

REPORT OF THE
Employment in Hampshire County Council Committee
PART I

1. AMENDMENT TO THE MEMBERS' ALLOWANCES SCHEME 2022/23

- 1.1. The legislative framework governing the payment of Members' Allowances is set out in the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) ('the Members' Allowances Regulations').
- 1.2. Under the provisions of the Members' Allowances Regulations the County Council is required to make a Scheme ('Members' Allowances Scheme') for the payment of Members' Allowances each year. A Members' Allowances Scheme needs to make provision for Basic Allowances, Special Responsibility Allowances ('SRA's'), Dependents' Carers' Allowances, Travelling and Subsistence Allowances and Co-optees Allowances.
- 1.3. Once a Members' Allowances Scheme is made for any year it may be amended during the year in question in accordance with the Members' Allowances Regulations. It is also possible under the Members' Allowances Regulations for any amendment to the Members' Allowances Scheme to be backdated to the beginning of the financial year in which any such amendment is made.
- 1.4. By virtue of the Members' Allowances Regulations, before the County Council can make or amend a Members' Allowances Scheme, it is required to have regard to recommendations made in relation to it by an Independent Remuneration Panel ('IRP'). In this regard the IRP met on 6 October 2022.
- 1.5. The Employment in Hampshire County Council ('EHCC') Committee met on 8 November 2022 to consider the recommendations of the IRP, and to make recommendations to the County Council in respect of amendment (if appropriate) to the Members' Allowances Scheme for 2022/23. A copy of the Report considered by the EHCC Committee is attached as **Appendix 1** to this Report. Minutes of the IRP Meeting and the report they considered are attached as Annex 1 and 2 to the EHCC Report.

2. Amendment to Members' Allowances Scheme 2022/23

Recommendations of the Independent Remuneration Panel in relation to amendment of the Members' Allowances Scheme for 2022/23 are set out below, together with the EHCC Committee's views and conclusions on them.

2.1. Special Responsibility Allowance – Deputy Leader

Recommendation of the IRP

An SRA for the Deputy Leader equivalent to 70% of the Leader's SRA be added to the Members' Allowances Scheme, to be backdated to the 2022 County Council AGM (19 May 2022). That this be subject to review in 12 months' time.

Consideration of IRP Recommendation

The EHCC Committee was in support of the recommendation of the IRP.

2.2. Special Responsibility Allowance – Opposition Group Leaders

Recommendation of the IRP

The SRA for Opposition Group Leaders should amount to 55% of the SRA for the Leader of the Council, divided proportionally between all Opposition Groups (consisting of two Members or more) according to the number of seats held by that Group on the County Council. That this be backdated to the 2022 County Council AGM (19 May 2022), but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the SRA for Opposition Group Leaders be subject to review in 12 months' time.

Consideration of IRP Recommendation

The EHCC Committee was in support of the recommendation of the IRP.

2.3. Special Responsibility Allowance – Opposition Group Spokesperson

Recommendation of the IRP

That an SRA for Opposition Group Spokespersons should be paid to Opposition Group Spokespersons on each of the County Council's ordinary Select Committees and the Health and Adult Social Care Committee and the Regulatory Committee. The overall SRA payable should amount to 55% of the SRA for the Chairman of an ordinary Select Committee, divided proportionally between all Opposition Groups represented on each respective Committee (following agreement of the proportionality table and appointments by the County Council). The SRA to be divided according to the number of seats on the County Council held by each Opposition Group represented on each respective Committee as referred to above. That this be backdated to the 2022 County Council AGM (19 May 2022), but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the Opposition Group Spokespersons SRA be subject to review in 12 months.

Consideration of IRP Recommendation

The EHCC Committee was broadly in support of the recommendation of the IRP but felt that a calculation method resulting in Spokespersons from each particular Political Group receiving the same SRA would be preferable. It was delegated to the Chief Executive, in consultation with the Chairman of EHCC Committee to devise a modified calculation method that could achieve this. Consequently a three stage calculation is recommended to the County Council (current figures included by way of illustration):

- a. Number of Committees for which an Opposition Spokespersons role applies (currently 6) x 55% of an ordinary Select Committee Chairman SRA (currently £12,604) = Opposition Spokesperson Fund (currently £41,594)
- b. Sum of number of appointed Opposition Spokespersons for each Group x number of Members in that Group (currently: (6x17) + (5x3) + (4x3) = 129)
- c. For each Group: Fund (£41,594) divided by total from part b (129) x number of Members in Group (17, 3 or 3) = SRA per Opposition Spokesperson in that Group
 - o £41,594 / 129 x 17 = £5,482 (Liberal Democrat)
 - o £41,594 / 129 x 3 = £968 (Labour)
 - o £41,594 / 129 x 3 = £968 (Independent)

That this be backdated to the 2022 County Council AGM (19 May 2022), but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the Opposition Group Spokespersons SRA be subject to review in 12 months.

2.4. Special Responsibility Allowances – Assistants to the Executive – Adult Services and Public Health and Children's Services and Chairman of the River Hamble Harbour Board

Recommendation of the IRP

The SRA for the roles of Assistant to the Executive – Adult Services and Public Health and Assistant to the Executive – Children's Services and for the role of Chairman of the River Hamble Harbour Board continue at the previously agreed rates.

Consideration of IRP Recommendation

The EHCC Committee was in support of the recommendation of the IRP.

2.5. Adjustment of Basic Allowances and SRAs – 2022/23

As Members of the County Council will be aware, the County Council agreed at its meeting on 17 February 2022 that Basic Allowances and SRAs should be adjusted for the years 2022/23, 2023/24, 2024/25 and 2025/26 by reference to the Pay Award for staff (if any) for Senior Managers at Grade H. Unusually, for 2022/23 the Pay Award for staff below Grade H is a flat rate award of £1,925. If the flat rate Pay Award is applied to Grade H, this equates to an increase of 3.69%. Members of the EHCC Committee considered that for the year 2022/23, that this was the appropriate adjustment of Basic Allowances and SRAs, rather than the flat rate award.

RECOMMENDATIONS

That the County Council, taking into account the recommendations of the IRP, approves:

- a) An SRA for the Deputy Leader equivalent to 70% of the Leader's SRA be added to the Members' Allowances Scheme, to be backdated to the 2022 County Council AGM (19 May 2022). That this be subject to review in 12 months' time.
- b) That the SRA for Opposition Group Leaders should amount to 55% of the SRA for the Leader of the Council, divided proportionally between all Opposition Groups (consisting of two Members or more) according to the number of seats held by that Group on the County Council. That this be backdated to the 2022 County Council AGM (19 May 2022), but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County council's decision being subject to repayment. That the SRA for Opposition Group Leaders be subject to review in 12 months' time.
- c) That the SRA for Opposition Group Spokespersons should be paid to Opposition Group Spokespersons on each of the County Council's ordinary Select Committees and the Health and Adult Social Care Committee and the Regulatory Committee. This should be calculated using a three-stage method (current figures included by way of illustration):
 - a. Number of Committees for which an Opposition Spokespersons role applies (currently 6) x 55% of an ordinary Select Committee Chairman SRA (currently £12,604) = Opposition Spokesperson Fund (currently £41,594)
 - b. Sum of number of appointed Opposition Spokespersons for each Political Group x number of Members in that Group (currently: (6x17) + (5x3) + (4x3) = 129)
 - c. For each Group: Fund (£41,594) divided by total from part b (129) x number of Members in Group (17, 3 or 3) = SRA per Opposition Spokesperson in that Group

- $£41,594 / 129 \times 17 = £5,482$ (Liberal Democrat)
- $£41,594 / 129 \times 3 = £968$ (Labour)
- $£41,594 / 129 \times 3 = £968$ (Independent)

That this be backdated to the 2022 County Council AGM (19 May 2022), but any detrimental impact should not result in any SRA already paid in 2022/23 by the time of the County Council's decision being subject to repayment. That the Opposition Group Spokespersons SRA be subject to review in 12 months.

- d) That the SRA for the roles of Assistant to the Executive – Adult Services and Public Health and Assistant to the Executive – Children's Services and for the role of Chairman of the River Hamble Harbour Board continue at the previously agreed rates.
- e) That Members' Basic Allowances and Special Responsibilities be increased by 3.56% for the year 2022/23, backdated to the beginning of the present financial year.