

Report to Council

26 April 2017

By the Monitoring Officer

DECISION REQUIRED

Not Exempt



**Horsham
District
Council**

Amendment to Scheme of Members' Allowances

Executive Summary

At its meeting on 7 December 2016 Full Council created a new Governance Committee. This report seeks to amend the Scheme of Members' Allowances such that the Chairman of the Governance Committee receives a Special Responsibility Allowance in respect of that role. The Full Council meeting on 7 December 2016 also dissolved the Personnel Committee and it has been recommended by the Independent Remuneration Panel that the Chairman of Governance Committee receives the same allowance as would have been paid to the Chairman of Personnel Committee. This will mean that the amendment to the Scheme of Members' Allowances is effectively cost neutral in respect of the overall scheme.

Recommendations

The Council is recommended to:

- i) Note the recommendation of the Independent Remuneration Panel at Appendix 1.
- ii) Amend the Scheme of Members' Allowances to award a Special Responsibility Allowance to the Chairman of Governance Committee in accordance with the recommendation of the Independent Remuneration Panel at Appendix 1.
- iii) Agree that the Special Responsibility Allowance for the Chairman of Governance Committee be backdated to the date of his election as Chairman of the Governance Committee on 1 March 2017.
- iv) Delegate to the Monitoring Officer to make the necessary amendments to the Constitution to put into effect the recommendations i), ii) and iii).

Reasons for Recommendations

To put into effect the recommendation of the Independent Remuneration Panel.

Background Papers

Full Council minutes 7 December 2016.

The Council Constitution, in particular the Scheme of Members' Allowances at Part 6.

Wards affected: Not applicable

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Background Information

1 Introduction and Background

- 1.1 The Council is required to agree a Member Allowance Scheme setting out the level of remuneration for Members. Under legislation the Scheme must set out the level of Basic Allowance payable to Councillors and may include a Special Responsibility Allowance for Members occupying particular positions within the Council Structure such as Committee Chairman and Cabinet responsibilities. The Scheme may also provide for other allowances such as Dependent Carer's Allowance and Travelling and Subsistence Allowance.
- 1.2 When agreeing the level of Member Allowances, or any amendment to Member Allowances, the Council must have regard to the recommendations of an Independent Remuneration Panel. Full Council, on the 25 June 2014, resolved to delegate to the Chief Executive to appoint an Independent Remuneration Panel for Horsham District Council. The Council can agree the recommendations of the Panel in full, in part or it can devise its own level of Member Allowances as long as it has considered the recommendations of the Panel.
- 1.3 Following the creation of the Governance Committee it is necessary for Full Council to decide on the Special Responsibility Allowance payable for the Chairman of the Committee.

2 Relevant Council policy

- 2.1 The Scheme of Members' Allowances is at Part 6 of the Council Constitution.

3 Details

- 3.1 At the Full Council Meeting on 7 December 2016 Council resolved to create the Governance Committee. Once the Governance Committee had been formulated it was necessary to decide on the appropriate Special Responsibility Allowance for the Chairman of the Governance Committee once elected to the role.
- 3.2 The current Scheme of Members' Allowances does not include a provision for the Chairman of the Governance Committee because that Committee did not exist when Full Council agreed the Scheme of Members' allowances at its meeting on 9 September 2015.
- 3.3 Section 19 of the Local Authorities (Members' Allowances)(England) Regulations 2003 states that before a Council make or amends a Members' Allowance Scheme, it should have regard to the recommendations made in relation to it by the Independent Remuneration Panel.
- 3.4 It has therefore first been necessary to seek a recommendation from the Independent Remuneration Panel as to the level of Special Responsibility Allowance payable for the Chairman of this Committee. Attached at appendix 1 is the recommendation of the Independent Remuneration Panel.
- 3.5 The recommendation by the Independent Remuneration Panel is that the Chairman of Governance Committee receives the same level of allowance as would have

been paid to the Chairman of Personnel Committee (and is also paid to the Chairman of Licensing Committee, Audit Committee, Finance and Performance Sub-Committee, Business Improvement Sub-Committee) pending a review of the Scheme of Members' Allowances later in 2017.

- 3.6 This recommendation will be cost neutral to the Scheme of Members' Allowances because the dissolution of Personnel Committee (also on 7 December 2016) has meant no allowance will be paid in respect of a Chairman for that Committee going forward.

4 Next Steps

- 4.1 The Monitoring Officer will make the necessary amendments to the Constitution and notify the Finance Department to pay (and back date to 1 March 2017, when the Chairman of the Committee was appointed) a Special Responsibility Allowance for the Chairman of Governance Committee.

5 Outcome of Consultations

- 5.1 The recommendation of the Independent Remuneration Panel is attached at appendix 1.

6 Other Courses of Action Considered but Rejected

- 6.1 None

7 Resource Consequences

- 7.1 This recommendation will essentially be cost neutral to the Scheme of Members' Allowances because the dissolution of Personnel Committee (also on 7 December 2017) has meant no allowance will be paid in respect of a Chairman for that Committee going forward. In fact the recommendation will make a small saving because there has been a gap of nearly three months between the dissolution of the Personnel Committee and appointment of the Chairman of the Governance Committee.

8 Legal Consequences

- 8.1 Section 19 of the Local Authorities (Members' Allowances)(England) Regulations 2003 states that before a Council makes or amends a Members' Allowance Scheme, it should have regard to the recommendations made in relation to it by the Independent Remuneration Panel.

9 Risk Assessment

- 9.1 The correct statutory process has been followed in making this recommendation.

10 Other Considerations

- 10.1 There are no other considerations.

APPENDIX 1

Note to the Head of Legal and Democratic Services

Horsham District Council

Independent Remuneration Panel (“the Panel”)

The September 2015 report of the Panel recommended that the Panel meet formally at least once a year during its four year tenure.

The Panel met in July 2016 to receive an update from the Head of Legal and Democratic Services on the outcome of the Council’s governance review and again in January 2017 to receive an update on the structural changes and the timing of the review of the Council’s governance arrangements. The Panel are scheduled to meet again in late 2017 to carry out a review of the Members’ Allowance Scheme (“the Scheme”) by which time the Council will have undertaken a one year review of its governance arrangements.

In the interim the Panel note the dissolution of the Personnel Committee and the creation of the Governance Committee. The Panel recommend that an allowance be paid to the Chairman of the Governance Committee of an amount equivalent to that formerly paid to the Personnel Committee. The Panel understand that this would be cost neutral to the Scheme

Malcolm Grubb

Chairman Independent Review Panel

05 April 2017.