

Title of report: The Report of the Herefordshire Independent Remuneration Panel

Meeting: Council

Meeting date: Friday 11 October 2024

Report by: Democratic Services Manager

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To consider and approve the Herefordshire councillors allowances scheme having regard to the recommendations of the council's independent remuneration panel (IRP).

Recommendation(s)

That Council having regard to the recommendations made by the independent remuneration panel:

- i. Introduces a new allowance for all the council's independent persons and co-opted members;**
- ii. Agrees allowances are provided annually as a lump sum payment – as follows:**
 - a) A+G Independent Persons - £1,500 p/a (based on 10 meetings p/a)**
 - b) Scrutiny Co-opted Members - £900 p/a (based on 6 meetings p/a)**
 - c) Standard Independent Persons - £450 p/a (based on 3 meetings p/a)**

- iii. **Permits a technical update to the constitutional provisions (as [set out at 2.2.21](#)) that apply to councillors be also applied to independent persons and co-opted members;**
- iv. **Asks Council to commission the member development working group to review the induction training provided to all independent persons and co-opted members. The panel believes that practical training will ensure that the work of these independent persons will be enhanced by a sound understanding of the objectives and responsibilities of the groups they join. In accordance with members training and allowances practice, the independent persons allowance shall be linked to all induction training being completed prior to fully taking up their positions on committees. It is also expected that the independent persons shall attend most of the meetings and when they can't, an input through remote access or a written statement should be provided.**
- v. **Does not introduce a new allowance for the vice-chairpersons of council committees, at the current time. The Panel remain open to reconsidering this matter again, subject to Council agreeing to recommendation 6 below being completed;**
- vi. **Review the post of vice-chairperson and a role description be added to the council's constitution;**
- vii. **Does not introduce a new allowance for the chairpersons of task and finish groups;**
- viii. **Does not introduce a new higher rate allowance for the Chairperson of the Scrutiny Management Board;**
- ix. **Continues to link the National Joint Council pay award with the basic allowance scheme, for the next four years; and**
- x. **Subject to agreeing with recommendation 1, the allowances for Independent Persons and Co-opted members be also indexed linked to the National Joint Council annual pay award for the next four years.**

Alternative options

The council can decide not to accept the Panel's recommendations in full or part as it sees fit, subject to possible referral back to the panel in relation to any matters on which the IRP has not made a recommendation.

Key considerations

1. To comply with the requirement that, under the Local Authorities (Members' Allowances) (England) Regulations 2003, before amending its councillors' allowances scheme, the council must have regard to the recommendations made in relation to it by an IRP.
2. The council is required to establish and maintain an IRP to make recommendations on the scheme of allowances for members. The council is also required to publish details of the IRP's recommendations and the main features of any scheme that the council adopts.
3. The IRP have concluded their review and have produced their attached at appendix 1. The Director of Law and Governance is grateful to the IRP members for the work they have undertaken.
4. The IRP agreed the following principles to underpin their review, as set out by the Dame Jane Roberts Councillors Commission, Members Remuneration, Models, Issues, Incentives and Barriers, 2007:

- a. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors
 - b. Those who participate in, and contribute to, the democratic process should not suffer unreasonable financial disadvantage
 - c. Councillors should be compensated for their work and the compensation should have regard to the full range of commitment and complexity of their roles
 - d. The system should be transparent, simple to operate and understandable.
 - e. The system should not encourage the proliferation of meetings or provoke councillors into spending more time on council business than is necessary; And
 - f. The level of remuneration should relate to a commonly accepted benchmark.
5. Under section 30 and 31 of the Localism Act 2011 ('the Act'), members have a pecuniary interest discussion of this item as basic allowances are required to be paid to all members. Members nominated to posts attracting an SRA have a further pecuniary interest. As a result the members may not participate in any discussion or vote on the matter.
 6. The Director of Law and Governance, having received a written request on behalf of all members affected by the preceding paragraph, has granted a dispensation to all members.
 7. The dispensation is granted under section 33 (2)(a) of the Act, as it is considered that without the dispensations the number of persons prohibited by section 31(4) from participating in the item in question would be so great a proportion of the members of Council as to impede the transaction of the business. This dispensation is from both section 31(4)(a) and section 31(4)(b) of the Act.
 8. Those members affected may therefore participate in the discussion and vote on all the recommendations.

Community impact

9. Consideration of members' allowances needs to take account of the current financial climate. The IRP members are independent of the council and represent the wider interests of the county. The adoption and publication of a scheme of allowances ensures there is transparency regarding the remuneration of elected members.

Environmental Impact

10. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
11. This decision relates to a back office function so will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy, for example by utilising energy efficient methods of communication.

Equality duty

12. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
13. The mandatory equality impact screening checklist has been completed for this activity and it has been found to have low impact for equality.
14. Due to the potential impact of this decision being low, a full Equality Impact Assessment is not required. However, the following equality considerations should be considered when making a decision about this activity:
 - a. That there may be public concern about the proposals on the basis that, if Council accept the Panel's recommendations, there is a budgetary implication.

Resource implications

15. The recommendations of the Panel, if accepted, do result in a budget requirement of £8,700.00p/a. This relates to, specifically:
 - a. One new allowance for the independent person for the Audit and Governance Committee at a rate of £1,500 p/a
 - b. Up to six new allowances (of £900) for co-opted members of the scrutiny committees generating a new allowance total of up to £5,400.00, and
 - c. Up to four allowances (of £450) for Code of Conduct Independent Persons generating a new allowance total of up to £1,800.00

Legal implications

16. In order to comply with the Local Authorities (Members' Allowances) (England) Regulations 2003, it is necessary for council to have regard to the IRP recommendations.

Risk management

17. Risk has been considered and the following considerations made:

Risk / opportunity

Risk If allowances are not established in an open and transparent way the reputation of the council and public service in general may be brought into disrepute.

Mitigation The Panel recommendations will be debated, openly, in public. Councillors will determine whether or not to accept the proposed allowances schemes. The accepted schemes will be published and open to all to review.

Consultees

18. Consultation was undertaken with all members, Group Leaders and the Chairman and Vice-Chairperson of the Council. Their views and evidence have been cited with the Panel's report at Appendix 1

Appendices

Appendix 1: The Report of the Herefordshire Independent Remuneration Panel, 11 October 2024

Background papers

None