

**The Report of the Herefordshire
Independent Remuneration Panel**

11 October 2024

Introduction

1. The Independent Remuneration Panel (also referred to in this report as the Panel) has been set up and convened under the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI1021) and subsequent amendments to the regulations (SI2003/1022 and SI 2003/1692 (the Regulations)).
2. The Regulations require all local authorities to set up and maintain an independent remuneration panel to review and provide advice about the allowances to be paid to members. All councils are required to convene their remuneration Panel and have due regard to their recommendations before setting a new or amended Members' Allowances Scheme.
3. This report, in part, also fulfils a recommendation agreed by Council to reconvene the Panel at least one year on from new constitutional arrangements being introduced in May 2022.

The Independent Remuneration Panel

4. Herefordshire Council's Independent Remuneration Panel consists of the following Members:
 - **Richard Garnett** – Chairperson
 - **Judy Balderson** – Panel Member
 - **David Faulkner** – Panel Member
5. The Panel are made up of independent people and were supported by the democratic services manager and a democratic services assistant. Their roles were to record proceedings, take the organisational lead in gathering the base evidence, and provide technical support. In addition, to facilitate meetings for the Panel with the political group leaders, the chairman and vice-chairperson of the Council to consider their views. Specifically in relation to paragraph 7 (I to V) as set out below.
6. The Panel would like to record their thanks to all those who provided evidence during the review. Their contributions have been considered with care and attention during the drafting of this report and recommendations.

What the Panel was asked to look at.

7. The Panel was appointed by Herefordshire Council to review the following specific issues relating to:
 - I. Proposals to introduce allowances for Independent /Co-opted members on the Council's Audit & Governance and Scrutiny Committees and Standards.
 - II. Whether remuneration should be considered for vice-chairpersons of council committees
 - III. Proposals to introduce allowances for task and finish group chairpersons
 - IV. Proposals for an elevated Special Responsibility Allowance (SRA) for the chairperson of Scrutiny Management Board (SMB) and,
 - V. Whether to maintain the index linked to the National Joint Council (NJC) rate changes for members' basic responsibility allowances for a further 4 years.

The Panel's remit

8. The Panel were asked to conduct their work in time for the council meeting scheduled for 11 October 2024. It is in the Panel's remit to make recommendations in relation to the specific items they have been asked to consider (as set out in 7. I – V above).
9. It is not within the Panel's remit to take into consideration the budget implications of its recommendations.
10. It is not within the Panel's remit to rule that the council adopt its recommendations.
11. It is for council to consider, debate and determine which recommendations from the Panel it chooses to agree, partially agree, defer or reject.

Underpinning Principles of the Review

12. The Panel confirmed that their deliberations should be underpinned by the following principles set out by the [Dame Jane Roberts Councillors Commission](#), Members Remuneration, Models, Issues, Incentives and Barriers, 2007:
 - P1: The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors
 - P2: Those who participate in, and contribute to, the democratic process should not suffer unreasonable financial disadvantage
 - P3: Councillors should be compensated for their work and the compensation should have regard to the full range of commitment and complexity of their roles
 - P4: The system should be transparent, simple to operate and understand
 - P5: The system should not encourage the proliferation of meetings or provoke councillors into spending more time on council business than is necessary.
 - P6: The level of remuneration should relate to a commonly accepted benchmark

The evidence base presented to the Panel.

A member's survey:

13. An online questionnaire was sent to all members on behalf of the Panel (the full survey questions and anonymised responses can be found in Appendix A). The survey gathered the views and experiences of members in relation to each of the issues set out in paragraph 7. I-V above.
14. 27 out of 51¹ councillors responded to the survey. This equated to a response rate of just under 53%. Whilst the Panel acknowledged that this was a broadly similar response rate to that of previous IRP surveys, the IRP members felt this very low response level was unhelpful.

Benchmarking data:

15. The Panel considered statistical benchmarking data from a range of other local authority settings. This included the cohort of local authorities that are statistically similar to

¹ The survey work has been undertaken prior to the by-election taking place in Credenhill Ward and taking in to account the resignation of the ward member for Bishops Frome and Cradley.

Herefordshire to assess what remuneration rates are applied to similarly assigned positions within those authorities. Data was also gathered from a range of other local authorities known to be remunerating their independent persons. The benchmarking data – which is publicly available via each of the respective council’s website – is set out in Appendix B.

16. In considering the benchmarking information the Panel acknowledged that each local authority had unique characteristics and measuring similarities was subjective and not always directly comparable.

Qualitative data.

17. At the outset of the review the Panel agreed that they wished to conduct meetings with the political group leaders. All group leaders were invited to meet the Panel on 18 September 2024. The Panel also met with the chairman of the council on 27 September. A written submission was also received from the vice-chairperson ahead of that meeting.
18. In addition, just over half of members volunteered their views/evidence via the member’s survey. The principal points raised by those members were shared with the Panel. The Panel feel it is a responsibility of every member to contribute to the surveys conducted by the Panel. It is disappointing that there was not a higher response rate.

Other data requested

19. The Panel also requested a breakdown of the numbers of vice-chairpersons who have, in the last two years, deputised on behalf of their chairperson. In addition, the panel were provided with a breakdown on the number of scrutiny committee meetings that have taken place since the current scrutiny arrangements came into force in May 2022. This data is presented in Appendix C.

Triangulation.

20. The Panel triangulated their evidence where it was helpful to do so. For example, comparing qualitative evidence from councillors’ survey responses with benchmarking data to add balance and challenge to their final report and concluding recommendations.

The Panel’s key findings and recommendations

Line of Enquiry 1: *Proposals to introduce allowances for Independent Persons/Co-opted members on the Council’s Audit & Governance and Scrutiny Committees and Standards.*

Background:

21. Every principal authority must appoint one or more independent persons². They can also appoint co-opted members³. Independent persons and co-opted members are appointed by advertisement and application, and there are very strict rules preventing a person from being appointed if they are a friend or relative of any member or officer of the authority or of any parish council within the authority’s area.
22. Herefordshire Council appoints various independent and co-opted people to provide opinion on a variety of council functions. They are appointed to offer additional and requisite skills/expertise to assist committees in considering items of business. A number of local

² Independent person(s) means a person appointed under section 28(7) of the Localism 2011 Act.

³ Local authorities have a general power to co-opt persons from outside their membership to any committee, other than a committee for regulating or controlling finance.

authorities choose to provide an allowance for their independent people/co-opted members. Herefordshire currently does not.

23. Data indicates that some local authorities remunerate their independent people on the basis of covering financial loss/expenses only. Other local authorities remunerate at a 'set' rate to cover time/expenses, expertise and the level of responsibility.
24. In addition, local authorities apply remuneration of independent persons/co-opted members in one of two forms. An annual lump sum or an hourly rate.

Summary of responses from the members survey.

25. The member's survey offered clear evidence from those who responded. Of the councillors who did respond, the majority supported the principle of remunerating independent persons. In each of the three roles outlined, 26 of the 27 responses received (or just over 96%) supported creating a new allowance to recognise the contribution independent persons make to the transaction of council business.
26. Opinion was more divided on what the allowance should be for. Of the 25 responses received for this question, 44% felt that an allowance should cover only expenses and loss of earnings. 56% felt it should be provided to cover time commitment, expertise and level of responsibility.
27. Opinion was also divided on whether a fixed lump sum, or whether an hourly rate should be paid. Of the 26 responses received, just under 58% of members felt that an hourly rate was the more appropriate method of providing an allowance. Just over 42% felt that an annual lump sum was the preferred option.
28. Councillors were more persuaded by the option of remunerating independent persons at a variable rate allowance. That variable rate designed to recognise the complexity of the role. Of the 26 responses received to this question, 61.5% of members felt a variable rate was more appropriate. 38.5% felt that a single fixed rate was the more appropriate option to pursue.

The benchmarking data

29. Of the nine closest statistical neighbour local authorities, five currently provide some form of allowance to their independent persons. Targeted research was also undertaken on eight local authorities (one of which also sits within our statistical neighbour authorities) known to provide an allowance for their independent persons.
30. From a review of the benchmarking data - of all of the local authorities reviewed who provide a fixed sum allowance - the highest rate paid was £2893.00 p/a and the lowest rate was £200.00 p/a. This equated to an average of approximately £1250.00 p/a across the cohort of local authorities reviewed.
31. In the cohort of local authorities that pay an hourly rate, the highest hourly rate was £210.00 p/h and the lowest £70.00 p/h. This equated to an average of approximately £120.00 p/h across the cohort.
32. The Panel wished to explore the time commitment of independent persons/co-opted members at Herefordshire Council in their various roles. While it was not possible to give an 'absolute' time commitment per committee the Panel were able to consider estimates

of committee business over the course of a municipal year⁴. Further, the Panel also explored what the average annual allowance 'rate' as a proportion of the basic allowance is provided by other local authority's; those considered in the benchmarking data in Appendix B.

33. Additional information was provided on the Code of Conduct IPs (CoCIPs) in relation to their evolving working practices. From data available from the previous two years, 18 Code of Conduct cases, in 2022/23, needed IP consultation, it was 46 in 2023/24. It is reasonable to estimate that the CoCIPs undertake 1 hour of work per case with two CoCIPs reviewing the same case (equating to 2 hours).
34. Where cases do proceed to investigation, it is reasonable to consider that the demands placed upon CoCIPs equated to 36 hours in 2022/23; and assumes 96 hrs in 2023/24 (92 hours in 2023/24 YTD). An estimated allowance rate, based upon this time commitment was proposed at around £500. The IRP were invited to consider this rate within their own independent assessment.
35. It was possible to extrapolate an average 'multiplier' rate as a product of each local authority basic rate. It was then possible to apply those average multiplier rates to the basic allowance at Herefordshire council. This in turn providing the Panel with four benchmarking rate options to consider (as set out in Table 1 below). The Panel feel that the mean rate is the most appropriate average to apply, on the basis that it presents a more rounded and representative figure (within the relatively wide variation presented in the data). The detailed analysis can be found in Appendix D.

Table 1: Extrapolated benchmarking averages data and annual allowance rate produced

Averages generated from the benchmarking data. Each average is divided by 10 (based upon the highest number of meetings per year (A+G). Figures are generated by multiplying the benchmarked averages with HC's basic allowance rate. ⁵		Annual Allowance per IP/Co-opted Member		
		A+G - IP annual allowance based on 10 meetings per year	Scrutiny - Co-optee annual allowance based on 6 meetings per year	Standards - annual allowance based (historically) on 3 meetings per year
Mean 0.16 X's £9,934 = £1,503 p/a	£150 per meeting	10 mtgs X's £150 = £1,500 p/a	6 mtgs X's £150 = £900 p/a	3 mtgs £150 = £450 p/a
Median 0.08 X's £9,934 = £751.5 p/a	£75 per meeting	10 mtgs X's £75 = £750 p/a	6 mtgs X's £75 = £675 p/a	3 mtgs X's £75 = £225 p/a
Modal 0.03 X's £9394 = £281 p/a	£28 per meeting	10 mtgs X's £28 = £280 p/a	6 mtgs X's £28 = £168 p/a	3 mtgs X's £28 = £84 p/a
Range 0.63 X's £9394 = £5,918 p/a	£592 per meeting	10 mtgs X's £592 = £5,920 p/a	6 mtgs X's £592 = £3,552 p/a	3 mtgs X's £529 = £1,776 p/a

⁴ Preparation, planning and meetings also varies from committee to committee and from year to year

⁵ The full calculated averages generated from the review of the benchmarking data can be viewed in Appendix D

The views of group leaders

36. Group leaders were broadly supportive of the proposal to introduce an allowance for the council's independent persons/co-opted members. There was recognition that, at present, volunteering time as an independent person can lead to inequalities. For example, some may suffer a loss of earnings because of meetings taking place during the working day.
37. There was also recognition that independent persons offer, in their various roles, key skills, expertise and experience that the committees would otherwise not be able to draw upon. Independent persons put in comparable amounts of time to that of councillors in their planning, preparation and attendance at committee.
38. In terms of the type of remuneration, group leaders tended to favour the annual lump sum allowance as opposed to the hourly rate, noting the more straightforward administration of this approach. There was also a clear steer that there should not be variable allowance rates based upon the relative skills, experience and expertise of independent persons. They are all experts in their relevant fields, in this regard, all independent persons should receive one fixed annual rate.

The balance of evidence

39. In considering this evidence the Panel acknowledged the consensus that had been established around the principle of remunerating independent persons/co-opted members. The Panel also considered this proposal alongside the underpinning principles of their review, noting a strong correlation with principles 2, 3, 4 and 6 (as set out in 12 above).
40. The Panel also noted their agreement with the recent Audit and Governance report which advocated that all independent persons appointed by the Council sign up to the Code of Conduct. In this regard, the Panel also considered the wider training offer for independent persons as part of their induction.

Panel Recommendations:

Recommendation 1: The Panel recommends that a new allowance be introduced for all the council's independent persons and co-opted members

Recommendation 2: The panel recommends that the following allowances are provided annually as a lump sum payment (around the 'mean' benchmark rate (as set out in Table 1)) – as follows:

- I. A+G Independent Persons - £1,500 p/a (based on 10 meetings p/a)
- II. Scrutiny Co-opted Members - £900 p/a (based on 6 meetings p/a)
- III. Standard Independent Persons - £450 p/a (based on 3 meetings)

Recommendation 3: Should Council agree to recommendation 2, that Council permits a technical update to the constitutional provisions that apply to councillors for non-attendance (as [set out at 2.2.21](#)) be also applied to independent persons and co-opted members

Recommendation 4: The Panel respectfully 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.

Line of Enquiry 2: *Should remuneration be considered for vice-chairpersons of council committees*

Background

41. The principal reasons the Panel had been asked to review the proposal to remunerate vice-chairpersons was to explore whether the current lack of an allowance was presenting a barrier to members expressing interest in these roles.
42. In considering this line of enquiry, the Panel noted the role of the vice-chairperson is quite narrowly defined with little in the way of a clear role description. There is a notable absence of a formal role description for a vice-chairperson in, Appendix 1: Member Role Profiles, as set out in the council's constitution.
43. The Panel were informed that a key role for the vice-chairperson is, from time to time, to step in to the role and take on the responsibilities of a chairperson (if a chairperson is absent). In addition, the Panel were provided with an outline of the constitutional description of the chairperson of the council; this with a view that it would provide a guide to the types of duties carried out by chairpersons and vice-chairpersons of other council committees. As follows:
 - (a) they uphold and promote the purpose of the constitution;
 - (b) they assist in decisions about what the constitution means if there is a dispute, on advice from the monitoring officer and/or the appointed clerk;
 - (c) they support the chair of their respective committee meeting so that decisions can be taken efficiently and with regard to the rights of Councillors and the interests of the community;
 - (d) they assist in planning and preparations to ensure that committee meetings are a place for debating matters of concern to the local community and the place at which members who are not on the cabinet are able to hold the cabinet to account;
 - (e) they promote public involvement in the Council's activities and in the democratic process;
 - (f) they are the conscience of the Council, and
 - (g) in the case of the vice-chairperson of the Council, attend civic and ceremonial functions as appropriate.

Summary of responses from the members survey.

44. Of the 27 responses received to the question asking members whether they felt that there should be an allowance for the role of vice chairperson, just under 78% felt there should be. Just over 22% felt that vice-chairs shouldn't be remunerated.
45. Of the 23 responses received around the question of remunerating a vice-chairperson only in instances where they stand in as chair, just over 78% agreed that they should, with just under 22% not supportive of this proposal.
46. Members were also asked if remuneration of vice-chairpersons should be applied on a cost neutral basis to the allowance scheme. For example, by taking a pro-rata payment from the chairperson during instances when the vice-chairperson stands in as chairperson

for a meeting. 65% of the 20 responses received were not in favour of this approach, 35% were.

47. Similarly, when asked about whether there should be an additional allowance to remunerate vice-chairpersons, just over 63% of the 19 responses felt payment should be in the form of an additional allowance; just under 37% do not support this approach.

The benchmarking data

48. In assessing the benchmarking data from our comparator local authorities, only two out of the nine authorities pay a special responsibility allowance to the vice chairpersons of committees. In this regard there was unconvincing evidence to compel the Panel to introduce a similar allowance in Herefordshire.
49. South Gloucestershire pay their scrutiny vice-chairs £5,255.00 p/a (equivalent to 0.4 of their basic allowance) and Cumbria £2,600.00 p/a (or equivalent to 0.3 of the basic allowance rate). The average remuneration rate within the benchmarking cohort equating to 0.35 the basic allowance rate being applied to a vice-chairpersons position.
50. At the request of the Panel, officers were asked to provide a breakdown of the number of instances in which a vice-chairperson has stood in as a chairperson at committee over the last two years (May 2022 to 31 August 2024). The total number of instances that this has occurred is four. The Panel members are aware that the role of the vice chair involves more than just acting as chairperson at meetings.

The views of group leaders

51. There was additional support from group leaders, to that expressed in the members survey, for an additional allowance to be paid to vice-chairpersons. It was highlighted that the role of the vice chairperson is much more involved than simply acting up as chair of a committee when the chairperson is unable to do so.
52. It was asserted that the role of vice-chairperson is to support the chair in ensuring the constitutional role of the committee is clear and adhered to; to provide leadership and direction in support of the chair and assist with effective meeting management.
53. In addition, the vice-chairs play a significant role in working with relevant officers to plan and prepare for meetings, assist in developing lines of enquiry ahead of tabled items coming to committee, assist with work programming and prioritisation and assist the chair in ensuring all committee members have an opportunity to contribute to the meeting. In this regard there is a sound case to be made for an additional allowance.
54. As a counterbalance to this position, it was also highlighted that committee members invest similar levels of time and support to that of the vice-chairs and that the demands placed upon all members can vary from committee to committee.

The balance of evidence

55. In considering this evidence the Panel acknowledged that there was a greater variation in the views expressed by members. While there was a majority of members in support of introducing an allowance there were also reservations. The Panel wish to recognise and place on record the vital and dedicated role all committee members play in helping to transact and deliver council business via their committee work.

56. The Panel were also mindful of the potential difficulties of establishing a new allowance scheme without having a clear role description to distinguish the role of a vice-chairperson to that of a committee member.
57. To place this into context, the roles of committee members, as set out in Appendix 1 of the constitution, explains the expected roles and responsibilities placed upon them. Many of those responsibilities, such as maintaining knowledge of council and national policies; reviewing evidence (often technical and complex in nature) and formulating lines of enquiry and questions, are arguably comparable to the role performed by a vice-chair. Furthermore, some members who are appointed to certain committees, such as planning and regulatory committee, are required to undertake training before taking up their seats.
58. There is no equivalent role description for a vice-chairperson that sets out distinct or different roles and responsibilities, other than the requirement to step in as chairperson in their absence. As the benchmarking data has shown, this stepping up role is rarely required. As such there is currently not a clear case to justify an additional allowance for the vice-chairing role.

Panel Recommendations:

Recommendation 5: The Panel does not recommend that a new allowance is established 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 being completed.

Recommendation 6: The Panel recommends that the post of vice-chairperson is reviewed, and a role description added to the council's constitution.

Line of Enquiry 3: *Proposals to introduce allowances for task and finish group members for the Council's scrutiny committees*

Background:

59. From time-to-time scrutiny committees will establish task and finish groups to undertake deep dive investigations and reviews. Task and finish groups are commissioned (through committee agreed terms of reference) to investigate specific aspects of policy, services or issues of concern to the community.
60. Task and finish groups undertake their investigations outside of a formal scrutiny committee meeting. They have no formal decision-making powers. They do however report their findings and recommendations into their parent scrutiny committee. The outcome of a task and finish group can be that the scrutiny committee accepts their findings in full, in part or rejects their conclusions.
61. Task and finish groups are normally made up of committee members (from the parent committee) and non-committee members, (often drawn from members who have a specific interest or experience in the subject matter under consideration). They are short time limited pieces of work (lasting between 6 weeks to 3 months in duration).
62. The Panel has been asked to review the case for creating a new special responsibility allowance for task and finish group chairpersons. This request coming about because of the previous IRP review, which was considered at the 20 May 2022 Council meeting. It was recommended at that time to not put in place an additional SRA. Instead, the IRP recommended that this position be reviewed again at least one year on from their initial panel review.

Summary of responses from the members survey.

63. Of the 27 responses received in the members survey, just over 70% of members supported a one-off SRA for the position of chair on a task and finish group. Just under 30% did not.
64. Of the 20 responses received in relation to the question as to whether this should be an additional SRA payment within the councillor's allowance scheme, 75% of respondents felt that it should be, with 25% of respondents believing it shouldn't. These responses broadly mirrored the responses received in the May 2022 survey of members.

The benchmarking data

65. Officers conducted a short review in relation to whether other local authorities within the benchmarking cohort provide an allowance for their task and finish group chairs. This review was unable to find any local authorities who currently pay task and finish group chairpersons an allowance.
66. Since the IRP produced their last report in May 2022 there have been two task and finish groups conducted– namely
 - (i) Children and Young People Budget [Task and Finish Group](#)
 - (ii) Herefordshire Council Plan [Task and Finish Group](#)

The views of group leaders

67. Group leaders highlighted that task and finish groups can be time and resource intensive pieces of work. In some circumstances taking many weeks, many meetings and large volumes of documentation to review and assimilate. Task and finish groups often provide the committees in-depth understanding of specific subject matter. Many task and finish groups go on to make recommendations that, when adopted by their parent committee, can go on to influence the executive's decisions and council policy. There was a view that the time committed to undertaking task and finish groups should warrant some form of remuneration as a result.
68. The level of member time and commitment to task and finish group activity was also linked to the amount of officer support that can be offered. Properly supported, task and finish group chairs can work more efficiently and able to draw on the expertise and knowledge from officers within existing council resources.
69. Group leaders also supported the view that remuneration for task and finish group chairpersons should reflect not just the time commitment, but the complexity of the task as well.

The balance of evidence

70. The Panel reflected on the important role that task and finish groups play in demonstrating a healthy scrutiny culture at Herefordshire Council. Over many years there are examples of where task and finish group activity has had positive influence over council policies, service delivery and shedding light on issues of public interest. The panel also reflected on the fact that the Council had introduced the current scrutiny structures to encourage

more task and finish group activity on the basis that they do provide an effective scrutiny tool.

71. There was also acknowledgement around the relatively low amount of task and finish group activity since the creation of the current scrutiny committee structures. As outlined in the benchmarking data, just two task and finish groups have been completed since May 2022. Further, the 2024/25 work programmes recently agreed by the scrutiny committees identifies just one task and finish group as items allocated for future consideration.
72. The Panel considered the reasons behind the relatively low use of task and finish groups. There were potentially a number of reasons other than a lack of remuneration. All five of the scrutiny committees are conducting a healthy amount of scrutiny business, with work programmes fully populated through to September, 2025. It is conceivable that this may be an inhibiting factor to setting up task and finish group activity (on the basis that scrutiny committees are prioritising committee business instead).
73. The Panel also noted the other ways in which scrutiny committees are working. For example, after being tasked by Council to consider local housing delivery models, the connected communities scrutiny committee, instead of setting up a task and finish group, have worked with officers to shape and commission dedicated research on this topic. The outputs from this research will then assist the committee in developing recommendations to Cabinet on potential operating models in Herefordshire
74. In this regard, the Panel recognised that there is no shortage of good and effective scrutiny being undertaken by the council's scrutiny committees. Within this context, the limited amount of task and finish group activity should not necessarily be seen as weakness generated by a lack of remuneration. Task and finish groups are arguably competing for space in a healthy and buoyant scrutiny culture.
75. The Panel also wanted to note the additional provisions within the council's constitution that allows scrutiny – and task and finish groups – to pay for additional witness expertise. There has been very little in the way of take up of this option by scrutiny over its recent history. In this regard the Panel felt that this was an under-utilised resource option that may well mitigate the need for an additional allowance scheme for task and finish group chairs.
76. Whilst outside of the remit of the Panel to comment upon, panel members listened carefully to the contention that, as and where task and finish groups are set up, they are given adequate officer support. Also, task and finish groups utilise the scope to bring in additional expertise (if this is not available within the council's officer cohort) through the commissioning of external witnesses. All of this can be carried out using existing council resources and within existing constitutional provisions.

Panel Recommendations:

Recommendation 7: There is limited evidence to suggest that task and finish group activity is limited on the basis of a lack of remuneration. The Panel, therefore, does not recommend that a new allowance be introduced for the chairpersons of task and finish groups.

Line of Enquiry 4: *Proposals for an elevated Special Responsibility Allowance (SRA) for the Chairperson of Scrutiny Management Board (SMB)*

Background

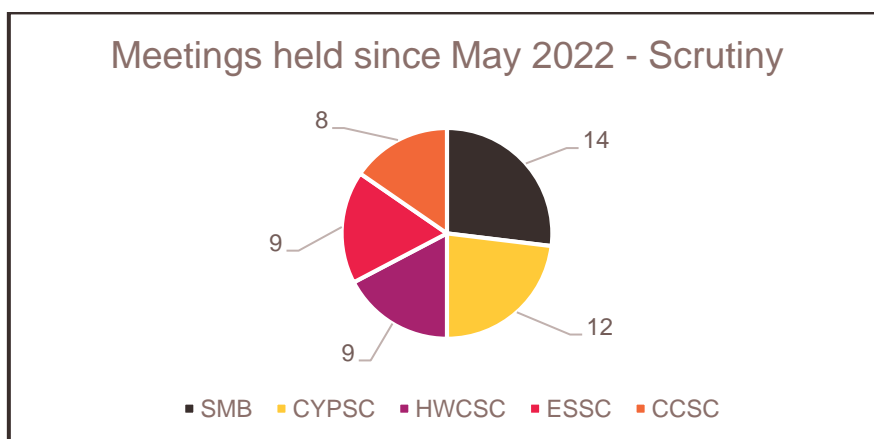
77. At the 20 May, 2022 annual general council meeting it was agreed that all scrutiny committee chairpersons should continue to receive a Special Responsibility Allowance (SRA) of 1.25 x the basic allowance. In preparing their report for Council, the then Panel considered whether remuneration for the post of Chairperson of SMB should receive a higher rate SRA. This was on the basis that SMB deals with cross cutting scrutiny matters, including budget scrutiny and the overall co-ordination of scrutiny work-programmes.
78. At the time of drafting their May 2022 report, the Panel felt unable to recommend a higher SRA rate on the basis that the SMB was a new committee with an evolving brief. The Panel felt there was insufficient evidence to take an informed view. To this end the Panel made the following recommendations to Council in May 2022.
- That no higher rate SRA is paid to the Chairperson of the Scrutiny Management Board at the current time. And,***
 - That this position is reviewed again in one year's time to examine whether this role does require greater levels of responsibility and time commitment.***

Summary of responses from the members survey.

79. Of the 27 responses received in relation to whether the chairperson of the scrutiny management board should receive a higher rate SRA, just under 78% of responses did not support this. Just over 22% did support this.
80. Of the 9 responses provided which asked if a higher SRA rate should be applied on a cost neutral basis to the allowance scheme. For example, by taking a pro-rata payment from the other scrutiny chairpersons, just under 89% said no to this question. Just over 11% agreed with the proposal.
81. Of the 10 responses received in relation to whether a new and additional allowance rate should be introduced, 70% agreed with this proposal, 30% did not.

The Benchmarking data.

82. The Panel requested data on the number of scrutiny meetings that have taken place since the current scrutiny committees came into operation in May 2022. The SMB has held fourteen meetings and has undertaken two task and finish groups. The average number of meetings for all committees over the two-year period is just over ten meetings, or approximately five to six meetings per year.



83. The Panel did not undertake benchmarking analysis within the cohort of statistically similar local authorities on the basis that all SRA rates had been reviewed and set in May 2022. It was not within the scope of this IRP to revisit SRA rates per se. It is in scope to explore whether a new higher SRA rate is proposed based upon the evidence presented in this review.
84. Further, there are difficulties in drawing reliable comparisons with other local authorities on the basis that their scrutiny committee system may not be comparable to that in Herefordshire.

The views of group leaders.

85. Group leaders were broadly in agreement that since its inception the SMB has carried out its functions and remit successfully. Further, while the business of SMB is slightly higher than that of the other four committees it remains within manageable levels.
86. Opinion was more divided in relation to whether the council required five scrutiny committees. Having moved from three committees in May 2022, the relative merits and outcome of adding two new committees was more difficult to assess.
87. The Panel noted that reviewing committee structures was outside of the scope of its brief, but highlighted the scrutiny review that is currently underway.

The Panel's View.

88. The Panel noted the broad consensus that had been presented by members that there is no clear or compelling case to increase the SRA rate for the SMB Chairperson.

Recommendation 8: There is limited evidence to suggest or justify a higher SRA rate for the Chairperson of the Scrutiny Management Board. The Panel does not recommend that a new higher rate allowance be introduced.

Line of Enquiry 5: *Whether to maintain the index linked to the National Joint Council (NJC) rate changes for members' basic responsibility allowances for a further 4 years.*

Background.

89. Where a local authority has regard to an index for the purpose of annual adjustment of allowances, there is a requirement to review the scheme every 4 years. This indexation link was last reviewed in 2021.
90. The NJC index ensures that there is an annual pay award in connection to the councillor's basic allowance scheme. It is designed to ensure that the current basic allowance rates keep pace with future earnings/inflationary pressures. SRAs are set around a multiplier of the basic allowance figure, this means that each SRA would go up relative to the increase applied to the basic allowance.

Summary of responses from the members survey.

91. Of the 27 responses received in relation to maintaining the NJC link increases with members allowances, 100% of responses felt that it should.

Benchmarking data.

92. No specific benchmarking data gathering was undertaken for this element of the Panels considerations. NJC linked increases to member allowance schemes is a commonly adopted practice within most local authority settings.

The views of group leaders

93. Group leaders noted the rationale behind maintaining an NJC link which ensures that Herefordshire's Allowances Scheme does not fall back relative to its current position.

The balance of evidence.

94. The Panel noted its position in preference of maintaining the NJC link for a further four years. Retaining an indexed linked increase enables councillor's allowances to maintain pace with cost-of-living inflationary rises. It also ensures that the basic allowance continues to conform with benchmarked rates within the cohort of statistically similar local authorities.
95. The Panel were also mindful of what the Regulations, that set out what the basic allowance should include, say. The Regulations state that: "*the time commitment of all councillors, including such inevitable calls on their time as meetings with officers, constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their home. Having established what local councillors do and the hours which are devoted to these tasks local authorities will need to take a view on the rate at which and the number of hours for which a councillor ought to be remunerated.*"

The Panel's View.

Recommendation 9: That the Councils basic allowance scheme continues to be indexed by the annual pay award of Herefordshire Council officers for the next four years, the National Joint Council.

Recommendation 10: That, subject to Council agreeing with recommendation 1 of this report, 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.