when it is in a position to do so. It should be noted that an extension of the existing Members' Allowances Scheme and its application to the new governance structure will in any event result in substantial financial savings to the Authority as fewer basic allowances will be payable and it is anticipated that a number of Special Responsibility Roles will no longer be appointed to.

5 Equality Impact Assessment

- 5.1 The payment of allowances to local authority members enables persons from a wide variety of backgrounds and economic circumstances to consider participation in public life.

Section 100D – Local Government Act 1972 – background papers

The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

N.B. The list excludes:
Published works.
Documents that disclose exempt or confidential information as defined in the Act.

TITLE	FILE
None	

HAMPSHIRE FIRE AND RESCUE AUTHORITY
THE LOCAL AUTHORITIES' (MEMBERS ALLOWANCES) (ENGLAND) REGULATIONS
2003

MEMBERS ALLOWANCES SCHEME 2016/17

	£ per annum
(i) Basic Allowance	2,943
(ii) Special Responsibility Allowances	
Only one special responsibility allowance is payable to any Member under the scheme.	
<u>(The allowances in brackets will not be paid whilst the current post holder receives a higher special responsibility allowance in respect of another post).</u>	
Chairman of the Authority	14,469
Vice-Chairman of the Authority	(1,769)
Chairman of Committees (x 4)	
Finance and General Purposes	7,305
Standards and Governance	3,535
Human Resources	7,305
Performance Review	4,121
Vice-Chairman of Committees (x 4)	
Finance and General Purposes	1,769
Standards and Governance	881
Human Resources	1,769
Performance Review	1,063
Independent Person to the Fire Authority (In accordance with the requirements of the Localism Act)	500
Minority Spokespersons on HFRA:	
Liberal Democrat Party	7,238
Labour Party	3,616
UK Independence Party	3,616
Member for Communication Liaison (no appointment made)	(1,063)
Financial recognition for Members involved in Disciplinary/Grievance Hearings (should it be necessary for Members to be involved, financial recognition to equate with LGA rates in such cases)	