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AT A MEETING of the Independent Remuneration Panel of HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Tuesday, 10th October, 2017

Chairman:
* Roger Farrall

*Julia Abbott
*Richard Kinch

* David Heck

*Present

In attendance: Councillor Geoff Hockley and Keith House.

1. **APOLOGIES**

All Members of the Panel were present.

2. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

3. **MINUTES OF THE PREVIOUS MEETING**

The Minutes of the Committee meeting held on 14 October 2015 were confirmed as a correct record.

4. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman welcomed everyone to the meeting.

5. **COUNTY COUNCILLOR OR CO-OPTED MEMBER COMMENTS**

No comments had been received prior to the meeting.

6. **AMENDMENTS TO THE MEMBERS' ALLOWANCES SCHEME FOR 2017/18**

Review of the Special Responsibility Allowance for the position of Assistant to the Executive – Rural Affairs Champion

At its meeting on 14 October 2015 the Panel considered a Special Responsibility Allowance (SRA) for the position of Assistant to the Executive – Rural Affairs Champion and recommended an SRA of £4,345 per annum being 25% of the SRA for an Executive Cabinet Member. The Panel further recommended that the SRA be reviewed in 12 months time. It was felt timely to review the SRA following the County Council's Election in May 2017 and the setting up of the new Administration.

Information about the position, outcomes achieved and how it had developed since its inception had been provided to the IRP as summarised below. The Chairman invited John Tickle, Assistant Director in the Culture, Communities and Business Services department to expand on this information and answer the Panel's questions.

The Panel noted the key functional areas of the Rural Affairs Champion as set out below:

- directly supports and advises the Leader and Cabinet on the development of rural policy, innovative pilot projects, grant awards and joint funding initiatives to sustain strong and vibrant rural communities across the County
- develops and maintains links with key organisations such as the Local Enterprise Partnerships, HALC (Hampshire Association of Local Councils - parish and town councils), National Park Authorities, and other bodies such as Action Hampshire, the Country Landowners Association and Campaign to Protect Rural England
- actively Represents Hampshire County Council on key bodies such as the HALC Board, Hampshire Rural Forum and the statutory Hampshire Countryside Access Forum to further the opportunities and interests of rural communities across the county
- promotes Hampshire County Council's rural estate and associated partnerships as a key contribution to both the land based sector and economic development across the county
- provides rural 'proofing' advice in relation to the impacts of County Council policy and service delivery developments linked to the extensive programme of transformation and change operating across all departments within the organisation
- leading role in the development of closer working with Hampshire's 264 Parish and Town Councils in terms of new and effective ways to sustain

services and support, at a local level, in the face of ongoing budget reductions

together with a summary of key rural programme delivery outcomes during 2016/17:

- updated Socio-economic profile of rural Hampshire – production of an updated evidence base to help inform decision making and the targeting of scarce resources (approximately 80% of Hampshire is defined as rural – and it contains about 25% of the population)
- New Hampshire Rural Forum – successful re-establishment of the Forum in June 2016 bringing together 60 organisations, groups and individuals with an interest in rural Hampshire to raise awareness and understanding of rural issues and find solutions (e.g. rural crime – involvement in the Police and Crime Commissioner’s ‘rural communities matter’ conferences). The role holder is the County Council representative on the Forum and Lead Member for the County Council on its future development
- consolidation of grants – launch of a revised grant scheme, the Rural Communities Fund, to help rural communities access small scale funding
- close working with Adults’ Health and Care to ensure continued support for the Village Agents at a time of transformational change; examination of future initiatives to provide innovative solutions to the major challenge around Adult social care in rural areas whilst ensuring the role delivered by the village agents is maintained where appropriate
- supporting crime prevention and reduction through the Countryside Service and Country Watch joint-working initiative – partnership established between Hampshire Constabulary’s Country Watch Team and the County Council’s Countryside Service, including the branding of Countryside Service vehicles with the Country Watch logo and the start of a closer working relationship between Country Watch Officers and Countryside Rangers

The Panel further noted that during 2016/17 £557,000 had been committed to boost initiatives delivering benefits/solutions in rural areas, many of which had attracted match funding. Some examples of initiatives supported by, and overseen by the Rural Affairs Champion include: external grant schemes (Community Challenge Fund, Flood Alleviation Grants, and Rural Retailers and Community Enterprises Scheme and overseeing an annual budget of £200,000); Hitting the Cold Spots (focussing on vulnerable adults in rural areas) and Parish Lengthsmen, a very popular scheme, which through a £30,000 contribution from the rural budget to add to the highways contribution, enabled extension of the Scheme to include rights of way.

During the course of discussion the IRP recognised the position to be a valuable one and had been well executed by the current role holder. However having considered the current scope of the role, the IRP did not feel that the role had

significantly changed or sufficiently developed to warrant an increase to the SRA at this stage. However, if in light of further developments or the budget overseen by the Rural Affairs Champion were to grow, the IRP would review the position again.

Minority Group Spokespersons SRA

The IRP considered a request from Councillor House to review the SRA for the position of Minority Group Spokesperson in light of changes to the political composition of the County Council following its Elections in May 2017. The IRP confirmed that arising from their meeting held on 23 September 2013 they had recommended a formula be applied to calculate the SRA for Minority Group Spokespersons, being 20% of the SRA payable to Executive Cabinet Members (currently £17,379 thus £3,476) when a Minority Group comprises of eight or more Members plus £100 per Member of the Group. This approach had been in line with that taken for the SRA for Minority Group Leaders for which a formula also applies and had been recommended to future proof these positions going forward whatever the political composition might be. The IRP's recommendation was considered by the Employment in Hampshire County Council (EHCC) Committee on 12 November 2013, recommended to the County Council on 20 February 2014 and approved. The IRP considered that a review of the current formula for Minority Group Spokespersons could be carried out next year on the submission of a business case evidencing how the role had changed and/or developed since the formula had been introduced.

RESOLVED:

- a) That the SRA for the position of Assistant to the Executive – Rural Affairs Champion remain at £4,345 per annum being 25 per cent of an Executive Cabinet Member SRA, to be reviewed in 12 months time.
- b) That the IRP support a change of title for this position to reflect the new direction of the role to Assistant to the Executive – Rural Communities and Parish Council Lead Member.
- c) That the SRA for Minority Group Spokespersons remains in line with the formula adopted by the County Council on 20 February 2014, subject to review in the future and on submission of a business case evidencing how the role has developed.

7. MEMBERS' ALLOWANCES SCHEME

The current Members' Allowances Scheme expires on 31 March 2018 and in accordance with Regulation 21 of the Local Authorities (Members Allowances) (England) Regulations 2003 had given consideration to a Scheme to take effect on 1 April 2018.

The Chairman confirmed that during the course of their work, the IRP had taken account of other Councils' Schemes and had attended a meeting of the SE Region IRPs. The approach of the IRP had been to recommend a Members' Allowances Scheme that was fit for purpose and robust. The introduction of

formulas for the calculation of SRAs payable to Minority Group Leaders and Minority Group Spokespersons had been effective and operating a Scheme over a four-year period had provided continuity and assisted financial planning.

Hampshire Pension Fund Panel & Board – SRA for Co-opted Member Scheme Representatives

The IRP considered a request to introduce an SRA for the Co-opted Scheme Member Representatives on the Hampshire Pension Fund Panel and Board. Background information is attached as an Annex to these Minutes. The IRP supported this request and proposed that the SRA be the same amount paid to other Co-opted Member roles, being £675 per annum, payable from 1 April 2018.

Basic Allowance and Special Responsibility Allowances

The IRP proposed that the basic allowance and SRAs payable to Members, Co-opted Members and allowances payable under other legislation be increased in line with any nationally agreed pay award for staff from 1 April 2018 and thereon annually for 2019/20, 2020/21 and 2021/22. The IRP were mindful that the basic allowance and the majority of SRAs had been frozen at the 2009/10 level for the last eight years and had therefore not kept pace with inflation. In terms of succession planning and attracting individuals to become a Councillor, the IRP highlighted the importance of operating a Scheme that made provision for sensible increases particularly as some Councillors may give up some form of paid employment to take on this important role.

Childcare and Dependents' Carers' Allowances

The IRP had reviewed the current allowances for Childcare and Dependents' Carers' and were of the view that a move away from fixed amounts to allow Members to claim actual costs would be more appropriate to reflect the variance of these costs across the County.

RESOLVED:

- a) That an SRA of £675 per annum be payable to the Co-opted Scheme Member Representatives of the Hampshire Pension Fund Panel and Board from 1 April 2018.
- b) That the basic allowance and SRAs payable to Members, Co-opted Members and allowances payable under other legislation be increased in line with any nationally agreed pay award for staff from 1 April 2018 and thereon annually for 2019/20, 2020/21 and 2021/22.
- c) That a reimbursement reflecting the actual cost incurred be payable in regard to Childcare and Dependents' Carers' Allowances in accordance with the County Council's payment processes.

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Hampshire Pension Fund Panel & Board – SRA for Co-opted Scheme Member Representatives

The joint Hampshire Pension Fund Panel and Board meets at least 6 times a year and is responsible for both the management and scrutiny of the operation of the Hampshire Pension Fund. Hampshire's arrangement to operate a joint Panel and Board, as approved by the Secretary of State, is one of only two joint Panel and Boards in the country. It is a complex area of work with a high level of collective responsibility attached to it and requires time and commitment from all of its members. As at 31 March 2017 the Pension Fund had over 160,000 scheme members and investments worth over £6.3bn.

The Scheme Member representatives on the Panel and Board are Co-opted County Council Members appointed by the Full Council and have full voting rights on all matters at meetings including administration, governance and investment decisions. Currently there are three full Co-opted Scheme Representatives (active, deferred and pensioner) together with one Substitute Member who are independent members of the public and receive no remuneration for the work they do. Benchmarking against the 10 other authorities in the Pension Fund Pool that Hampshire is part of (Cambridgeshire, East Sussex, Essex, Hertfordshire, Isle of Wight, Kent, Norfolk, Northamptonshire, Suffolk and West Sussex) confirms that travel and subsistence expenses only are paid.

However, the above is not a like-for-like comparison, as all these authorities have separate Pension Boards to their Pension Committees, therefore what Hampshire asks from its members of the joint Panel and Board both in terms of meeting attendance and training is far greater than if they were just members of a separate Pension Board.

Members of the Joint Panel and Board must have knowledge and understanding of the law relating to pensions and in addition to the administration of the Fund and how it is invested. In order to achieve this, the members of the Joint Panel and Board will undertake individual training needs analyses against the requirements of CIPFA's Pension Finance Knowledge and Skills Framework. Members then participate in a range of training activities, including internal training events, conferences and seminars hosted by Investment Managers and other Pension Fund suppliers, and on-line learning. Co-opted Scheme Member Representatives must undertake the same training as all other members, including the Substitute Member and has responsibility for building up and expanding their level of knowledge.

The Chairman of the Pension Fund Panel and Board, supported by the Leader of the Council has therefore requested that consideration be given by the Independent Remuneration Panel to recommend that a Special Responsibility Allowance of £675 per annum be paid to the Scheme Member Representatives on the Hampshire Pension Fund Panel and Board. This SRA is in line with the SRA paid to Co-Opted Members of the Children & Young People Select Committee and the Hampshire Police & Crime Panel, the County Council's Independent Persons required under the Localism Act and the members of the Independent Remuneration Panel.

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