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**Service Director – Legal, Governance and
Commissioning**

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Monday 4 September 2023

Notice of Meeting

Dear Member

Corporate Governance and Audit Committee

The **Corporate Governance and Audit Committee** will meet in **Meeting Room 3 - Town Hall, Huddersfield** at **1.30 pm** on **Tuesday 12 September 2023**.

The items which will be discussed are described in the agenda and there are reports attached which give more details.

A handwritten signature in black ink, appearing to read "Julie Muscroft", on a light-colored background.

Julie Muscroft

Service Director – Legal, Governance and Commissioning

Kirklees Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair/Clerk of their intentions prior to the meeting.

The Corporate Governance and Audit Committee Members are:-

Member

Councillor James Homewood (Chair)
Councillor Yusra Hussain
Councillor Harry McCarthy
Councillor Melanie Stephen
Councillor John Taylor
Councillor Kath Pinnock
Councillor Naheed Mather
Chris Jones (Co-Optee)

When a Member of the Corporate Governance and Audit Committee cannot attend the meeting, a member of the Substitutes Panel (below) may attend in their place in accordance with the provision of Council Procedure Rule 35(7).

Substitutes Panel

Conservative

B Armer
D Bellamy
A Gregg
D Hall
R Smith
M Thompson

Green

K Allison
A Cooper
S Lee-Richards

Labour

B Addy
A Anwar
S Hall
P Moore
M Sokhal
E Firth
T Hawkins
H Zaman

Liberal Democrat

PA Davies
J Lawson
A Munro
A Marchington
A Smith
A Pinnock

Ex Officio Members

Councillor Paul Davies (Cabinet Member for Corporate Services)
Councillor Elizabeth Smaje (Chair of Overview and Scrutiny Committee)
Councillor Moses Crook (Chair of Standards Committee)

Agenda

Reports or Explanatory Notes Attached

Pages

1: Membership of the Committee

To receive any apologies for absence, or details of substitutions to Committee membership.

2: Declaration of Interests

1 - 2

Committee Members will advise if there are any items on the Agenda in which they have a Disposable Pecuniary Interest, which would prevent them from participating in any discussion or vote on an item, or any other interests

3: Admission of the Public

Most agenda items will be considered in public session, however, it shall be advised whether the Committee will consider any matters in private, by virtue of the reports containing information which falls within a category of exempt information as contained at Schedule 12A of the Local Government Act 1972.

4: Deputations/Petitions

The Committee will receive any petitions and/or deputations from members of the public. A deputation is where up to five people can attend the meeting and make a presentation on some particular issue of concern. A member of the public can also submit a petition at the meeting relating to a matter on which the body has powers and responsibilities.

In accordance with Council Procedure Rule 10, Members of the Public must submit a deputation in writing, at least three clear working days in advance of the meeting and shall subsequently be notified if the deputation shall be heard. A maximum of four deputations shall be heard at any one meeting.

5: Public Question Time

To receive any public questions.

In accordance with Council Procedure Rule 11, the period for the asking and answering of public questions shall not exceed 15 minutes.

Any questions must be submitted in writing at least three clear working days in advance of the meeting.

6: Members Allowances Scheme (Reference to Council)

3 - 10

To consider the report.

Contact: Julie Muscroft – Service Director – Legal, Governance and Commissioning

KIRKLEES COUNCIL				
COUNCIL/CABINET/COMMITTEE MEETINGS ETC				
DECLARATION OF INTERESTS				
Corporate Governance and Audit Committee				
Name of Councillor				
Item in which you have an interest	Type of interest (eg a disclosable pecuniary interest or an "Other Interest")	Does the nature of the interest require you to withdraw from the meeting while the item in which you have an interest is under consideration? [Y/N]	Brief description of your interest	

Signed: Dated:

NOTES

Disclosable Pecuniary Interests

If you have any of the following pecuniary interests, they are your disclosable pecuniary interests under the new national rules. Any reference to spouse or civil partner includes any person with whom you are living as husband or wife, or as if they were your civil partner.

Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner, undertakes.

Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses.

Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority -

- under which goods or services are to be provided or works are to be executed; and
- which has not been fully discharged.

Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.

Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.

Any tenancy where (to your knowledge) - the landlord is your council or authority; and the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.

Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -

- (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
- (b) either -

the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.



Name of meetings:

1. Corporate Governance and Audit Committee (CGAC)
2. Council

Date: 12th September 2023 and 13th September 2023 (respectively)

Title of report: Members Allowances Scheme

Purpose of report: To propose that a Members Allowances Panel is convened as soon as possible to review allowances paid to Councillors to allow them to report back with recommendations for the CGAC and Council to consider as soon as is practically possible.

<p>Key Decision - Is it likely to result in spending or saving £500k or more, or to have a significant effect on two or more electoral wards? Decisions having a particularly significant effect on a single ward may also be treated as if they were key decisions.</p>	<p>Not Applicable</p>
<p>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?</p>	<p>Key Decision –No Private Report/Private Appendix – No</p>
<p>The Decision - Is it eligible for call in by Scrutiny?</p>	<p>Not Applicable. This is a non-executive decision to be taken by Council</p>
<p>Date signed off by <u>Strategic Director</u> & name</p> <p>Is it also signed off by the Service Director for Finance?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>Rachel Spencer Henshall</p> <p>Yes, as author</p>
<p>Cabinet member portfolio</p>	<p>Give name of Portfolio Holder/s</p> <p>Cllr Paul Davies and Cllr Graham Turner</p>

Electoral wards affected: All

Ward councillors consulted: N/A

Public or private: Public

Has GDPR been considered? Yes, there is no personal data within the report.

1. Summary

- 1.1 The Acting Leader of the Council has asked that the Council look at its Members Allowances Scheme with a view to reducing them in light of the current financial position of the Council.
- 1.2 The Acting Leader announced last week that she and the Cabinet Members were going to take a 10% and 5% (respectively) cut in their Leader/Cabinet Special Responsibility Allowances and wanted to start a formal process with the aim of reducing the cost of Councillor Allowances by at least £100,000 per year based on the current annual cost. In order to do that Cllr Scott has asked that a Members' Allowance Independent panel is convened to consider allowances for the 24/25 Financial year. She would also like members to agree to forego an uprate in allowances for the current 2023/24 based on the officer pay award and a 5% reduction in both the existing members basic allowance and Special Responsibility Allowances (SRA).
- 1.3 This report sets out some background information and the process for doing that and sets out an option for making savings in the current year.

2. Information required to take a decision

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("Regulations") set out the way in which allowances which are paid to Councillors are reviewed.
- 2.2 Briefly, this is done by having regard to the views of an Independent panel. The panel meet to consider the various roles which Members have as Ward Councillors and any additional duties e.g., chairing a Committee or Panel, Group Leaders, Cabinet Members.
- 2.3 A basic allowance is paid to all Councillors. SRAs are paid for additional duties and responsibilities carried out by some Councillors.
- 2.4 The Panel report their findings to the CGAC who consider them and make recommendations to the Council who are the final decision maker.
- 2.5 CGAC's role as set out in Its terms of reference is "To determine all matters relating to the adoption and operation of the Members' Allowances Scheme including recommendation to the Council of the adoption of or amendment to any such Scheme".
- 2.6 The last time a report was considered by Council was last year on 7th September 2022.

[FINAL 22-09-07 MAIRP Report to Council 07.09.22 003.pdf \(kirklees.gov.uk\)](#)

At that meeting the Council did not accept all of the findings of the panel or the CGAC. It was recognised by Council (as it had also been recognised by CGAC) that the panel had undertaken a very comprehensive full review of

the scheme but that had been prior to the economic pressures faced by citizens and the country in 2022 and therefore that changed situation needed to be recognised in the allowances to be paid.

- 2.7 As a result of that it was agreed that approval be given to the implementation of an annual increase for both the basic and all special responsibility allowances on a percentage basis in line with the agreed annual pay award for Council employees.
- 2.8 Although there were a number of other changes proposed by the panel and CGAC no further changes were agreed by Council.
- 2.9 A panel did not meet in 2022 to make recommendations to amend the scheme for the current 2023/24 financial year.
- 2.10 This means that the Members Allowance this year 2023/24 will increase on the percentage basis (as it did last year) in line with the agreed annual pay award for Council employees.
- 2.11 The current budget for the Members' Allowances Scheme (23/24) is £1,368,789.
- 2.12 The pay award for officers is not yet agreed but is expected to be around 5 -7 %. An increase in line with the annual pay award for employees may cost in the region of £100,000.
- 2.13 The Regulations do allow for Councillors to elect to forgo their entitlement or any part of their entitlement to allowances by giving notice to the proper officer which in Kirklees is the Service Director – Legal Governance and Commissioning.
- 2.14 In order to consider this it is proposed that officers be asked to work with Groups to convene a panel as soon as possible to consider the allowances paid to Councillors for 24/25.
- 2.15 For the current year Members are asked to voluntarily forgo the increase in allowances based on the officer pay award for the 2023/24 financial year and in addition to take a 5% reduction in their current allowances (basic and SRA). It is proposed that this is done by a recorded vote at the Council meeting.

3. Implications for the Council

3.1 Working with People

Not applicable

3.2 Working with Partners

Not applicable

a. Place Based Working

Not applicable

b. Climate Change and Air Quality

Not applicable

c. Improving outcomes for children

Not applicable

d. Financial Implications for the people living or working in Kirklees

Not applicable

e. Other (eg Integrated Impact Assessment (IIA)/Legal/Financial or Human Resources) Consultees and their opinions

Local Authorities (Members' Allowances) (England) Regulations 2003 set out the process for amending Allowance schemes including the use of an Independent Panel to do that.

The outcome of the process is likely to lead to a change in the allowances paid to Members.

It is not considered necessary to complete an Integrated Impact Assessment at this stage.

4. Consultation

None

5. Engagement

None

6. Next steps and timelines

6.1 CGAC to consider the report at its meeting on 12th September and provide feedback and / or any recommendations to the meeting of Council on 13th September.

6.2 Council to consider the report at its meeting on 13th September taking into account any feedback and/ or recommendations from CGAC.

- 6.3 In the event that it is agreed by Council that a panel be convened, officers will work with members to convene a Members Allowances Independent Review panel at the earliest possible opportunity.
- 6.4 The outcome the work of the MAIRP will be shared with CGAC and then Council in order for Council to decide whether to make any amendments to the Scheme.
- 6.5 Any agreement by individual Members to agree a 5% reduction in their current allowances (basic and SRA) will be implemented in the next allowance payment practical and with effect from their agreement to do the same.

7. Officer recommendations and reasons

7.1 That CGAC:

- recommend to Council that they ask officers to work with Groups to convene a Members Allowance Independent Review panel as soon as possible to consider the allowances paid to Councillors having regard to the financial position of the Council;
- consider whether they wish to make any further recommendations to Council about this matter;
- Ask all Members in attendance at the Council meeting to indicate by recorded vote whether they wish to forgo the increase in allowances (basic and SRA) based on the officer pay award for the 2023/24 financial year and in addition to take a 5% reduction in their current allowances (basic and SRA).
- Ask members not in attendance at the Council meeting to indicate their intention to forgo the increase and in addition take a 5% reduction in their current allowances (basic and SRA)

7.2 That Council:

- have regard to any comments or recommendations from CGAC about this matter;
- ask officers to work with Groups to convene a Members Allowance Independent Review panel as soon as possible to consider the allowances paid to Councillors having regard to the financial position of the Council;
- Ask all Members in attendance at the Council meeting to indicate by recorded vote whether they wish to forgo the increase in allowances (basic and SRA) based on the officer pay award for the 2023/24 financial year and in addition to take a 5% reduction in their current allowances (basic and SRA).
- Ask members not in attendance at the Council meeting to indicate their intention to forgo the increase and in addition take a 5% reduction in their current allowances (basic and SRA)

This is to enable there to be an independent review of allowances in accordance with the regulations for 24/25 and to consider whether any members wish to agree to some voluntary in year changes to allowances for 23/24 Financial year.

8. Cabinet Portfolio Holder's recommendations

Not applicable

9. Contact officer

Service Director below.

10. Background Papers and History of Decisions

Report to Council on 7th September 2022 [FINAL 22-09-07 MAIRP Report to Council 07.09.22 003.pdf \(kirklees.gov.uk\)](#)

11. Service Director responsible

Julie Muscroft Service Director, Legal Governance and Commissioning
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