

HAMPSHIRE COUNTY COUNCIL

Decision Report :

Decision Maker:	Members Allowances Panel
Date of Decision:	28 January 2010
Decision Title:	Amendments to Members Allowance Scheme 2009/2010 Members Allowance Scheme 2010/2011
Decision Reference:	
Report From:	Chief Executive

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1. Executive Summary

- 1.1 The legislative framework governing the payment of Members Allowances is set out in the Local Authorities (Members' Allowances) (England) Regulations 2003 ("the Members' Allowances Regulations").
- 1.2 Under the provisions of the Members Allowances Regulations, the County Council is required each year to make a Members' Allowances Scheme. The Members Allowances Scheme needs to make provision for payment of Basic Allowances, Special Responsibility Allowances ("SRA's") Dependants' Carers' Allowances, and Travelling and Subsistence Allowances. Once a Members Allowances Scheme is made for any year it may be amended during the year in question in accordance with the Members' Allowance Regulations.
- 1.3 By virtue of the Members' Allowances Regulations, before the County Council can make or amend a Members Allowances Scheme, it is required to have regard to recommendations made in relation to it by an Independent Remuneration Panel ("IRP"). In this regard the IRP met on 27 November 2009. Minutes of the IRP meeting together with recommendations of the IRP are attached at Appendix A.

2. Contextual Information

- 2.1 Consideration of amendment to the Members Allowances Scheme 2009/2010 is required in 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 Services (Education) and Chairman of Education Advisory Panel
- (ii) Appointment of Assistant to Executive Member for Children 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

Attached at Appendix B, Appendix C, Appendix D, and Appendix E are job descriptions and relevant information in respect of these posts:

Recommendations of the Independent Remuneration Panel

A Amendments to Members' Allowances Scheme 2009/2010

- (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 new Independent Remuneration Panel to be appointed by County Council on 18 February 2010.**

These posts are new positions, appointed by the County Council on 16 July 2009, and required in consequence of the extensive role and responsibilities of the lead Executive Member for Children's Services. Only one Member can be the statutory lead Member for Children's Services, but statutory guidance 'The Roles and Responsibilities of the Lead Member for Children's Services [and the Director of Children's Services]' ("the Statutory Guidance") recognises that because the role and responsibilities of the lead Member are broad, the lead Member may need to be supported by one or more other elected Members. A copy of the Statutory Guidance is attached at Appendix F.

In order for any SRA to be paid for these posts as part of the existing Members Allowances Scheme 2009/2010, these posts need to be considered by the Members Allowances Panel now as any amendment to the Members Allowances Scheme must take place in the current year, and a decision will need therefore to be made by the County Council at its meeting on the 18 February 2010.

In addition to the job descriptions for posts contained at Appendix B and Appendix C to this report, attention is drawn to the comments of Councillor Edgar contained at Appendix A1 to the minutes of the meeting of the IRP on 27 November 2009, contained at Appendix A to this report.

- (b) That the Chairman of Audit Committee and Chairman of Pension Fund Panel both receive a SRA of £5793 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 terms of reference of Audit Committee are broadly similar to the previous terms of reference of the former Governance Committee. An SRA of £5793 was payable to the Chairman of the former Governance Committee (but not taken as the Chairman was the Leader). An SRA of £1449 was payable to the Vice-Chairman of the former Governance Committee.

The Members Allowances Scheme does not currently provide for payable of an SRA for the Chairman and Vice-Chairman of the Pension Fund Panel. In addition to the terms of reference of the Pension Fund Panel contained at Appendix E to this report, attention is drawn to the comments of Councillor Kemp-Gee contained at Appendix A2 to the minutes of the IRP meeting contained at Appendix A to this report.

- (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-Chairmen of the Pension Fund Panel, and the County Council be asked to reconsider and introduce this IRP recommendation as soon as possible.**

Members may recall that in its report of 2008 the IRP recommended that SRAs to Vice-Chairman of Committees generally should be discontinued, as it considered that the Vice Chairman of Committees had little additional workload to other Committee Members. This recommendation of the IRP was considered by Governance Committee on 3 November 2008, and not supported for reasons set out in the report to Governance Committee. This view was endorsed by the County Council at its meeting on 20 November 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.**

This point was raised by the IRP after the close of the meeting of the IRP on 27 November 2009. Members are reminded that since 16 July 2009 the position of Vice-Chairman of Standards Committee has been occupied by Mr Ellis, an Independent Member of Standards Committee, in accordance with guidance issued by the Standards Board. Mr Ellis is currently paid an Independent Members allowance of £675.00, (as recommended by the IRP, and determined by the County Council at its meeting on 20 November 2008), plus an SRA of £1,449.00 as Vice Chairman of Standards Committee, being the amount previously payable to the Vice-Chairman when this position was occupied by a

Member of the County Council. This allowance is greater than the 25% of the Chairman's SRA normally paid to Vice-Chairman of Committees. However, Standards Committee is unusual in that a great proportion of the work of Standards Committee is carried out by Sub-Committees which must by law be chaired by an Independent Member, and it is therefore considered that the current payment is appropriate, bearing in mind the responsibilities of the Vice-Chairman who is regularly required to chair such Sub-Committees.

Members Allowances Scheme 2010/2011

- (a) That Basic Allowances and SRAs be frozen at existing rates from 1 April 2010.**

It is proposed that any pay settlement for Officers for the year 2010-2011 should apply equally to Members.

- (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 a mile thereafter) to take effect as soon as possible.**

The Employment in Hampshire Committee (EHCC) recommended at its meeting on 3 November 2009 that Officers and Members mileage rates should be aligned to the lower HMRC rates. It is proposed that any change 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.**

This recommendation is a repeat of a recommendation in the IRP Report of 2008, when the IRP evaluated the role equal to the role of Chairman of the Health Overview and Scrutiny Committee. The recommendation was considered by the Governance Committee at its meeting on 3 November 2008, when it determined that the role of Chairman of the Regulatory Committee was similar to that of Select Committees, and that therefore there should be no change to the SRA for the Chairman of the Regulatory Committee. This view was endorsed by the County Council at its meeting on 20 November 2008

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

The IRP Report of 2008 recommended that there should be an SRA for the post of Chairman of the River Hamble Harbour Board in the sum of £5,583. The County Council at its meeting on the 20 November 2008 determined that no SRA should be payable for this post, but the matter should be reviewed at a later date in line with other similar arrangements.

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

New HATs teams were approved by the County Council at its meeting on 19 November 2009. It was considered at that meeting that the posts of Chairman and Vice-Chairman of the 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.

Members are also reminded that the County Council, at its meeting on 20 November 2008, determined that payment of SRA allowances be restricted to 50% of Members. Following the elections in May 2009, 32 Members of the County Council are in receipt of an SRA.

Should Members determine that an SRA be payable in respect of the two new positions of Assistant to the lead Member for Children's Services, the Chairman and Vice-Chairman of Audit Committee, and Chairman and Vice-Chairman of the Pension Fund Panel, this will make the total number of SRAs payable to 38. It would therefore in any event not be possible to pay any SRA in respect of the posts of Chairmen or Vice-Chairmen of the HATs teams, since in doing so, the number of SRA allowances payable would exceed 50%.

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

It is anticipated that the work of the Pension Fund Panel will increase significantly in forthcoming years. In this regard Members attention is drawn to the information contained within paragraph 4 of the Terms of Reference of the Pension Fund Panel contained at Appendix E to this report, and the comments of Councillor Kemp-Gee contained at Appendix A2 to the minutes of the meeting of the IRP on 27 November 2009, contained at Appendix A to this report.

3. Information

- 3.1 Amendments to the Members Allowances Scheme for 2009-2010, and the new Members Allowances Scheme for 2010-2011 will be considered by the County Council at its meeting on 18 February 2010.

4. Recommendations

- 4.1 That the Members Allowances Panel recommend to the County Council that approval be given to amendment to the existing Members Allowances Scheme for 2009/2010, and a new Members Allowances Scheme for 2010/2011, which takes into account the recommendations

of the Independent Remuneration Panel, and the views set out in this report.