

AT A MEETING of the INDEPENDENT REMUNERATION PANEL of the County Council held at The Castle, Winchester on 27 November 2009.

PRESENT:

P.J. Humphreys (Chairman); R. Humble; F.H.M. Quick.

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

Also in attendance was Councillor P. Edgar

1 CHAIRMAN'S COMMUNICATIONS

The Chairman welcomed those present to the meeting. The Head of Governance then outlined the statutory framework of the Local Authorities (Members Allowances) (England) Regulations 2003, ('Members Allowances Regulations') and the remit of the IRP within the Members Allowances Regulations.

2 COUNTY COUNCILLORS, CO-OPTED AND INDEPENDENT MEMBER COMMENTS

The Panel was advised that County Councillors, Co-opted and Independent Members had been invited to either attend or make any comments to the IRP at this meeting. As a result there had been a request by Councillor P. Edgar to attend the meeting, and a written communication from Councillor M. Kemp-Gee.

Councillor P. Edgar made his presentation which summarised his role as Assistant to Executive Member for Children's Services (Education) and Chairman of the Education Advisory Panel. The Panel also considered the written communication from Councillor M Kemp-Gee, Chairman of the Audit Committee. A copy of Councillor Edgar's presentation and Councillor Kemp-Gee's written communication appear as Appendix A1 and Appendix B1 to these Minutes.

3 AMENDMENTS TO MEMBERS' ALLOWANCES SCHEME 2009/10

The Panel considered any amendments to the Members' Allowances Scheme 2009/10 in accordance with Regulation 21 of the Members Allowances Regulations. They had before them background information consisting of the current allowances scheme 2009/10 and job descriptions relating to Assistant to Executive Member for Children's Services (Education) and Chairman of the Education Advisory Panel;

Assistant to Executive Member for Children's Services (Safeguarding) and Chairman of the Children and Families Panel; Chairman and Vice-Chairman of Audit Committee and Chairman and Vice-Chairman of Pension Fund Panel. Copies of these job descriptions and relevant information appears as Appendix B, Appendix C, Appendix D and Appendix E to these Minutes.

The Panel reported that they had difficulty in making a proposal for an appropriate SRA in respect of the two assistant posts to the Executive Member for Children's Services appointed by the new County Council. They had been unable to identify any similar posts among comparative Shire Councils and, in the time available, were unable to conduct further research prior to making appropriate SRA recommendations. Therefore the Panel agreed it would be more appropriate for the new Independent Remuneration Panel to be appointed by County Council in February 2010 to consider and make proposals on the two assistant posts.

The Head of Governance reported that in order for the two assistant posts to the Executive Member for Children's Services to receive any SRA as part of the Members' Allowances Scheme 2009/10, a decision would need to be made by County Council in respect of this before 31 March 2010, and that the matter would be considered further by the Members' Allowances Scheme Panel which was to meet on 19 January 2010.

The Panel went on to consider the roles of Chairman and Vice-Chairman of the Audit Committee and Pension Fund Panel respectively.

In relation to Chairman of the Audit Committee, the Panel reported nine other Shire Councils had been surveyed to determine the SRAs paid in 2009/10 for apparently comparable roles; these ranged from £2,612 to £11,000, with a mean of £7606. The Panel reflected that the roles of Chairman of the Audit Committee and Chairman of the former Governance Committee had some similarities and concluded the SRAs payable should therefore equate with one another i.e. £5,793 per annum.

The Panel noted that the role of Chairman of Pension Fund Panel was previously performed by the Leader of the Council and that currently no additional SRA was paid as the Leader was already in receipt of a higher SRA. The Head of Governance clarified that whether or not in practice an SRA was paid where a member qualified for more than one SRA, if a post required an SRA, this should be included in the Members Allowances Scheme. The Panel considered the role and duties of the Pension Fund Panel, including the intention to increase the number of its meetings in 2010. Based on research undertaken by the Panel of the comparative Shire Councils and other information available to it the Panel proposed a SRA of £5,793 per annum to Chairman of the Pension Fund Panel backdated to June 2009, and that this amount should be reviewed for further years, dependent on the work of the Pension Fund Panel increasing as anticipated.

The Panel next considered the role of Vice-Chairman of the Audit Panel and Pension Fund Panel. They highlighted their 2008 report which had recommended that all SRAs to Vice-Chairman of Committees be discontinued as soon as possible and not later than end of April 2009 with the election of a new Council. The view of the IRP in 2008 was that whilst it was traditional to have both Chairmen and Vice-Chairmen for every committee and pay them both allowances this was not a good enough reason to continue paying SRAs if they could not be justified by an identifiable level of workload and responsibility. The Panel reported that further research had been conducted to review the frequency of the number of times meetings had been chaired by Vice-Chairmen in case their view needed revising. Nine committees had been reviewed, covering 73 meetings of which the minutes of 63 were available on Hantsweb. Of these, there was one where the Chairman was absent. The Panel commented that this was an even lower level of deputising than shown in the 2008 report and reinforced the view that no SRA could be justified.

Accordingly, the Independent Remuneration Panel RECOMMENDED the following amendments to the Members' Allowances 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 new Independent Remuneration Panel to be appointed by County Council on 18 February 2010.
- (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.
- (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.
- (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.

4 MEMBERS' ALLOWANCES SCHEME 2010/11

The Panel considered the Members' Allowances Scheme for 2010/11 in accordance with Regulation 21 of the Local Authorities (Members' Allowances) (England) Regulations 2003.

The Panel considered that there should be an increase in the SRA for Chairman of the Regulatory Committee to equate with SRA paid to Chairman of Health and Overview and Scrutiny Committee, in recognition of the level of Regulatory Committee responsibilities and number of meetings.

The Panel also proposed an SRA for the Chairman of the River Hamble Harbour Board in recognition of the level of responsibilities of the post.

The Panel noted the steps currently being taken by the County Council in relation to performance activity and accountability statements. The Panel also noted the relaunch of the Hampshire Action Teams (HATs) and considered that the Chairmen of HATS should qualify for an SRA, but that this was something which was more appropriate for the new IRP to evaluate. They linked the importance of such developments with local democracy requirements contained within the Local Democracy, Economic Development and Construction Act 2009.

The Panel went on to consider Members mileage rates. It was noted that the County Council at its meeting on 20 November 2008 had determined that the HMRC maximum tax free allowance (currently 40p per mile) should be introduced for Members if any similar actions were to be taken in relation to Officers' terms and conditions. The Panel was aware that the Employment in Hampshire County Council Committee (EHCC) had agreed at its meeting on 3 November 2009 that, in principle, HMRC rates should apply to staff, and that, if possible, implementation of any such changes should be made in the new financial year, subject to further negotiation with the trade unions. The Panel considered the relevant comparison was others paid under the Members Allowances Regulations, which showed for the majority of other statutory authorities in Hampshire mileage was paid at HMRC rates. The Panel proposed that the Council should adopt the HMRC rates for Members at the earliest opportunity believing that it would not only save the Council money but also give a positive signal.

The Panel considered the rate of rise in Basic Allowances and SRAs for 2010/11. Being mindful of the present economic climate, and budgetary constraints, the Panel proposed that Basic Allowances and SRAs be frozen at existing rates for 2010/11. Accordingly,

The Independent Remuneration Panel **RECOMMENDED** the following for the Members' Allowances Scheme 2010/11:

- (a) That Basic Allowances and SRAs be frozen at existing rates from 1 April 2010.
- (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.
- (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.
- (d) That a new SRA be introduced for Chairman of the River Hamble Harbour Board of £5,793 per annum.
- (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.
- (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.

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Presentation by Councillor P. Edgar

"I was officially appointed to this post by Full Council on 16 July 2009, although I have shared an office with the Lead Member since June and have been carrying out the role since then.

In para 2.25 of the Statutory Guidance on the Roles and Responsibilities of the Lead Member it states '...the LM may need to be supported by one or more elected members. The remit of the support roles can be as wide as the Local Authority wishes, as long as the LM maintains an effective overview of all services for children and retains overall political accountability.' The terms of reference for my role have been agreed by the County Council and are in accordance with this statutory guidance, in order to ensure that the Lead Member's substantial responsibilities may be adequately fulfilled.

Since accepting the responsibilities of this Assistant Post to the LM, my workload has increased considerably. Since June this year I have travelled 4700 miles throughout Hampshire on Hampshire County Council business and 2754 of those miles have been directly related to my new post in education, something like 58.6% of the total. My schedule that I have made available to the Panel does not include time spent in the reading of documents and preparation time for engagements.

The most time consuming aspects of this new post are the main Government initiatives of Building Schools for the Future, Post 16 Education, Learning Outside of the Classroom and the pre-school Children's Centres and Sure Start programmes. To deliver these initiatives it is necessary in most cases to develop partnerships with many other agencies including the business world. Close collaborative working must be developed with other departments of the County Council especially the Culture, Communities and Recreation Department.

I hope that the panel finds these comments useful in its deliberations. As I have 34 years experience as a teacher and I am a Life Member of the National Association of Head Teachers, I am finding this new education post extremely challenging but very rewarding."

The presentation was further supported by other information highlighting the Councillors recent engagements directly related to the new Assistant role. The Panel questioned the Member to clarify several points and thanked him for attending their meeting.

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Written Communication by Councillor M. Kemp-Gee

Councillor M. Kemp-Gee had provided a written communication about his role as Chairman of the Pension Fund Panel. The communication read as follows:

“Since being appointed as Chairman of the Pension Fund Panel with its 110,000 participants and its £3 billion of assets I have, in no uncertain terms, become aware of the task and responsibilities which are very similar to that of Chairperson of a Select Committee.

I am fortunate in being supported by the County Treasurer and his superb team, the had working members of the Panel who have accepted the need for personal training logs, embraced the Government’s governance principles, endured this autumn’s 4 x half day training sessions, agreed to move to 5 full meetings of the Panel every year going forward plus two training sessions together with meetings of the alternative investments Sub-Committee. All this with a totally consensual and dedicated approach. That is because the challenge is very great. The triennial actuarial valuation next Spring will show that the funding deficit has substantially increased and that the Panel must work diligently in the future to protect the future of its pensioner members and the job satisfaction of its future pensioner members. Thank you for listening to these few written remarks and I would be pleased to answer any issues emanating from them if required”.