

HEREFORDSHIRE COUNCIL

NOTES of the meeting of the Independent Remuneration Panel held in the Committee Room, Brockington on Wednesday 31 October 2012 at 2.00 pm**Present:** Mr N Kerr and Mr W Lindesay**Officers:** D Taylor (Acting Chief Executive); C Chapman (Assistant Director Law, Governance & Resilience), J Jones (Head of Governance) and DJ Penrose (Governance Services)**5. APOLOGIES FOR ABSENCE**

Mr C Oliver and Mr D Stevens.

6. REVIEW OF COUNCILLORS ALLOWANCES SCHEME

The Head of Governance/Deputy Monitoring Officer outlined the background to the development of the Councillors Allowances Scheme.

The Panel then reviewed the Scheme, discussing each recommendation in turn.

Overview and Scrutiny Committee Chairmen's Allowance

The Panel was asked to consider the implications of further changes to the Council's Overview and Scrutiny arrangements. New arrangements provided for two Overview and Scrutiny Committees each of equal status which had replaced the single Overview and Scrutiny Committee appointed by Council in May 2011. Each Committee had a Chairman and a Vice-Chairman.

The Head of Governance said that the General Overview and Scrutiny Committee had a very broad remit which would mean that the Chairman's role would be pressured. Whilst the Health and Adult Social Care Scrutiny Committee was more focused, it would initially be operating during a period of complex change within the health economy, as the Health and Social Care Act 2012 was implemented.

Recommendation to Council

That the level of allowance paid to the Chairmen of the two Overview Scrutiny Committees be set at Band 2, and that this rate should be reviewed not later than 2015.

Overview and Scrutiny Committee Vice-Chairmen's Allowance

The Head of Governance said that the Vice-Chairmen of the two Scrutiny Committees would have a role in planning the delivery of the Scrutiny function which would include the attendance at liaison meetings with the Cabinet. It was intended that they would Chair a significant proportion of the Task and Finish Groups run by that Committee without additional special responsibility allowance.

It was noted that the Scrutiny Annual Report would outline the work that had been undertaken by the Vice Chairmen of the Committees.

Recommendations to Council

That:

An allowance be paid to the Vice-Chairmen of the two Overview Scrutiny Committees and that this be set at Band 4, subject to the Vice Chairmen chairing at least 50% of the Task and Finish Groups held by that Committee. An allowance would otherwise be set for Vice-Chairmen at Band 5.

These rates should be reviewed in 2015.

Chairmen of Task and Finish Groups

The Head of Governance reported that Task and Finish Groups would continue to form part of the Scrutiny Structure. These Groups would look at an issue in greater depth generally taking evidence from a range of bodies and undertaking research compiling a report setting out its findings and recommendations to the Executive. These studies could take one or two meetings to complete or up to six months for a more detailed review.

It was suggested a sum of £500 be payable to a Chairman of one of these special reviews. To avoid distorting the work programmes of the two Committees and having regard to the available budget a maximum of six reviews would be commissioned between the two Committees rather than imposing an artificial limit of 3 per Committee. The Chairmen of the two Committees would negotiate in the event of any disagreement. The Vice-Chairmen of the two Committees would not be eligible for payment under this provision.

The decision to make a payment available for a special review would be identified at the outset as part of the scoping of the review and be subject to the scope of the review being agreed by the relevant Overview and Scrutiny Committee; the timescale being met and the quality of the review meeting the expectations of the Committee. This would ensure that there would be no perverse incentive, for example to deliberately and unnecessarily extend the timescale for a review.

Recommendation to Council

That an allowance of £500 be paid to Chairmen of special Scrutiny Task and Finish Groups appointed by the relevant Overview and Scrutiny Committee subject to appropriate criteria being met. The number of payments should be reviewed at the end of 12 months.

Deputy Leader of the Council

The Panel considered the suggestion that a separate allowance be paid to the Deputy Leader of the Council. The Deputy Leader of the Council actively supported the Leader, and was undertaking aspects of the work of the Leader.

Following a discussion, the Panel stated that whilst it accepted the principle of separate remuneration for the role of Deputy Leader of the Council, the information before it did not allow it to make a decision on this matter. It was agreed that a job description that outlined the role of the Deputy Leader of the Council would be circulated to Panel members in order that a decision could be made outside the meeting. It was acknowledged that only one Special responsibility Allowance would be paid under the Councils scheme.

Recommendation to Council

That a separate allowance be paid to the Deputy Leader of the Council, and that this should be set at 60% of the Leader's allowance, an amount of £16,763.

Only one special responsibility allowance should be paid to any one Member, and the rate of the allowance for the Deputy Leader of the Council should be reviewed in 2015.

Travel Allowance

The Panel considered a proposal as to whether Members driving electric vehicles should be entitled to claim the same mileage rate as those driving cars fuelled by petrol or diesel. It was noted that Her Majesty's Revenue and Customs Service (HMRC) approved mileage rates did not specify fuel type but the merely vehicle type. Therefore employers could currently reimburse electric car owners up to 45p/mile for business journeys without the recipient incurring a tax liability. To pay the same rate, regardless of fuel type, was a no cost incentive to choose lower emission cars, and could also be seen as a reward for those who have already chosen such cars.

Recommendation to Council

That HMRC rates be paid regardless of the fuel type used by a vehicle and that these rates should be reviewed by the Council before 2016.

Travel and Subsistence

The Panel was asked to consider a proposal that the subsistence allowance for Councillors for overnight accommodation should be altered. Currently, Members were able to claim for three star accommodation or equivalent up to a value of £80, evidenced by receipts. This was not always appropriate, especially if Members had meetings in central London where such accommodation was not easily secured.

The Head of Governance was aware of the sensitivities which surrounded this issue, and said that it was not recommended that any change be made to the rule that Councillors should seek three star accommodation wherever possible, but that there should be flexibility built into the system.

Recommendation to Council

That, where practicable, Members requiring overnight accommodation utilise three star accommodation or equivalent, evidenced by receipts. If no suitable accommodation was available, Members may, with approval of the Monitoring Officer, book accommodation to the value of £120 per night, evidenced by receipts.

Allowances for Town and Parish Councillors

The Head of Governance reported that the Chief Executive of the Herefordshire Association of Local Councils had requested that, as a matter of course, the Panel should consider the payment of allowances to Town and Parish Councillors.

The Panel last considered the question of Town and Parish Council Allowances in October 2006. The Panel decided that, due to lack of interest and information from any of the councils involved, "no further action be taken at present with regard to introducing such a scheme." If a formal request were to be received consideration could be given at that point to convening a meeting of the Panel. A letter had been sent to Town and

Parish Councils inviting replies by 3 December 2012. The Panel would be informed of the outcome and proposals brought forward as appropriate to a future meeting.

Chairmen of Rural and Urban Forums

The Panel was asked to consider a proposal that the Chairman of the Rural and Urban Forums should attract a special responsibility allowance. The Rural Forum was established in late 2011 to allow Members representing rural wards to discuss matters of rural interest and to make representations to the Portfolio Holder. The Forum was a consultative group, not a decision making one, and an Urban Forum, which had yet to meet, had also been established following requests from some Members. As yet, no Chairman had been appointed to the Urban Forum.

The Panel was of the view that both these Forums should be in operation for twelve months and a report on its activities considered before a decision is made as to whether the Chairmen should attract a Special Responsibility Allowance. The Panel would consider the matter further at the end of that period

Recommendation to Council

That no allowance be recommended for the Chairmen of the Rural and the Urban Forums. However, the activities of both Forums should be reviewed by the Panel in December 2013.

The meeting ended at 16.05