



**An Interim Review of Members' Allowances for
Winchester City Council**

Report of the Independent Remuneration Panel

14th & 15th October 2019

**THE GUILDHALL,
HIGH STREET
WINCHESTER
HANTS,
SO23 9GH**

1. Introduction

The Independent Remuneration Panel was convened to undertake an interim review of Members' Allowances. The review was undertaken, and the Panel convened in accordance with The Local Authorities (Members Allowances) (England) Regulations (SI 1021) (2003 Regulations).

The Panel met on 14th and 15th October 2019 and membership of the Panel was:

Mark Palmer, Development Director, South East Employers (Panel Chair)
Roger Farrall, Local Government Officer (Retired) and local resident
Tim Stanbrook, High Technology Engineer (Retired) and local resident.

We interviewed 7 Members and 1 Officer.

The Panel would like to thank the Members and Officer who we interviewed during the process. We have taken account of the views expressed to us by those Members; and would like to thank them for their assistance in this review.

Additionally, the Panel was assisted and supported throughout by David Blakemore (Democratic Services Manager).

Other information at our disposal included previous Report of the Independent Remuneration Panel, the current Scheme of Members' Allowances and appropriate committee reports.

We also had the benefit of the Members' Allowance Survey for District and Borough Councils in the South East published by South East Employers in October 2018, the Survey has been used to support benchmarking and for this purpose we have used the Hampshire district and borough Councils as the benchmark group

2. Terms of Reference

Our terms of reference were to undertake an interim review of the existing Members' Allowances Scheme in response to the changes to governance and decision-making structures in the Councils adopted constitution. Specifically, this was an assessment of the Special Responsibility Allowances (SRA's) and to make recommendations as to the level of allowances for the following roles:

- The Scrutiny Committee Chair
- The Audit and Governance Committee Chair
- The Business and Housing Policy Committee Chair
- The Health and Environment Policy Committee Chair

The Panel was established in accordance with section 99 of the Local Government Act 2000.

3. Background to the Interim Review.

The Independent Remuneration Panel (IRP) previously undertook a full review of the Councils Members' Allowances on the 5th and 6th September 2107. As part of our deliberations at the time the IRP was mindful that the Council was reviewing its constitution and it was acknowledged that the IRP was only able to make recommendations in respect of member roles relating to the governance structures at the time.

The Panel recommended at the time that an interim review relating to new roles or those impacted by the new constitution and governance structures should take place six months after the new roles have been in place.

A key role of the Panel is to recommend a scheme of allowances which recognises both Members' responsibilities and workloads. However, the Panel was mindful of the Council's continued financial constraints when making its recommendations.

To develop a structured approach in determining allowances the Panel has continued to adhere to the transparent formula and methodology for calculating the Special Responsibility Allowances.

4. Scrutiny Committee Chair

The Principal Overview and Scrutiny Committee now has broad terms of reference as follows:

- It will hold the Cabinet to account by reviewing and scrutinising executive decisions
- Reviewing and scrutinising the performance of the Council in relation to its policy objectives and performance targets
- Exercise the right to Call-In for reconsideration of decisions made but not yet implemented by the Leader, the Cabinet and Portfolio Holders and Officers.

The Council has through the Members Allowance Scheme demonstrated a value in the role of the Scrutiny Committee Chair by accepting previous Panel recommendations that it should have parity of allowance with the role of Cabinet Member with Portfolio, Band Three.

In most councils, the role of overview and scrutiny chair is usually at a level/band below that of a cabinet/executive member. The parity of allowance between cabinet member and scrutiny committee chair demonstrates the value that the Council places in the role of scrutiny and this role has been further enhanced following the constitutional review.

In respect of the comparative benchmark councils, the district and borough councils across Hampshire (Table 1) Winchester City Council currently awards the second highest SRA for the role of overview and scrutiny chair. Winchester CC is also the only council within the benchmark group to have parity of esteem in respect of the allowance of cabinet member and scrutiny chair.

The Panel continues to recognise the role and importance of the Principal Overview and Scrutiny Committee Chair and recommends that the role continues to receive a Band Three SRA.

Recommendation: That the Principal Overview and Scrutiny Committee Chair continues to receive a Band Three SRA.

5. Audit and Governance Committee Chair

Prior to the constitutional review the Council had an Audit Committee Chair (Band 5) however, following the constitutional review the committee has been reviewed to include governance and standards and personnel, this has led to the Standards Committee and Personnel Committee being disbanded.

The new terms of reference for the Audit and Governance Committee include audit functions, governance functions and human resource functions. A separate Standards Sub Committee has also been established to investigate reports in respect of the Code of Conduct complaints that are referred to it by the Monitoring Officer.

Also, a separate Human Resources Sub- Committee has been established to be responsible for the Councils Human Resources function where not delegated under the Scheme of Delegation.

In respect of the benchmark councils the size and scope of other councils' audit and governance committees does vary but based on the 2018 comparative data Winchester City Council's current SRA is at the mean average across the benchmark councils.

The inclusion of the governance and human resource functions alongside the previous audit functions without doubt means the size and scope of the Committee and the workload and impact of the role of Chair has increased. The Panel is therefore of the view that the new role of Audit and Governance Committee Chair should see an increase in the SRA from Band Five to Band Four. The recommended allowance will equate to that of the Licensing and Regulation Committee Chair.

Recommendation: The Panel recommends that the SRA for the Audit and Governance Committee Chair be increased from Band Five to Band Four.

Benchmark Councils (October 2018) SEE Members Allowances Survey (Table 1)

Council	Overview and Scrutiny Committee Chair	Audit and Governance Committee Chair
Basingstoke & Deane BC	£5,835	£5,838
East Hampshire DC	£0	£2,000
Eastleigh BC	£2,688	£0
Fareham BC	£8,102	£4,340
Gosport BC	£0	£0
Hart DC	£3,257	£2,443
Havant BC	£5,920	£1,480
New Forest DC	£4,998	£2,059
Rushmoor BC	£3,963	£5,316
Test Valley BC	£6,516	£0
Winchester CC	£7,758	£2,328
Average	£4,457	£2,345

6. Policy Committee Chairs (The Business and Housing Policy Committee and the Health and Environment Policy Committee)

Following the constitutional review, the Council established two Policy Committees that are within the scope of the Overview and Scrutiny Procedure Rules which undertake forward looking, policy development work and pre decision scrutiny, relevant to their specific areas. The two Policy Committees 'Business and Housing' and 'Health and Environment' have clear terms of reference as set out below:

- Assist the Council Leader and Cabinet in the development of its budget and policy framework
- Conduct research, as well as community and other consultation, for the analysis of policy issues, the identification of possible options and to make recommendations to Cabinet or Council.
- To question the Leader and other Members of the Cabinet and/or Committees and senior officers of the Council in respect of the delegated priority of the Council strategy in each Committee's remit.
- To ensure that the Council adopts an entrepreneurial approach in achieving all the outcomes in the Council strategy.

The Policy Committees are a new innovation at Winchester and at the time of this interim review had only met on two occasions and based on the interviews with the two Chairs they are "still finding their feet". That said should the terms of reference be realised and met the committees have the potential to have a significant impact and have a major role in policy development; and assisting the Council Leader and Cabinet Members in respect of policy analysis, research and achieving better outcomes in relation to the Council Strategy. The role of the Chair will be pivotal to the success of the Policy Committees.

There was limited benchmark data to make comparisons with other similar council's allowances for these roles as only one other Hampshire authority was known to operate something similar at this time—.

The Council has currently assigned the roles a Band Six allowance that equates to the Chair of the Winchester Town Forum and Chairs of ad hoc Working Groups and Panels. We are of the view that the impact, importance and time commitment of the Policy Committees means that the role of Chair is bigger than a Band Six.

The Panel is of the view that when meeting the terms of reference and delivering the scheduled work programme the Policy Committee Chairs role is of equal size, importance and impact to that of the Chair of the newly constituted Audit and Governance Committee. The Panel therefore recommends that SRA for the Business and Housing and Health and Environment Policy Committee Chairs be increased from Band 6 to Band 4. The Panel is also of the view that the new allowance should be back dated to the beginning of the municipal year 2019-20.

RECOMMENDATION: The Panel recommends that the SRA for the Business and Housing and the Health and Environment Policy Committee Chairs be increased from Band 6 to Band 4.

7. Index Linking

The index linking of the allowances is currently based on the staff salary increases relating to Spinal Column Point 49 of the NJC for Local Government Staff Services

The Panel was of the view that this approach to indexation should continue and therefore future index linking of the SRA's from **April 2020** should be at the rate of increase in staff salaries.

RECOMMENDATION: Any index linkage agreed should be in line with staff salary increases from 2020/2021 to the date of the next full review in September 2021. The Panel recommends that Members ensure the indexation of allowances based on the percentage of staff salary increases continues to take place and is not foregone.

8. Backdating of Allowances

When a scheme of allowances is amended a council may choose to apply the amendment retrospectively to the beginning of the financial year in which the amendment is made. In accordance with the Guidance on Regulation for Local Authority Allowances **the Panel recommends that for the Chairs of the Policy Committees and the Audit and Governance Committee Chair the recommended allowances should be backdated to the beginning of the municipal (financial) year 2019/20.**

9. Implementation of Recommendations

As permitted by the 2003 Members' Allowances Regulations (paragraph 10.6) it is recommended that the new Members' Allowances as set out in this report be implemented by April 2020 and the back dating of the allowances for the two Policy Committee Chairs and the Audit and Governance Committee Chair take effect from the commencement of the municipal year 2019/20.

**Mark Palmer
Chairman of the Independent Remuneration Panel,
October 2019**

	CURRENT ALLOWANCE	RECOMMENDATION	RECOMMENDED BAND
Scrutiny Committee Chair	£7913.16	£7913.16	Band Three
Audit and Governance Committee Chair	£2374.56	£3167.10	Band Four
The Business and Housing Policy Committee Chair	£1582.02	£3167.10	Band Four
The Health and Environment Policy Committee Chair	£1582.02	£3167.10	Band Four

**MEMBERS AND OFFICERS OF WINCHESTER CITY COUNCIL INTERVIEWED BY
THE INDEPENDENT REMUNERATION PANEL 15th OCTOBER 2019**

Councillor Caroline Horrill	Leader of the Opposition
Councillor Margot Power	Chair of the Audit and Governance Committee
Councillor Angela Clear	Chair of the Health and Environmental Policy Committee
Councillor Dominic Hiscock	Chair of the Business and Housing Policy Committee
Councillor Caroline Brook	Chair of the Scrutiny Committee
Councillor Lucille Thompson	Leader and Cabinet Member for Communications
Councillor Anne Weir	Cabinet Member for Local Economy
David Blakemore	Democratic Services Manager